

Driving
Express
Delivering
Results



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Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



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please log on to
www.tciexpress.in

In the present business environment, speed and timely delivery to markets is a very important factor. With customers on the look-out for logistics services that are finely tuned to suit their requirements, the need for a dynamic and time-sensitive delivery system has become imperative.

With our commitment to meet customer's needs and rise above time crunches driving us forth, we have been able to deliver results and raise the bar of service excellence.

We at TCI Express have been able to herald a new era in the logistics industry where we have adopted technological advancements that has given us an edge over our competitors and added value to our existing offerings to make us the network that delivers!



About Us

TCI Express is a prominent player in the express logistics industry providing Door-to-Door express Distribution services. Headquartered in Gurugram (NCR), India, our operations are pan-India, covering the length and breadth of the country.

Established as a multi-specialist express cargo division of Transport Corporation of India Limited in 1997, TCI Express was demerged as a separate entity in 2016. We possess deep industry expertise, logistics and solutions design capabilities and credentials across many sectors, which enable us to deliver complex and customized end-to-end supply chain solutions. We employ nearly 3,000 permanent and temporary employees across India.

Vision

TCI Express should be a customer-oriented, multi-technology, multi-specialist transport system in the Indian and International markets, with a proven commitment to excellence in every facet of activity and pursuit of value based policies to satisfy aspirations of society, customers, vendors, employees, shareholders and the transport industry.

Mission

- L** > Loved by customers in Indian and International Markets
- E** > Express multimodal fastest company
- A** > Always ahead of the rest in speed and professionalism
- D** > Delight our customers every time
- E** > Excellence in service using the latest in technology
- R** > Reliable to all our customers and respected by all our stakeholders

Service offerings

The foundation of our business consists of services such as:



Surface Express



Domestic Air Express



International Air Express
(in B2B segment)



Reverse Express



E-commerce
(in B2C segment)

Sectors we serve



Automotive



Pharmaceutical



Energy Electrical Power



Electronics



Textiles



Information Technology



Retail



E-commerce

Our Infrastructure



Branches/ Networks

We have an extensive network of around 700 company owned branches.



Fleet

Our large, fully containerized fleet of Express, Feeder and Service Route Vehicles connects over 40,000+ pick-up and delivery locations respectively.



Hub & spoke model

Our well-connected routes helps us in speedy movement of the cargo through the Hub & Spoke Distribution Model.



Customer care center

We have a dedicated Customer Care Center that ensures quick and prompt response to all customer queries and our online tracking allows them to know the location of their package at any given time.

Express Service

At TCI Express, we have always remained committed to our customers and focused on providing value to them through a range of services across our portfolio. We are well placed in the industry to benefit from positive industry trends, with a unique service offering and geographic footprint, and the opportunity to realize untapped cost efficiencies.

Surface Express

We offer solutions for customer's express needs by providing door-step pickup and delivery along with offering consumer friendly value added services. Our offerings include:

- > Express pickup and delivery in India at 40,000+ Locations
- > Day-definite delivery
- > Cash on delivery
- > IT integration with customers
- > Sunday and holiday deliveries



Domestic Air Express

We offer 24x7 customer services as well as time sensitive express deliveries. Deliveries to all metro cities are done in 24 hours and mini metros and A-class cities in 48 hours. We take pride in providing the following services to our customers:

- > Door-to-Door / Door-to-Airport services
- > Airport-to-Airport / Airport-to-Door services
- > Multimode services (Unique combination of air and surface modes)
- > Unique arrangement of space with all domestic carriers
- > Collection on Delivery (COD)
- > Sunday and holiday services
- > Late pickup and deliveries



International Air Express

We offer time sensitive movement of small packages (samples) and Commercial shipments from all major ports of India. Our service extends to around 208 countries across the globe. Our offerings include:

- > Free 7 days storage facility at origin locations in our own sorting centers for export consignments
- > 3rd country shipment services
- > Pickup from Exporter's premises arranged for port-to-port shipments
- > Value added services like AD Code Registration, Issue of Country of Origin Certificate, Legalization of Documents, Fumigation, GSP Certificate, etc.
- > Charter Services provided
- > Consolidation of shipments undertaken to help the exporters
- > Urgent deliveries of shipments by hand through trained manpower provided under our First Flight Out Service
- > Bulk Mailer Services are provided with customization to help exporters



Reverse Express

We offer reverse logistics services in an efficient and economical manner by way of transfer of goods from location of the end user to that of the manufacturer. We differentiate ourselves through the following offerings:

- › Pickup from anywhere in India from 3,000+ points
- › Centralized monitoring
- › To and fro movement of goods for repair and return (B2B / B2C)
- › Key MIS as per customer needs

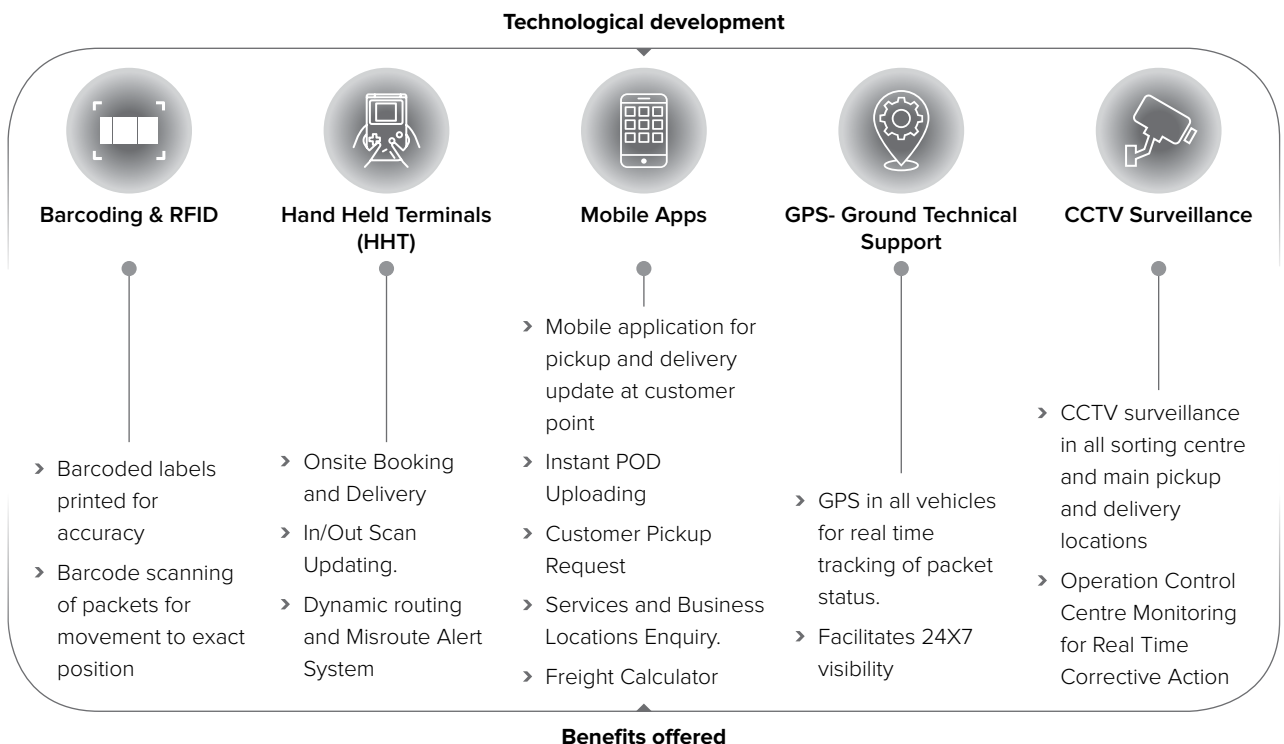
E-Commerce

We offer in-city distribution of goods through GPS enabled fleet of Route Vehicles which facilitates optimum on time delivery. Our offerings include:

- › Vendor to warehouse and inter warehouse
- › Packaging material distribution
- › Warehouse to customer
- › Fulfillment centre to last mile
- › Intra-city distribution
- › Cash collection
- › IT integration with customers
- › Sunday and holiday deliveries

Technology Benefits Offered

The logistics market has an intrinsic growth dynamic fuelled by a variety of global trends, one of which is technology. In the present days, the new digital savvy population wants more transparency in the supply chain and greater ease of doing business. Our technological developments help us address these demands efficiently.



Stakeholder Engagement and Value Creation



Government



Shareholders and Investors



Customers

Engagement issues

- > Compliance with industry regulations
- > Contribution in shaping industry policy



- > Sufficient return on investments
- > Open and timely information about the Company's financial position and outlook
- > Increased dividends



- > High quality, reliable and responsible delivery service
- > Understanding customer needs and managing customer service relations
- > On-time delivery
- > Competitive pricing

How we engage

- > Job creation and retention
- > Fair and sustainable business practices
- > Providing regular and transparent information
- > Compliance with taxation policies



- > Publication of financial results as well as quarterly investor presentations
- > Regular engagement with key shareholders
- > Annual General meeting
- > Annual reports



- > Regular interactions with key customers
- > Consistently providing high quality delivery services
- > Meeting of sales and marketing head with the top 25 customers every quarter wherein their feedback and suggestions are obtained
- > Interim and full year performance reviews
- > Customer satisfaction surveys

Value Created

~125

Paid to exchequer in FY 2018-19 on account of direct and indirect taxes (₹ in Crores)

19.02

Earnings per share in FY 2018-19 (₹)

2.40

>> Interim dividend per share paid during the year 2018-19 (₹)

0.60

Final Dividend per share recommended by Board for FY 2018-19 (₹)

~2,00,000

No. of customers

20,000+

>> No. of customers added in the past 3 years



Suppliers

- › Timely renewal of contracts
- › Long lasting relationship
- › Cost effective pricing



Employees

- › Good leadership, management and supervision
- › Equality and transparency within the organization
- › Occupational safety, well-being and a good working environment
- › Career development
- › Competitive remuneration and benefits packages



Communities

- › Good corporate citizenship
- › Sustainable business practices



Media

- › Reliable and up-to-date information about the Company's operations
- › An open communications culture

- › Timeous Payment
- › Training programs
- › One-on-One meetings
- › Interaction in ordinary course of Business

- › Review and audit of working conditions
- › Implementation of policies and procedures where required
- › Interim and full year performance reviews
- › Continuous personal development
- › Workforce transformation
- › Equitable remuneration and recognition
- › Organize various training and development programs

- › Employment opportunities
- › Sponsorship and donations
- › Support for key community developments
- › Health and wellness camps

- › Publication of financial results and comments
- › Interviews and discussions with the media channels
- › Respond promptly, accurately and comprehensively to media enquiries.

~50,000

No. of Suppliers

85.86

Employee Benefit expenditure in FY 2018-19 (₹ in Crores)

3,000

Employee strength as on 31st March 2019

1.00

Spent towards corporate social responsibility (CSR) activities in 2018-19 (₹ in Crores)

Regular

and timely communication with all stakeholders

Chairman's Message

Dear Shareholders,

The fiscal 2019 was yet another remarkable year for TCI Express. We were successful in achieving results as per our expectations and posted strong organic growth across all business areas. During the year, the Indian economy remained the fastest growing major economy across the globe, despite several challenges. The country's revenue receipts reached an estimated ₹28-30 trillion, supported by various initiatives undertaken by the government such as infrastructure development and reforms such as Goods & Services Tax (GST) which boosted the growth of the economy. GST proved to be a significant milestone for the logistics industry as it helped in propelling the country's overall development. Besides, it also reduced the unemployment in the sector by providing employment to more than 22 million people. Prior to the implementation of GST, inter-state movement of goods in the country attracted several taxes and clearances. This included a system of check-points in place for collection of these taxes, including Octroi, LBT (local body taxes) and Entry Tax. This resulted in delay in deliveries as each of the check points and numerous paper work increased the transit time. Added to these complexities were the regulatory procedures which varied across the states. All these taxes were then subsumed under GST, thereby reducing the complexity in compliances and resulting in faster transit times, improved predictability and higher efficiencies for surface transport. This transformation is highly beneficial to the logistics industry players having pan India operations. The sector growth was also benefited from digitization, globalization and favourable demographics.




The express logistics industry has a significant fragmented supply market where the compliance with taxation and other regulatory compliances is observed to be complex. Due to GST, the new taxation regime, all firms having a turnover of more than ₹ 2 million are mandated to be GST compliant. This is expected to lead to a shift to organized sector. As a result of these favourable measures, the industry is now becoming one of the fastest growing sectors. Also, with the recent emergence of e-commerce and subsequent surge in consumer demands, the express delivery industry across the globe has undergone a transformation. Technology is also contributing to the growth of the sector, with Big Data, IoT, Artificial Intelligence, Blockchain and drone delivery, addressing existing challenges and maximizing both efficiency as well as growth.

At TCI Express, we have always been ahead of the curve and future ready. Our technologies and processes have also been in line with the changing dynamics of the industry. Over time, we have evolved through our consumer orientation approach to ensure that we meet their requirements, thereby, growing not only in terms of operations but also in matching the growing scale of business needs of our customers.

Our operations take place through a wide network across the country with about 700 company branches and 28 sorting centers serving 708 districts in India. We also pride ourselves as an organization for our strong values and ethics which have been deep-rooted in us since our inception. Our long standing customers are the testimony to this fact.

I am also pleased to report another year with stellar performance achieving



I am also pleased to report another year with stellar performance achieving revenue of ₹ 1023.79 Crores which represents 15.67% growth and Profit After Tax of ₹ 72.84 Crores, up 24.75% y-o-y.

revenue of ₹ 1023.79 Crores which represents 15.67% growth and Profit After Tax of ₹ 72.84 Crores, up 24.75% y-o-y. Being the fastest growing express delivery company in India with the largest hub and spoke network, we address the time critical needs of industrial customers and deliver products from one point to another in the shortest period of time, consistently and safely. Our strategy is to assure our esteemed customers and gain their trust, that we shall always put them first in service.

Over the years we have also made significant investments in technology as it drives the competitiveness in the market for us. As a leading industry player, we are among the few in the organized sector to have deployed a robust technology backbone. We have developed our own in-house ERP solution, automated our back-end operation and have seamless

connectivity across our network of offices. Also, our entire fleet is GPS enabled, helping us to continuously monitor the location, ensuring time definite delivery services to customers. This has helped us build a strong technological infrastructure within the system.

Moving ahead, we aim to continue to focus on and be guided by our founding principles that differentiate us in the market. We are also planning on doubling the capacity of sorting centers in coming 4 to 5 years. We plan to increase our owned sorting centers in place of the leased and rented ones without raising any additional debt or diluting equity. We also aim to automate big centers in the next 3 to 4 years and we are working towards the same.

TCI Express is working towards creating a more technology driven and consumer centric organization. A

positive economic environment coupled with a clearly defined strategic direction and on ground execution, we are on a growth trajectory.

On behalf of the board and entire leadership team, I take this opportunity to thank all our stakeholders including customers, business partners and employees for their continued trust and support.

D. P. Agarwal
Chairman

Managing Director's Message



Our revenues for the year stood at ₹ 1,023.79 Crores with a strong PBT of ₹ 111.87 Crores up by 33.57% from the previous year.

Dear Shareholders,

Since inception, the express logistics sector in India has experienced a fast-track growth. Speedy delivery system is a critical part of the ecosystem with time-finite deliveries now gaining increasing prominence. The industry has significantly expanded not only in size but also in terms of reach and solutions. From time to time, the industry has invested in technology as well as services to meet the changing consumer dynamics and so has TCI Express.

Today, the industry is projected to growth at 9%-11%, annually owing to better road connectivity, increase in purchasing power in the tier I and tier II cities and a rise in e-commerce. A major factor driving the growth of this industry is the appropriate allocation of resources from both public and private sector players in enhancing the infrastructure of the country. Further, the ease of doing business in India is also resulting in increased trade with Asia, Europe and North America, thereby validating the importance of express logistics services.

Further, the industry is transforming rapidly with the rise of e-commerce, the government's focus on the manufacturing sector, demand from MSMEs and regulatory reforms such as the GST.

The development of these megatrends have also pushed the development of road and air infrastructure with technology as a driving force.

Improving taxation policy and positive reforms has led to a strong bullish sentiment for investments in both domestic and international logistics market.

At TCI Express, we are positioned to capitalise on these developments by aggressively addressing the needs of downstream industries like automobile, pharmaceuticals, SMEs and e-commerce. This positions us a preferred leading player in the industry possessing the largest hub and spoke network. With our wide distribution network of 700 owned branches and delivery capability to maximum pin-codes, we serve the remotest locations in the country with fast delivery. Owing to these factors, we were also able to post robust financial growth for the Company in FY 2018-19.

Our revenues for the year stood at ₹ 1,023.79 Crores with a strong PBT of ₹ 111.87 Crores up by 33.57% from the previous year and EBITDA of ₹ 122.19 Crores, 31.77% higher than FY 2017-18. This growth was driven by higher operating efficiencies and better economies of scale in FY 2018-19.

We continued to maintain healthy balance sheet and strong cash flow from operations. Our cash flow from operating activities was ₹ 77.55 Crores for FY 2018-19 as against ₹ 73.87 Crores in FY 2017-18. The average capital employed stood at ₹ 244.13 Crores as

“Exceed your customer's expectations. If you do, they'll come back over and over. Give them what they want - and a little more.” - Sam Walton

compared to ₹ 188.70 Crores in the same time frame. Further, net cash flow was reported at ₹ 17.10 Crores for the current fiscal. During the year, Return on equity to 27.26% and the debt equity ratio and current ratios was observed at 0.03 times and 1.87 times respectively. With a strong foothold across the logistic market, we continued to offer our customers competitive and effective transport and logistics services.

Our Strategic Business approach of long-term and sustainable business development with profitable partnerships have resulted in sustaining revenues and profitability. We have RKAM (Regional Key Account) System for one location customer and NKAM (National Key Account) system for multi-location customer with monthly business of ₹ 50 Lakh or more. We also undertake MBR (Monthly Business Review) and QBR (Quarterly business review) to take feedback and understand customers' perceptions.

Our regular feedback sessions with our customers help us understand their needs and to serve them accordingly. We also conduct quarterly client meetings to review the operation quality, understand their expectation and examine the service-expectation gap. In the express distribution, the customers' suggestions with regard to their needs are imperative, which is why, we always include their inputs in our service design processes. While we focus on business process optimization, our people are at the heart of our operations. We make sincere effort to ensure that they have the best learning,

training and environment to perform to the best of their abilities.

Recruitment and retention of talent remain key to our success. We offer clear career advancing opportunities to our employees in the form of appraisal, performance based incentives, as well as talent development programs.

With this, we believe that TCI Express performed remarkably well during the year and our strategies of a strong business model combined with focus on growth, operational excellence. We have further plans on continuing this growth story through doubling our sorting centers in the next 4 to 5 years while at the same time ensuring strength of our balance sheet.

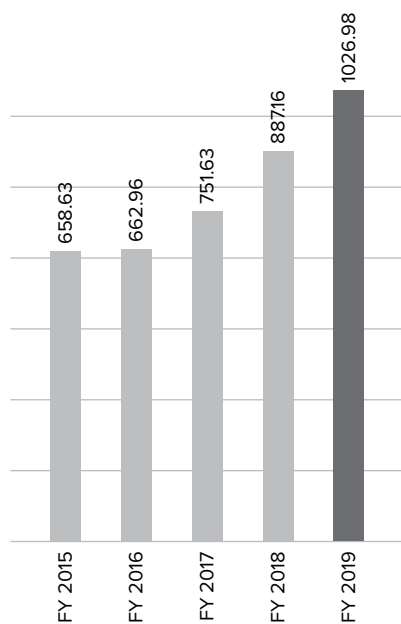
I would like to take this opportunity to thank all our stakeholders for their continued support and trust in us and with this we shall continue to further enhance our business through our well-defined strategies and keep TCI Express steady on its growth trajectory. Furthermore, I would also like to express my sincere gratitude to all the employees of TCI Express whose hard work and commitment has led the Company forward. I wish you all a bright future ahead.

Chander Agarwal
Managing Director

Financial Performance

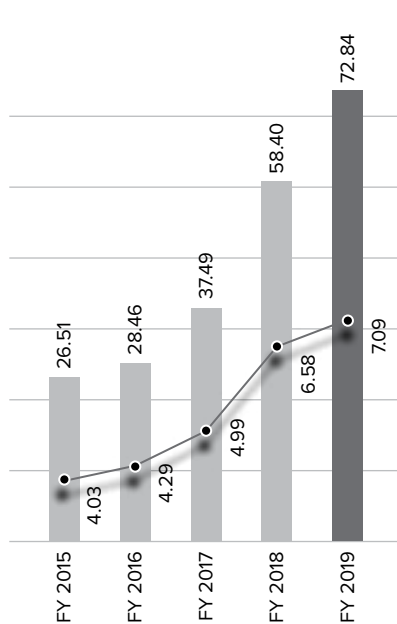
Revenue

(in ₹ Crores)



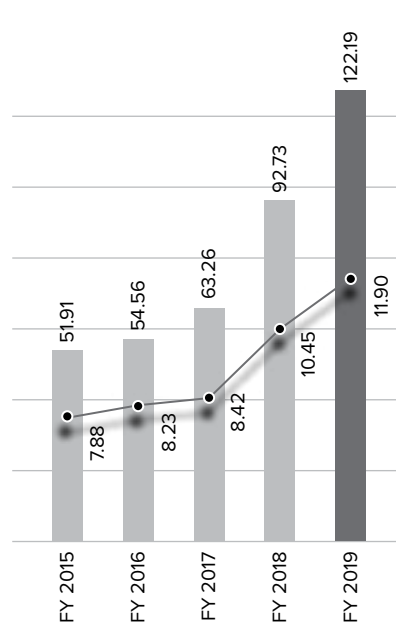
PAT (in ₹ Crores)

PAT Margin (%)



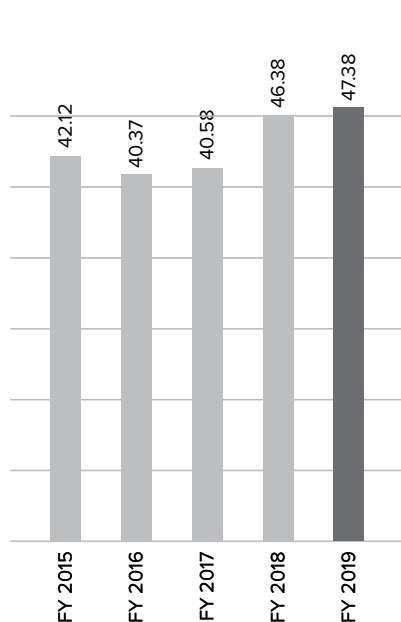
EBITDA (in ₹ Crores)

EBITDA Margin (%)



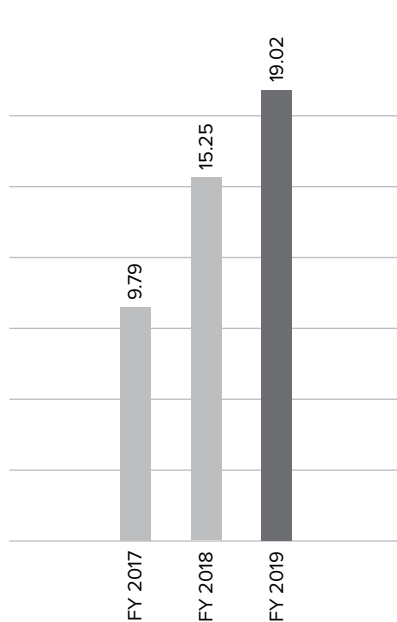
Return on Capital Employed

(in %)



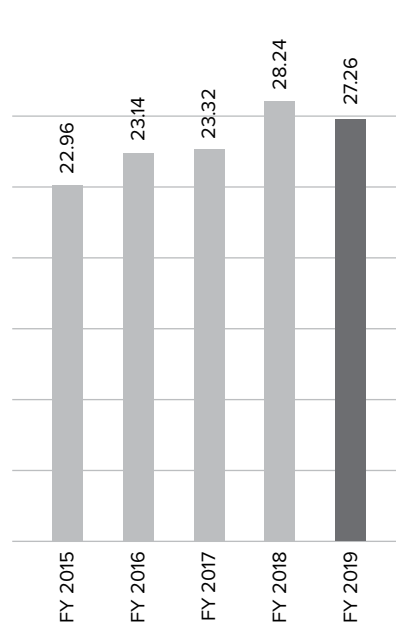
Earnings per Share

(in ₹)



Return on Equity

(in %)



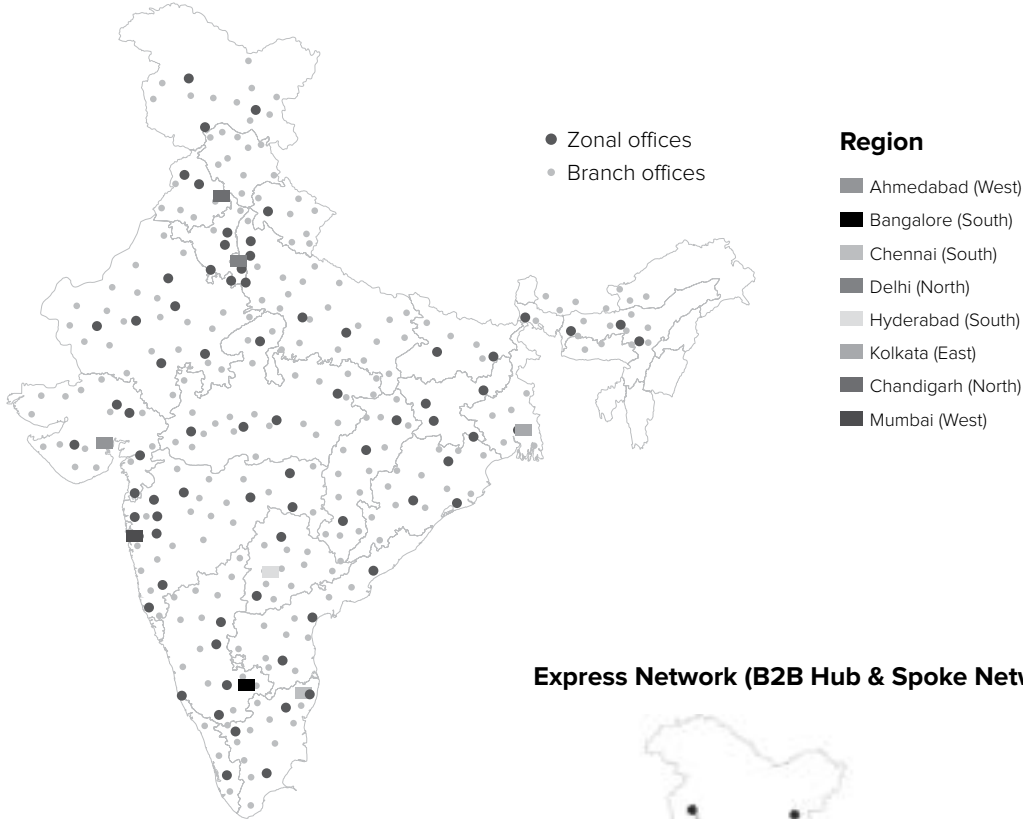
(₹ in Crores Except as stated otherwise)

Particulars	2018-19	2017-18	2016-17	2015-16*	2014-15*	2013-14*	2012-13*	2011-12*
Total Income	1026.98	887.16	751.63	663.19	658.63	599.97	555.73	495.01
EBIDTA	122.19	92.73	63.26	54.56	51.91	48.25	45.49	43.51
Finance Cost	3.78	3.76	2.44	5.25	5.76	5.12	5.63	6.35
Depreciation & Amortisation	6.53	5.21	4.31	5.79	6.00	4.39	4.44	5.33
Profit before Tax & Exceptional Items	111.87	83.76	56.51	43.53	40.15	38.74	35.42	31.84
Taxes	39.04	25.37	19.02	15.06	13.65	13.17	11.49	9.90
Net profit	72.84	58.40	37.49	28.46	26.51	25.57	23.93	20.62
Cash profit	79.37	64.56	40.68	34.25	32.51	29.96	28.37	25.94
Dividend per share	3.00	2.50	0.80	0.00	0.00	0.00	0.00	0.00
Earning Per share (₹)	19.02	15.25	9.79	0.00	0.00	0.00	0.00	0.00
Gross Block	199.27	181.44	124.22	88.42	38.75	35.26	36.59	38.24
Net Block	174.43	162.01	105.00	71.53	14.61	16.95	19.45	21.90
Share Capital	7.66	7.66	7.66	7.61	0.00	0.00	0.00	0.00
Net Worth	267.19	206.81	160.77	122.98	115.43	101.95	93.46	85.64
Total Debts	8.68	39.82	31.03	40.33	0.55	1.12	0.94	2.68
Capital Employed	275.49	212.77	164.64	125.91	115.73	102.27	93.99	87.94
Avg. Capital Employed	244.13	188.70	145.28	120.82	109.00	98.13	90.97	88.59
Return on Net Worth	27.26%	28.24%	23.32%	23.14%	22.96%	25.10%	25.60%	24.07%
Return on Capital Employed	47.38%	46.38%	40.58%	40.37%	42.12%	44.73%	45.12%	43.10%
Debt Equity Ratio (times)	0.03	0.19	0.19	0.33	0.00	0.01	0.01	0.03
Interest Cover (times)	32.33	24.68	25.90	10.40	9.02	9.42	8.08	6.85
Book Value per share (in ₹)	69.78	54.01	41.99	0.00	0.00	0.00	0.00	0.00

(*) The figures belong to the erstwhile TCI XPS division of Transport Corporation of India Limited

Domestic Footprints

Organization Setup



Express Network (B2B Hub & Spoke Network)



500

Express Routes

700

Company Branches

28

Sorting Centres

2500

Feeder Routes

50

Zonal Offices

8

Regional Offices

708

Districts Served

Contributing to a Sustainable future

We believe, a Company's purpose is not only to create financial profits, but also offering to the society and environment. We realise this and operate our business in a sustainable manner, creating value for our customers, employees, investors, communities and other stakeholders.

₹100 lakhs

towards development of Urmila Sports Academy in 2018-19

Our focus areas with respect to sustainability are closely concomitant to our business objectives and are intended to relate to what we do. We integrate environmental concerns in a variety of areas, from warehousing operations and transportation, to solution design and procurement. Our major contribution is towards promoting sports, especially in the backward region of the Country. During the year under review, we contributed Rs. 100 lakhs towards upliftment of Urmila Sports academy which primarily serves as a platform to budding and seasoned athletes and helps them enhance their skills.

Urmila Sports Academy, Rajasthan



Board of Directors



Mr. D.P. Agarwal
Chairman and Director



Mr. Chander Agarwal
Managing Director



Mr. Vineet Agarwal
Non-Executive Director



Mr. Murali Krishna Chevuturi
Director



Mr. Ashok Kumar Ladha
Director



Mrs. Taruna Singhi
Director



Mr. Prashant Jain
Director



Mr. Phool Chand Sharma
Whole Time Director & CEO

Corporate Information

Board of Directors

Mr. D.P. Agarwal, Chairman
Mr. Chander Agarwal, Managing Director
Mr. Vineet Agarwal, Non-Executive Director
Mr. Murali Krishna Chevuturi, Independent Director
Mr. Ashok Kumar Ladha, Independent Director
Mrs. Taruna Singhi, Independent Director
Mr. Prashant Jain, Independent Director
Mr. Phool Chand Sharma, Whole Time Director

Other Information

Mr. Mukti Lal, Chief Financial Officer
Mr. Vinay Gujral, Company Secretary & Compliance Officer

Statutory Auditors

M/s. R.S Agarwala & Co.
Chartered Accountants

Principal Bankers

State Bank of India
HDFC Bank

Registered & Corporate Office

Registered Office

Flat No. 306 & 307, 1-8-27 1 to 273, 3rd Floor,
Ashoka Bhoopal Chambers, S.P Road,
Secunderabad-500003, Telangana
Tel: +91-40-27840104
Email: info@tciexpress.in
Webste: www.tciexpress.in
Toll free: 1800 2000 977
CIN: L62200TG2008PLC061781

Corporate Office

TCI House, 69 Institutional Area, Sector-32,
Gurugram-122001 (Haryana)
Tel: +91-124-2384090-94
Email: info@tciexpress.in

Registrar & Share Transfer Agent

Karvy Fintech Pvt. Ltd. (formerly known Karvy Computershare Pvt. Ltd.)
Karvy Selenium Tower B, Plot 31-32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad- 500 032 Telangana
Tel:+91-040-67161524
Website: www.karvyfintech.com
Email: rajeev.kr@karvy.com

Management Discussion and Analysis



Economic Scenario

Global Perspectives

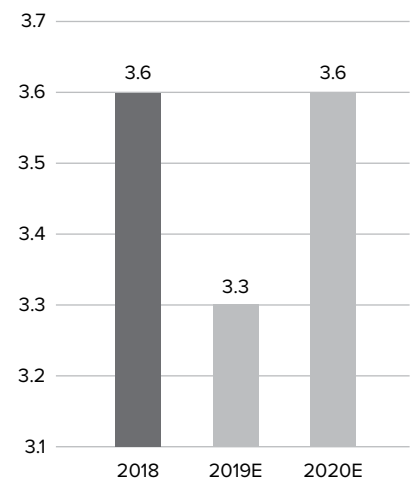
After recording strong growth in 2017 and early 2018, global growth for the full year 2018 is stood at 3.6%. The reduced growth rate is attributed to a slowdown in global expansion in the second half of 2018 caused by escalating United States and China trade tensions, macroeconomic stress in Turkey and Argentina, tighter credit policies in China and the trend towards the normalisation of monetary policy in advanced economies.

China's growth declined following a combination of regulatory tightening to rein in shadow banking and an increase in trade tensions with the United States. Trade tensions have taken a toll on business confidence, dampened financial market sentiment and tightened financial conditions in

both emerging markets as well as in advanced economies, all weighing heavily on global demand.

For the coming period, global growth is estimated at 3.3% in 2019 and 3.6% in 2020 due to the softening in international trade and manufacturing activity, rising trade tensions and substantial market pressures faced by some of the emerging markets. Although the projected growth rates are reasonable, the outlook for many countries is very challenging with substantial uncertainties in the short term, especially as advanced economy growth rates converge toward their modest long-term potential. Advanced economies are anticipated to slowdown to 1.6% by 2022 and remain flat in the near term. Furthermore, growth is expected to steady at 4.8% over the medium term for emerging markets and developing countries.

Global Economic Growth (%)



*E: Estimated
(Source: IMF)

India perspective

The growth of the Indian economy stood at 6.8% for the fiscal year 2018-19. The country continues to emerge as the fastest growing major economy in the world on the back of strong macroeconomic fundamentals and policy reforms including amendments to the policy related to insolvency and bankruptcy, bank recapitalizations and increasing foreign direct investment. In addition to this, government’s major focus during the year remained on infrastructure development. This includes improvement in housing infrastructure as well as providing improved transportation connectivity within the country.

As regards surface transportation, the focus was placed on increasing the coverage and quality of roads and highways as it is critical to enhancing connectivity as well as internal and external trade. For this purpose, a number of projects namely Bharatmala, Pradhan Mantri Gram Sadak Yojana (PMGSY), Special Accelerated Road Development Programme for the North-Eastern region and ‘North-East Road Network Connectivity Project Phase I’ were undertaken. With this, the government aimed to improve the regulatory framework for roads to achieve better compliance, seamless connectivity, road safety and quality. In addition to this, a number of initiatives such as Sagarmala, Jal Marg Vikas project etc. were also undertaken to improve the inland waterways connectivity.

These developments provided an added impetus to the already growing

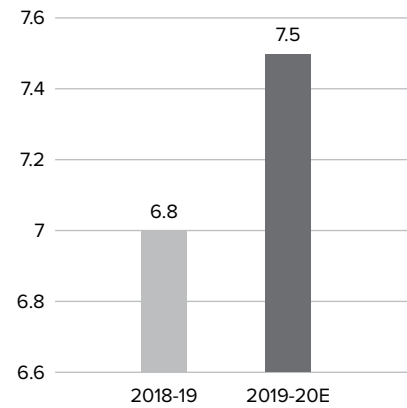
logistics industry in India. The integrated logistics policy has removed hierarchies and interactions with multiple agencies, facilitated effective monitoring and a complete tech-driven approach which has helped India’s logistics sector grow further to become one of the most promising sectors of the Indian economy. During the year, the sector grew at ~14%, a rate twice of country’s GDP.

India is expected to emerge as one of the top three economic powers of the world in coming few years. With GDP expected to reach 7.5% in FY 2020, the country will achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics and ongoing reforms. The country is expected to be the third largest consumer economy in the world as its consumption may double to US\$ 5 trillion by 2025, owing to the shift in consumer behavior and

expenditure patterns. In the coming period, the growth in GDP, improvement in technology and supportive regulatory changes are anticipated to drive the growth of express logistics industry in India.

(Source: ADB)

India’s GDP Growth (in %)



*E: Estimated

Industry Landscape

Global Logistics Industry

The logistics market embraces all the activities of the supply chain such as transportation, customer service, inventory management, flow of information and order processing. The other activities of the supply chain include warehousing, material handling, purchasing, packaging, information and maintenance amongst others. From a geographic perspective, Asia Pacific accounted for the largest segment of the global logistics market and is anticipated to maintain its leading position in the coming years, followed by North America. This market position is a result of major contributions from countries such as China, India, Singapore, Indonesia, Japan and Malaysia. The upsurge in internet retailing and the increasing popularity of online shopping are some of the other factors amplifying the growth of the logistics market. Additionally,

the following trends are anticipated to propel the growth of the industry in 2019:

- › **Block Chain Technology:** The implementation of block chain technology has the potential to increase the efficiency and transparency of supply chains and is expected to impact everything from warehousing to delivery top payment positively during the next few years.
- › **Digitalization of the Logistics Industry:** The integration of digital channels allows the logistics service providers to lend transparency to customers while optimizing solutions for increased safety and efficiency.
- › **Emergence of 3PL and 5PL:** 3PL (third-party logistics) is an advancement in supply chain outsourcing, which provides decreased procurement expenses as well as reduced delivery times. The mounting complexities in the global

supply chain market are expected to reduce through adoption of 5PL (fifth-party logistics), as providers of 5PL solutions often link e-businesses to achieve minimum cost targets.

- › **Efficient Last Mile Deliveries:** With the continuous increase in the number of e-commerce companies, the provision of efficient last mile deliveries is experiencing a major upswing creating differentiated services amongst competitors. As a result, logistics companies are making significant efforts to offer efficient last mile deliveries, thereby boosting the growth of the sector.
- › **Integration of Drones and Smart Glasses:** The rising integration of drones and smart glasses in the logistics industry has improved the flexibility and speed of delivery, subsequently positively impacting the growth of the last mile logistics market. (Source: Transparency Market Research, Technavio)

Indian Logistics Industry

The Indian logistics industry is a high profile sector with regards to its contribution to national and state incomes, trade flows, foreign direct investment and as well as national employment. The sector contributes about 13-14% of India's GDP compared with 8-9% in other developing nations. Presently, the sector is dominated by transportation, which accounts for a share of over 85% of total value, and a similar trend (of high share) is expected to prevail over next few years. This share is set to remain high in the coming years. The rest of the share is accounted for by storage. Given the scale and depth of operations, the sector is labour intensive having

employed around 22 million people. The industry has primarily grown on the back of progress in manufacturing, retail, fast moving consumer goods and the recent e-commerce sectors. Furthermore, the development of logistics related infrastructure such as dedicated freight corridors, logistics parks, free trade warehousing zones and container freight stations continues to improve the overall efficiency of the sector.

The government, during the year, also took notable steps towards driving the growth of the sector. This is reflected in 21% jump in allocation towards the infrastructure development in north-eastern region at ₹ 58,166 Crores, with the aim of capitalizing

on the currently untapped logistics potential of the region. The last Budget provides a framework proposed by the government which clearly reflects its determination to empower the logistics sector with pro-industry measures. These measures include ease of doing business and expediting inter-state freight movement through simplified e-way bills along with providing emphasis on inland water development. Furthermore, the tax reliefs, besides resulting in more disposable income, are also anticipated to lead to more discretionary spending thereby boosting the movement of goods and benefiting the overall logistics sector. (Source: Business Standard, Economic Times on Interim Budget 2019-20)

Growth Drivers of Indian logistic

- **Favourable Demographics:** Accounting for nearly 17.5% of the global population, India is set to be the world's most populous country by 2028 with 40% of its population below the age of 20. With this population profile, the demand for logistics and transportation services will increase.
- **Rising Disposable Income:** High GDP and per capita growth has led to an increase in the disposable income of the country. Moreover, with the rise in disposable income, it is estimated that domestic consumption to reach Rs. 335 trillion by 2028 which would increase the demand for logistics.
- **Technology Improvements:** Adoption of state-of-the-art technology and innovation is expected to reduce transportation costs. With this in place, quality service at low cost is a major driver for the growth of transportation and logistics services.
- **Infrastructure Upgradation:** Policies and initiatives for infrastructure development such as logistics parks, freight corridors, Bharatmala and Sagarmala projects are likely to be major catalysts for growth.
- **Government Policy Support:** The government has applied Infrastructure status to the transport sector. Furthermore, in order to promote logistics and transportation services, the government has implemented various policy initiatives and targets such as GST, the Sagarmala project and a higher allocation under Interim Budget 2019-20. The government has set specific targets to reduce logistics cost from the current 14% of GDP to less than 10% by 2022. (Source: India Services)

Government Initiatives

The Indian logistics industry has been gaining traction over recent years with e-commerce penetration, economic revival, GST implementation and government initiatives such as "Make in India". Along with the National Integrated Logistic Policy, National Civil Aviation Policy and increased investments, there has been a considerable emphasis on improving the performance of the logistics sector. The key initiatives which underpinned the growth of the sector were:

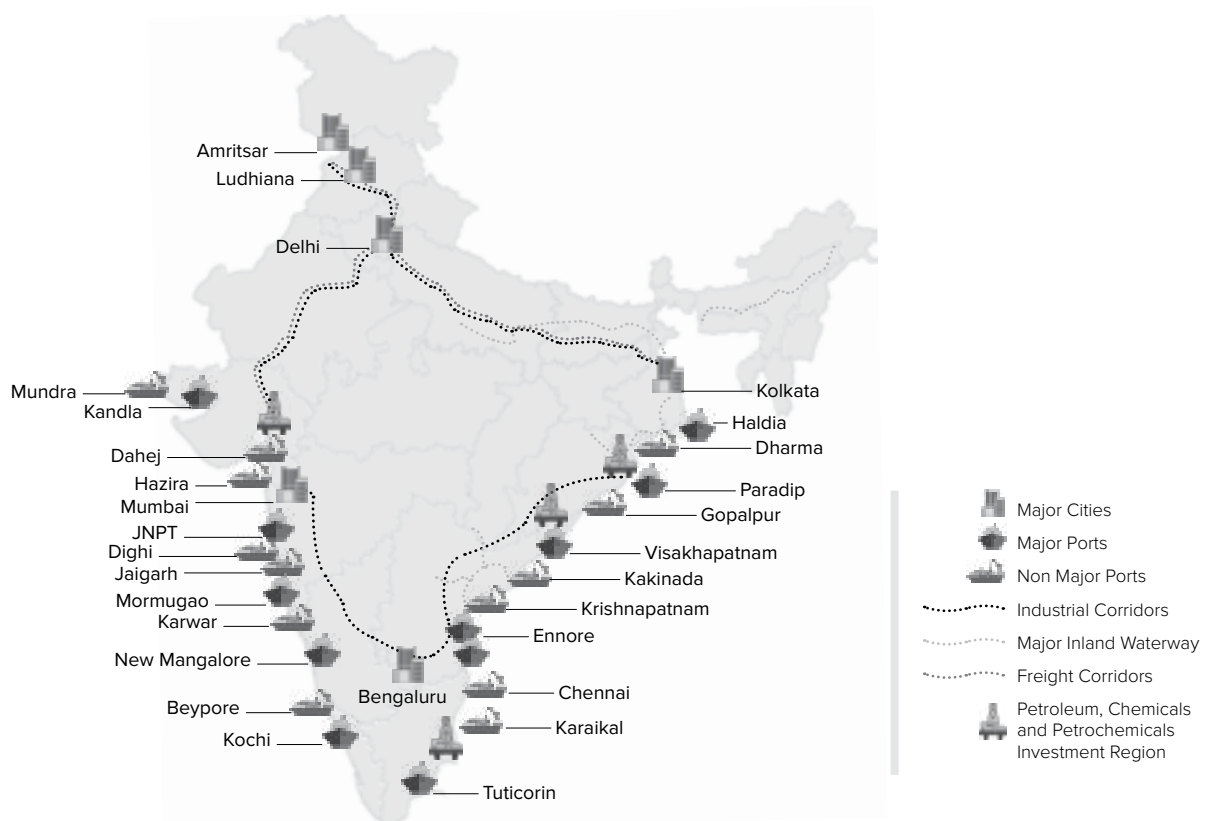
- **Dedicated freight corridors:** The government has notified five major industrial corridors – Delhi-Mumbai Industrial Corridor (DMIC), Amritsar-Kolkata Industrial Corridor (AKIC), Chennai-Bengaluru Industrial Corridor (CBIC), Visakhapatnam-Chennai Industrial Corridor (VCIC) and Bengaluru- Mumbai Economic Corridor (BMEC), for the rapid movement of freight. These corridors are spread across 15 states in India.
- **Logistics parks:** These parks serve as centers for freight aggregation and distribution hubs, storage, warehousing and multi-modal transportation. The government has announced the development of 35 such parks to cut transportation cost and enable the swift freight movement on higher sized trucks and rails between hubs.
- **Sagarmala Project:** This initiative aims at doubling the share of seaways in the transport mix over the next decade by executing multiple projects related to the expansion and modernization of various ports.

- **Technology upgrades:** New technology such as the internet of things or IoT, mobile applications, cloud storage and big data analytics are increasingly being used across the industry to improve existing business operations, transact with new customers and expand their network.
- **Electronic way bill (e-way bill):** In order to ensure compliance with the GST law, the government has introduced the electronic way bill (E-way bill). The E-way bill proposes the replacement of the physical interface with a digital interface for tracking the movement of goods and check for tax evasion. (Source: India Briefing)

Outlook

The Indian logistic sector is expected to be valued at \$400 billion by 2020. With employment across the sector to increase significantly by 2020, growth will continue to benefit from aspiring infrastructure projects such as the Bharatmala Pariyojana which intends to improve freight movement efficiency across the country. Further government support of the sector will encourage credit inflow with longer tenures and reasonable interest rates and also attract investments from debt and pension funds. In addition to this, industry participants will also benefit from increasing domestic consumption, rising exports, surging container volumes, loosening infrastructure bottlenecks and increased investments in new facilities. (Source: Economic Times, Financial Express)

India's Developing Logistics Network



Indian Express Logistics Industry

The logistics industry is an indispensable part of the Indian economy as it caters to all other industries which are highly reliant on the transportation of materials and goods for their operations.

From being a traditionally operating, disintegrated industry, logistics is now progressively attracting participation of technology based solutions and achieving operational optimization through their application. This transformation is being successfully led by the express segment of the logistics industry. It is actively optimizing technology to provide holistic end-to-

end solutions for all services, ranging from warehousing automation to customer relationship management. The players in this segment are contributing significantly to driving this transformation by being early adopters of technology focused solutions to harmonize operations and provide timely logistical services.

The Indian express logistics industry has emerged as a ray of hope in an otherwise disparaging scenario. Although it comprises a small share of 2% of the global express market, the country's express industry is known as one of the fastest-growing markets on a global level. This exponential growth is due to the rapid adoption of

technology, accompanied by growth of e-commerce, the implementation of beneficial government policies and a significant demand from MSMEs (Micro, Small and Medium Enterprises). The sector is however, facing certain challenges, particularly from the more traditional participants in the industry. Apprehension towards technology focused solutions, infrastructural inefficiency to meet the growing demand, regulatory failures and increased competition are becoming obstacles to growth of the sector. This is being countered by both established and emerging express industry players by equipping themselves with a range of operational and product solutions that help to deal with these constraints.

As the industry grows rapidly, all the small and big players are looking towards embracing platforms such as internet of things, big data analytics, automation technology, artificial intelligence, cloud computing, machine learning and blockchain technology, which are restructuring every industry across every vertical. These tools in the industry, are enabling future growth through the effective monitoring of performance, predictive analysis, cost savings, reduction of manual labour, optimization of asset utilization, better visibility and better data accessibility. Starting from first-mile operations involving demand planning, automated package sorting and sourcing optimization to mid-mile real time tracking and end-mile alternate methods of payment, the adoption of technology is crucial throughout the express value chain. (Source: BW Disrupt, Entrepreneur India)

Express Logistics in the B2B segment

The express industry is categorized in to the B2B (business to business) and B2C (business to consumer) segments. Traditionally, manufacturing growth has been a major driver of the B2B express industry in India. It has propelled the growth of Micro, Small and Medium Enterprises (MSMEs), a segment which has grown at a very fast pace in India. In effect, MSMEs are the primary customers of the express industry and have recorded double digit growth over the past eight years. Presently, manufacturing and engineering based companies are the key consumers of B2B express services. Some of the other key industries utilizing and benefiting from express services include electronics (OEMs), auto components, digital goods, textiles, pharmaceuticals, medical devices and industrial engineering. With increasing focus by the government on Make in

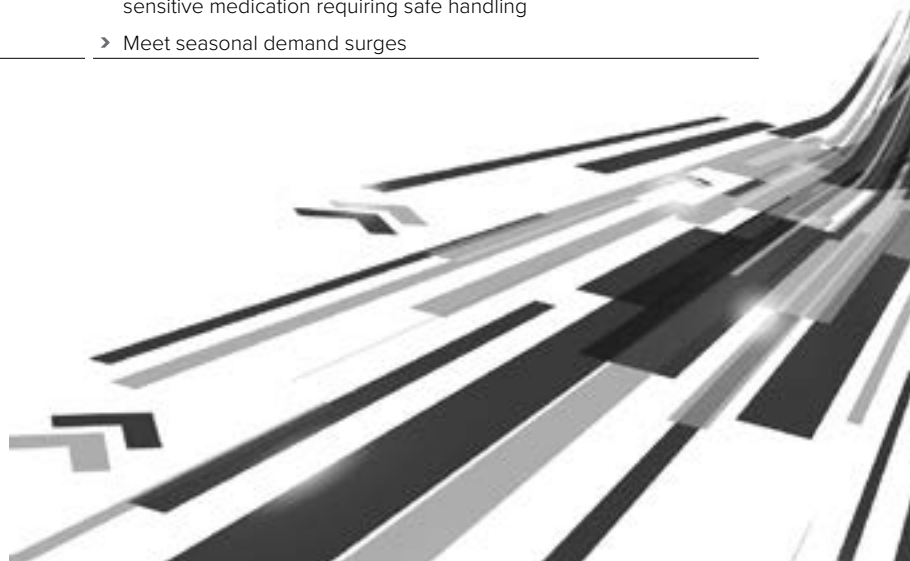
India, these industries have started delivering improved growth rates which in turn have boosted the demand for express services across the country.

The express industry, which includes both domestic and international (cross-border) shipping, originated in the 1980s in its formal organized form and has seen many shifts since its inception. As the scale of operations and expertise has grown, the industry broadened its coverage to non-document shipments. Shortening of product lifecycles, evolving business models and increasing demand for accelerated delivery created new demand segments for the express

industry. Advancement of technology has also led to automation, which had allowed companies to scale up to cater to the growing demand. Furthermore, by FY 2012, express delivery services were widely used in India for several types of shipments such as commercial documents, samples, material and spare parts and other goods. However, the demand landscape has experienced a noteworthy shift since then due to the increasing penetration of the internet and rise of e-commerce. This has resulted in the shrinking of shipment of documents due to the adoption of more convenient and cost effective electronic communication channels.

Express Service used for crucial business cases

Industry	Products requiring express service
Auto Components	<ul style="list-style-type: none"> > Delivery of spare parts to remote locations and/or on an urgent basis > Safe transport of products such as batteries and lubricants which require special handling due to their inflammable nature
Apparel and Lifestyle	<ul style="list-style-type: none"> > Shipment of products from warehouse to distributors > Large players use express services to meet the surge in demand during festive seasons, while smaller players use it for almost all long-haul transport
Electronics	<ul style="list-style-type: none"> > Delivery of spare parts required for aftersales service of PCs, laptops, mobiles and printers
Medical Equipment	<ul style="list-style-type: none"> > Urgent shipment of critical medical equipment at hospitals and nursing centres
Pharmaceuticals	<ul style="list-style-type: none"> > Shipment of critical clinical trial products and time and temperature sensitive medication requiring safe handling > Meet seasonal demand surges



The Way Ahead

The requirement of time bound delivery services is expected to increase with economic growth and the development of trade and commerce in the country. This will be primarily driven by the growth of e-commerce, significant demand from the small and medium B2B segment and growth of the country's cross border trade. Furthermore, favourable policies and projections for the manufacturing and MSME sectors are also expected to drive the demand for express in the coming years.

Logistic Infrastructure

Infrastructure is the critical factor for the success of the express industry. Encouraging infrastructure policies by the government are expected to give a boost to the express industry. Some of the key initiatives which are expected to improve the logistics performance in the near future are as follows:

Road infrastructure development initiatives	Enhancement of air transport	Infrastructure status for logistic industry
<ul style="list-style-type: none"> › Bharatmala Pariyojna to provide 50 national corridors › Government target to increase the length of NH to 200,000km › Development of 15 multimodal logistic parks under the Logistics Efficiency Enhancement Program 	<ul style="list-style-type: none"> › Ministry of Civil Aviation focus to make India the third largest aviation market by 2020 and the largest by 2030 › Expanding network under regional connectivity scheme (UDAN) expected to make air transport more economical 	<ul style="list-style-type: none"> › Easy and economical financing for the industry › Surge in private investments › Growth of large format warehouses and multimodal logistics parks

(Source: Deloitte - Indian Express Industry – 2018, Make In India)

Technology in the Express Industry

Technology plays a crucial role in dealing with the challenges faced by the express industry and maximizing the growth. Some of the key technologies and their impact on the express industry are as given below:

High impact technologies within next 5 years

› Big data service	<ul style="list-style-type: none"> › Forecast changes in volume and customer demands by analyzing original data › Provides solutions based on real time data analysis for improving network operation, supply chains and customer relationship management
› Cloud service	<ul style="list-style-type: none"> › Use of cloud computing services for software platform and infrastructure services › Provides technical support such as large scale computers for the internal operations of express enterprises
› Internet of Things	<ul style="list-style-type: none"> › Streamline transport by using real time data and alerts to optimise delivery routes › Monitor performance › Quickly respond to delays or issues as they happen
› On-demand marketplaces	<ul style="list-style-type: none"> › Improve efficiencies by disintermediation › Address information asymmetry › Facilitate price discovery
› On Road, Integrated, Optimization and Navigation Software	<ul style="list-style-type: none"> › Real time planning of driver delivery routes by making use of a large amounts of data from online maps › Optimization computation to save on delivery time and fuel consumption

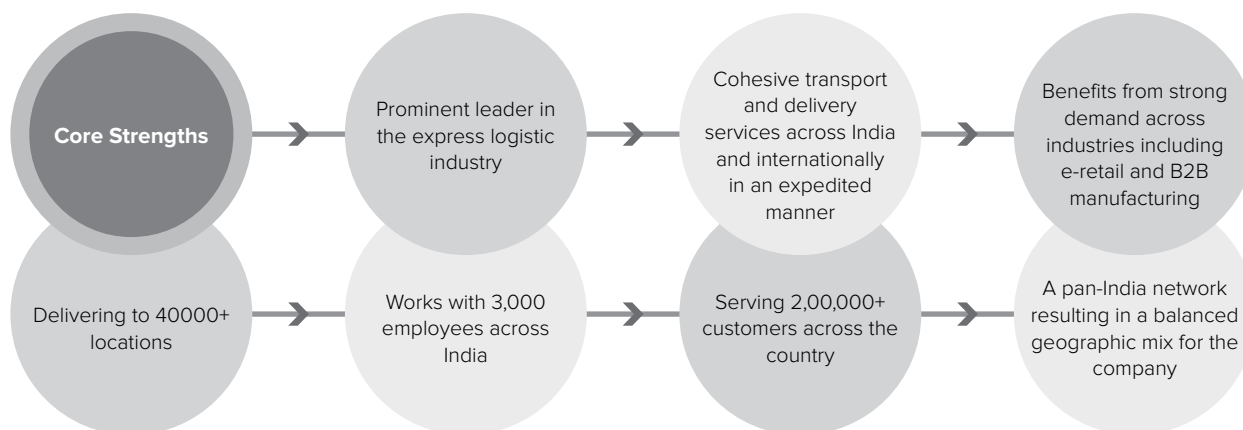
High impact technologies within the next 5 - 10 years

› Augmented reality	<ul style="list-style-type: none"> › Use of AR devices to speed up the freight loading process › Fast and secure last mile delivery by using AR devices for faster navigation and user identity authentication
› Block chain technology	<ul style="list-style-type: none"> › Enable efficient data sharing and transmission which will ensure transparency and better security for customers
› Drone delivery	<ul style="list-style-type: none"> › Use of unmanned flying devices to deliver small parcels
› Video analytics	<ul style="list-style-type: none"> › Track and trace the transportation of shipment and identify the point where it was damaged or compromised

Company Overview

TCI Express

TCI Express is one of the leading express logistics company in India with the largest hub and spoke network and offers express delivery solutions in India and internationally. The company provides services, including surface express, reverse express, domestic and international air express and e-commerce express for automotive, pharmaceutical, retail, engineering, apparel, e-commerce, and other industries. It has nearly 40,000 pickup and delivery points with about 5,000 containerized vehicles. TCI Express caters to almost 95% of the pin codes in India through its network of 28 sorting centres, 500 express routes, 2,500 feeder routes and 700 branch offices.



Financial Analysis

The fiscal year 2018-19 saw growth in revenue from operations by 15.67% to ₹ 1,023.79 Crores from ₹ 885.08 Crores on account of growth in downstream industry leading to growth in the company's business. The Company's EBITDA grew by 31.77% to reach ₹ 122.19 Crores. The EBITDA margins remained healthy at 11.90% as compared to 10.45% in FY2017-18. The Profit after Tax (PAT) grew by 24.75% to reach ₹ 72.84 Crore in fiscal 2018-19 from ₹ 58.39 in the fiscal 2017-18. The EPS for fiscal 2018-19 was at ₹ 19.02. Table below provides a summary of the financial summary along with key ratios of the Company.

Financial Highlights

Particulars	FY 2018-19 (₹ in Crores)	FY 2017-18 (₹ in Crores)	YoY growth
Revenue from operations	1,023.79	885.08	15.67%
EBITDA	122.19	92.73	31.77%
PAT	72.84	58.39	24.75%
EPS (₹)	19.02	15.25	24.72%
Key ratios			
Debt equity Ratio (times)	0.03	0.19	0.16
Interest coverage Ratio (times)	32.33	24.68	(7.65)
Current Ratio (times)	1.87	1.35	0.52
Debtors Turnover (times)	3.68	3.70	-
EBITDA Margin	11.90%	10.45%	145 bps
PAT Margin	7.09%	6.58%	51 bps
Return on Net worth	27.26%	28.24%	(98) bps

Outlook

In the coming years, TCI Express plans to expand some of its existing sorting centers, add new centers and increase the branch office network to around 1,000. The company is currently in the process of automating its centres with the aiming of automating all its centers in next 3 to 4 years. Working aggressively across verticals such as e-commerce, automotive, pharmaceuticals and SMEs, the company looks forward to expanding in these sectors and exploring new business opportunities. These verticals have been long standing core areas for TCI Express and a step change in momentum is in process.

Risk Management

Risk	Mitigation
<p>Cash Transaction Risk: The company may face several risks while making cash transactions such as threat of damage, pilferage / shrinkage or loss of cargo due to normal transit hazards, accidents or hijacking of trucks or force majeure</p>	<p>The company mitigates risk by taking several measures which include insurance of its all its vehicles against loss or damage due to accident. Company's operating units also remain under surveillance so as to mitigate risk of pilferage</p>
<p>Fuel Price: Company operates in an environment which is highly exposed to fluctuations in fuel costs. This can have a significant impact on the company's operations</p>	<p>Company's strong consumer business segment has enabled it to mitigate the risk through its fuel surcharge mechanism and provided revenue assurance to compensate for any increased operating expenses</p>
<p>Lack of Skilled Manpower: Lack of skilled manpower can significantly impact human capital as well as operational efficiency of the organisation.</p>	<p>The company has around 3,000 employees working towards the achievement of clearly defined strategic goals. Company also takes various initiatives towards retention of key employees</p>
<p>Increasing Competition: There has been a rise in the number of new entrants in the logistics industry due to the growth potential of the industry. As a result, the company may face different levels of competition in each segment, from domestic as well as multinational companies</p>	<p>TCI Express has established significant goodwill in the market and has a strong foothold in the entire express logistics value spectrum. It is one of the leading players mapping almost 95% of pin codes across the country</p>
<p>Liability Risk: Any damage to cargo, equipment, life and third parties may adversely affect company's business</p>	<p>The Company attempts to mitigate this risk through contractual obligations and insurance policies.</p>

Internal control systems and their adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organization. It is an integral part of the general organizational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. Audit committee under the supervision of Board review the risk and mitigation strategies on a quarterly basis.

Human resources

Human Resources plays an influential role in securing the future success and achieving the goals and objectives of TCI Express. With persistent business growth and continuous demand for skilled resources, human resource has been one of the most crucial factors to the success and milestones achieved by the business. During the year, the company took various initiatives towards building the skills and talents of employees and enhancing their career prospects. As on 31 March 2019, the company employed a workforce of over 3,000 employees in the organization.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

Directors' Report

Your Directors have pleasure in presenting the 11th Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS AND PERFORMANCE

The following figures are extracted from the financial statements prepared in compliance with Indian Accounting Standards (Ind AS). The financial statements of the Company comply with all aspects with Ind AS notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Particulars	₹ in Crores)	
	2018-19	2017-18
Total Income	1026.98	887.16
Profit/(Loss) before Interest, Depreciation, Taxation & Exceptional Item	122.18	92.74
Less: Interest (Net)	3.78	3.76
Less: Depreciation (Net)	6.53	5.21
Profit/(Loss) before Tax & Exceptional Item	111.87	83.77
Less: Exceptional Item	-	-
Profit/ (Loss) before Tax (PBT)	111.87	83.77
Less: Provision for Tax	39.03	25.37
Profit/(Loss) after Tax (PAT)	72.84	58.40

During the year under report, the Company's:

- > Total income increased by 15.76% to ₹ 1026.98 crores from ₹ 887.16 crores in the previous year.
- > EBIDTA increased by 31.75% to ₹ 122.18 crores from ₹ 92.74 crores in the previous year.
- > Profit before tax (PBT) increased by 33.54% to ₹ 111.87 crores from ₹ 83.77 crores in previous year.

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of signature of this report.

DIVIDEND

During the year, based on the Company's performance, your Board of Directors has declared Interim Dividends as under:

Date of Declaration	Dividend Type	%age of Dividend Declared	Dividend Per Equity Share of ₹ 2.00 each
November 3, 2018	1 st Interim Dividend	60%	₹ 1.20
February 11, 2019	2 nd Interim Dividend	60%	₹ 1.20

Further, the Board of Directors in its meeting held on May 22, 2019, has recommended a Final Dividend of 30% (₹ 0.60 per equity share of ₹ 2.00 each) for the financial year ended on March 31, 2019. The proposal is subject to the approval of Shareholders at the ensuing Annual General Meeting.

The Final Dividend, if declared by the shareholders at the ensuing Annual General Meeting will be paid to those members whose name appear in the Register of Members and to those persons whose name appear as Beneficial Owners as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, on the date of book closure.

TRANSFER TO GENERAL RESERVE

For Financial year ended March 31, 2019, the Company has transferred ₹ 5,000.00 Lakhs from its retained earnings to General Reserve.

EMPLOYEE STOCK OPTION PLAN (ESOP)

During the year under review, the Nomination and Remuneration Committee of the Board of Directors granted stock options to its eligible employees in terms of ESOP-2016. The details with regard to ESOP as on March 31, 2019 as required to be disclosed in terms of the provisions of the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations) is enclosed as **Annexure-A** and form an integral part of this Annual Report.

A certificate from the Company's Statutory Auditors, M/s. R.S Agarwala & Co., Chartered Accountants in accordance with SBEB Regulations, will be placed before the shareholders in ensuing Annual General Meeting.

CHANGE IN CAPITAL STRUCTURE AND LISTING OF EQUITY SHARES

During the year under review, the paid-up share capital of the Company increased from ₹ 765.77 Lakhs divided into 3,82,88,725 equity shares of ₹ 2.00 each to ₹ 766.21 Lakhs divided into 3,83,10,625 equity shares of ₹ 2.00 each, consequent to allotment of 21,900 equity shares of ₹ 2.00 each upon exercise of options by eligible employees under the ESOP- 2016 of the Company. The Company's equity shares including those allotted during the year, are listed on National Stock Exchange of India Limited (NSE) and BSE Limited.

SUBSIDIARY, HOLDING, JOINT VENTURE AND ASSOCIATE COMPANIES

As on March 31, 2019, the Company did not have any subsidiary or holding or joint venture or associate company as defined under the Companies Act, 2013.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

During the year under review, there has been no change in composition of Board of Directors. In view of the provisions of the Companies Act, 2013, Mr. D.P Agarwal is liable to retire by rotation at the ensuing Annual General Meeting and he offers himself for re-appointment. The information as required to be disclosed under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in case of re-appointment of director(s), is provided in the Notice of the ensuing Annual General Meeting of the Company.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down in Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

during the year, there has been no change in the circumstances which may affect their position as Independent Director.

None of the Company's Director is disqualified as on March 31, 2019 in terms of section 164(2) of the Companies Act, 2013 from being appointed as a Director.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company and can be accessed at <https://www.tciexpress.in/appointmentletters.asp>

The Company has also placed the Director's familiarisation program on its website and the same can be accessed at https://www.tciexpress.in/pdf/FAMILARIZATION_PROGRAM.pdf

Key Managerial Personnel

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following have been designated as Key Managerial Personnel (KMP's) of the Company:

1. Mr. Chander Agarwal, Managing Director
2. Mr. Phool Chand Sharma, Whole Time Director
3. Mr. Mukti Lal, Chief Financial Officer
4. Mr. Vinay Gujral, Company Secretary

There have been no changes in the KMP's of the Company, during the year under review.

INDEPENDENT DIRECTORS' MEETING

For the Financial Year 2018-19, one (1) separate meeting of the Independent Directors was held. The details of the meeting are provided in the Corporate Governance Report and form an integral part of this Annual Report.

PERFORMANCE EVALUATION OF BOARD

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has formulated the process, format, attributes and criteria for performance evaluation of the entire Board, its Committees and Directors, including Independent Directors.

The functioning of the Board and its Committees was evaluated based on various aspects, inter alia including, constitution & composition of the Board and its Committees, comprehensive discussion on the agenda item(s) in the meeting, regulatory compliances and corporate governance, etc.

Similarly, performance of Independent Directors was evaluated based on various aspects such as attendance, contribution in Board and Committee meetings, judgment, performance and exercise of duties with due and reasonable care.

In addition, the evaluation criteria for Chairman includes attendance, effectiveness of leadership, relationship with Board and Shareholders, effective & maximum usage of Board support system.

The Executive Directors were evaluated on various aspects, including inter alia overall performance of management, accomplishment of long term objectives, efforts made for enhancing brand equity, compliance with regulatory law(s) and to encourage new initiatives and expansions etc.

MEETINGS OF BOARD OF DIRECTORS

During the year under report, four (4) Board Meetings were convened and held. The details for the year under report, of the

composition of the Board of its Meetings held, attendance of the Directors at such meetings and other relevant details are provided in the Corporate Governance Report and form an integral part of this Annual Report.

COMPOSITION OF COMMITTEES OF BOARD

1. Audit and Risk Management Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The details for the year under report, of the Committees of the Board alongwith their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report and form an integral part of this Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- I. That in the preparation of the Annual Financial Statements for the year ended March 31, 2019 all the applicable Accounting Standards have been followed and there were no material departures therefrom;
- II. That such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- III. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. That the Annual Financial Statements have been prepared under the going concern assumption;
- V. That proper internal financial controls are in place and that the financial controls are adequate and are operating effectively;
- VI. That proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company, during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material (i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statement entered into individually or taken together with previous transactions during the financial year) in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and policy of the Company on Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2. Details of the Related Party transactions are disclosed, pursuant to Ind AS 24 "Related Party Disclosures" in Note no. 37 of the Financial Statement and form an integral part of this Annual Report.

The policy on Related Party Transactions is placed on Company's website and can be accessed at <https://www.tciexpress.in/pdf/Policy%20on%20Related%20Party%20Transaction.pdf>

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism to provide a framework to promote responsible, fair and secure whistle blowing and to provide a channel to Directors and Employees to report to the management, concerns about unethical behavior, actual and suspected fraud or violation of the code of conduct. The mechanism further provides for adequate safeguard against victimization of Directors and Employees and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The Whistle Blower Policy is available on the website of the Company www.tciexpress.in.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The Company has in place a proper and adequate system of Internal Financial Controls which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The internal controls are discussed at regular interval engaging Internal Auditor, Top Management team including Directors and Chief Financial Officer. The Internal Audit Report detailing the effectiveness of Internal Control are conveyed to the Audit Committee for their review, discussion, suggestion and recommendations. Relevant modifications are also carried out as may be recommended by the Audit Committee, from time to time.

IMPLEMENTATION OF RISK MANAGEMENT

Your Company has adopted and implemented mechanism for risk management which inter alia includes identification of risk & opportunities associated therein, update risk register on quarterly basis, manage & mitigate existing and new risks in a planned manner. The Audit Committee of the Board of Directors periodically reviews the Risk Management framework, identified risks with criticality and mitigations plans thereof.

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided as **Annexure B** and form an integral part of this Annual Report.

ANNUAL RETURN

The extract of Annual Return of the Company as on March 31, 2019, in prescribed format pursuant to the provisions of the Companies Act, 2013 is provided as **Annexure-C** and form an integral part of this Annual Report.

AUDITORS

Statutory Auditors and their Report

Pursuant to the provision of section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the

Shareholders of the Company in the 7th Annual General Meeting had appointed M/s. R.S. Agarwala & Co., Chartered Accountants, (Firm Registration No. 304045E) as Statutory Auditors of the Company for a period of five years to hold office till the conclusion of Annual General Meeting to be held in calendar year 2020. In accordance with the Companies (Amendment) Act, 2017 enforced on May 7, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified by members at every Annual General Meeting.

M/s. R.S. Agarwala & Co., Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the financial year 2018-19 and form an integral part of this Annual Report. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Board of Directors. The Auditors have not reported any matter under Section 143(12) of the Companies Act and therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act.

Secretarial Auditors and their Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had re-appointed M/s. Vinod Kothari & Company, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report submitted by Secretarial Auditor in the prescribed form is provided as **Annexure D** and form an integral part of this Annual Report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in their Report for the financial year 2018-19 which call for any explanation from the Board of Directors.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

No material/significant orders were passed by the Regulators, Courts or Tribunals against the Company as on March 31, 2019 which impact the going concern status and Company's operations in future. However, details of commitments, contingencies and litigation on tax matters are disclosed in the Financial Statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no Loans and Guarantees made by the Company under Section 186 of the Companies Act, 2013. However, the detail of investment made during the year, is provided in the Financial Statements and form an integral part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In terms of section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company have constituted a Corporate Social Responsibility Committee and adopted Corporate Social Responsibility Policy which is implemented by the Company.

The Company has in place a CSR policy in conformity with the provisions of the Companies Act, 2013 which can be accessed at https://www.tciexpress.in/pdf/CSR_Policy.pdf

The Annual Report on CSR activities is provided as **Annexure E** and form an integral part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of section 178 of the Companies Act, 2013, the Board of Directors of your Company have adopted Nomination and Remuneration Policy. The salient features of the policy are explained in the Corporate Governance Report and form integral part of this Annual Report. The Nomination and Remuneration Policy can be accessed at <https://www.tciexpress.in/pdf/Nomination%20and%20Remuneration%20Policy.pdf>

The remuneration paid to the Directors for financial year 2018-19 was in line with the provisions of Nomination and Remuneration Policy of the Company

PARTICULARS OF EMPLOYEES

Details pursuant to Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as **Annexure-F** and form an integral part of this Annual Report.

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance together with a Certificate from the Practicing Company Secretary regarding compliance with the conditions of Corporate Governance is provided herewith and form an integral part of this Annual Report.

Pursuant to Regulation 34 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, the Company has secured place in list of top 500 Companies (determined on the basis of market capitalization) as per data provided by National Stock Exchange of India Ltd, as on March 31, 2019, the Business Responsibility Report is applicable on the Company for financial year ending on March 31, 2020.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is provided in Annual Report and provides a detailed analysis on the performance of the business and outlook.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year, the Company has duly complied with all applicable Secretarial Standards as issued by Institute of Companies Secretaries of India (ICSI) and Ministry of Corporate Affairs (MCA) from time to time.

SEXUAL HARASSMENT POLICY

TCIEXPRESS is committed to promoting a work environment that ensures all employees are treated with dignity and there is no discrimination between individuals on the basis of their race, colour, gender, religion, political opinion, social origin, sexual orientation or age.

As part of the legal responsibility to deal with sexual harassment, TCIEXPRESS implements effective and accessible complaint procedures for employees and other workplace participants. In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, for protection against sexual harassment, your Company has formed a Complaint

Committee to which employees can submit their complaints. There were no such complaints received during the year or pending as on March 31, 2019 for redressal.

HUMAN RESOURCES

The Company takes pride in the commitment, competence and dedication different aspects of Human Resource Management such as recruitment, promotion, compensation, training, selections etc. The Company ensures equal, just fair and unbiased approach in hiring, promoting and developing an employee. It has clearly laid down policies for the entire Employee Life cycle (ELC). The Company has in-house dedicated team of trainers to train the employee on various functional and behavioral aspects required for business growth nurturing and retaining talent through Superior Learning & Organizational Development. This is a part of corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

GENERAL

Your Directors states that no disclosures or reporting(s) are required in respect of the following items, as there were no transactions/events related to these items during the year under review:

- > There was no change in nature of business of the Company
- > Issue of equity shares with differential rights as to dividend, voting rights or otherwise
- > Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to this Report.
- > Neither the Managing Director nor the Whole Time Director of the Company receive any remuneration or commission from any subsidiary as Company has no subsidiaries.
- > Maintenance of Cost Record and requirement of Cost Audit as prescribed under section 148 of the Companies Act, 2013 and rules made thereunder, are not applicable on the Company.

ACKNOWLEDGEMENT

Your Board of Directors would like to place on record their sincere appreciation for the support and contributions made by all the Employees, Customers, Suppliers, Bankers, Investors, Business Associates and all other Stakeholders. Our consistent growth was made possible due to their hard work, solidarity, co-operation and support.

The Directors also thank the Government of India, various State Governments and concerned Government Departments/Agencies for their co-operation, support and look forward to their continued support in the future.

Your Directors acknowledge with gratitude, the encouragement and support extended by all our valued shareholders.

For & on behalf of the Board

Place: Gurugram
Date: May 22, 2019

D.P Agarwal
Chairman

ANNEXURE- A

Details of ESOP as per provisions of the Companies Act, 2013 and SEBI (Share Based Employees Benefits) Regulations, 2014:

S. No	Particulars	Disclosure
1.	Date of Shareholder's approval	November 4, 2016
2.	Total number of options approved under Employees Stock Option Plan 2016	9,57,218
3.	Vesting requirements	Vesting period shall commence after one (1) year from the date of grant of Options and may extend upto five (5) years from the date of grant in the manner prescribed by the Nomination & Remuneration Committee.
4.	Exercise price or pricing formula	Under the Employee Stock Option Plan, the Exercise price of the Shares, will be the Market Price of the Shares one day before the date of the meeting of the Nomination & Remuneration Committee wherein the grants of options of that particular year will be approved. The Committee has a power to provide suitable discount or charge premium on such price as arrived above, as deemed fit by the Nomination & Remuneration Committee for the finalization of the Exercise Price. However, in any case the Exercise Price shall not go below the par value of Equity Share of the Company.
5.	Maximum term of Options granted	The vesting of options granted under Employee Stock Option Plan, will take place maximum period of five (5) years from the date of grant.
6.	Sources of shares (Primary, Secondary or Combination)	Primary
7.	Variation in terms of Option	Subject to applicable laws, the Nomination & Remuneration Committee will at its absolute discretion have the right to modify/amend the ESOP 2016 Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees/Employees and approval wherever required for such modification/amendment is obtained from the shareholders of the Company in terms of the SEBI Regulations.
8.	Method used for accounting of ESOS (Intrinsic or fair value)	Fair value method

Options Movement - Financial Year 2018-19

S. No	Particulars	ESOP-2016 Part-I	ESOP-2016 Part-II
1.	Number of options outstanding at the beginning of the period i.e. April 1, 2018	73,000	-
2.	Number of options granted during Financial Year 2018-19	Nil	78,250
3.	Number of options forfeited/ lapsed during Financial Year 2018-19	-	-
4.	Number of options vested during Financial Year 2018-19	21,900	-
5.	Number of options exercised during Financial Year 2018-19	21,900	-
6.	Number of shares arising as a result of exercise of options	21,900	-
7.	Money realized by exercise of options if scheme is implemented directly by the Company (In ₹)	49,27,500	-
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable	
9.	Number of options outstanding at the end of the year i.e. March 31, 2019	51,100	78,250
10.	Number of options exercisable at the end of the year i.e. March 31, 2019	51,100	78,250 (The options will be exercisable after one year from the date of grant of options)

S. No	Particulars	ESOP-2016 Part-I	ESOP-2016 Part-II
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11. Employee's details who were granted options during the year:

(a) Key Managerial Personnel/ Senior Managerial Personnel

S. No	Name of KMP/SMP	No. of Option Granted
1	Mr. Phool Chand Sharma - KMP	40,000
2	Mr. Mukti Lal - KMP	7,500
3	Mr. L. Murali Krishna - SMP	3,500
4	Mr. S. Narayana Das - SMP	3,000
5	Mr. Manish Jain - SMP	1,500
6	Mr. Vikas Sharma - SMP	1,250

(b) Any other employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year

Nil

(c) Identified Employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant

Nil

12. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options (In ₹)

19.00

13. Where the Company has calculated employees compensation cost using the intrinsic value of stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if they had used fair value of the options. The impact of this difference on EPS of the Company

Not Applicable

14. Weighted average exercise price of options whose Exercise price is less than market price (In ₹)

225.00

257.00

15. Weighted average fair value of options whose Exercise price is less than market price (In ₹)

245.72

315.93

16. **Method and Assumptions used to estimate the fair value of options granted during the year:**

The fair value has been calculated using the Black-Scholes Option Pricing model. The assumptions used in the model are as follows:

Date of grant	23.05.2017			25.05.2018		
	Vest-1	Vest-2	Vest-3	Vest-1	Vest-2	Vest-3
Vesting Particulars						
Vesting %age	30%	30%	40%	30%	30%	40%
Risk Free Interest Rate	6.476%	6.556%	6.675%	7.08%	7.51%	7.66%
Expected Life	1.08 yrs.	2.08 yrs.	3.08 yrs.	1.08 yrs.	2.08 yrs.	3.09 yrs.
Historical Volatility	32.08%	32.08%	32.08%	41.84%	41.84%	41.84%
Dividend Yield	0.26%	0.26%	0.26%	0.20%	0.20%	0.20%
Price of the underlying share in market at the time of the option grant	440.85			530.00		

ANNEXURE- B

Particulars pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

CONSERVATION OF ENERGY AND RESEARCH & DEVELOPMENT

Considering the nature of business, the Company always strives to conserve energy on a perpetual basis, though it is engaged into providing Express Cargo Services. Your Company has implemented various energy saving devices and systems, which help in conserving energy and the details of the efficiency initiatives taken by the Company are as hereunder:

- > To encourage Business Associates to convert diesel/petrol vehicle from road while replacing with CNG for pollution free/eco-friendly operations.
- > Routes have been identified for productive improvements resulting in efficient weight carrying and less emission by the same vehicle.
- > Drivers are being trained on regular basis to improve their driving skill for safer and better vehicle maintenance, resulting in fuel efficiency & reduced emission.
- > Migrated largely to LED lighting and resulting in reducing direct electricity consumption and also helping in to reduce heat index.
- > Energy saving by Smart Sync has been piloted at sorting centers to balance the fuel consumption by optimizing usage of diesel power generators, thereby reducing of carbon footprints of gensets.
- > To encourage use of battery-powered forklifts for reducing carbon footprint by decreased emissions in warehouse/sorting centers.

- > New sorting centers have been constructed with insulation to reduce the demand for cooling solutions which brings down the temperatures and hence bring down the need of power cooling.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The details of technology absorption and innovation adopted by the Company, during the year are as hereunder:

Data Analytics: The Company has implemented various data analytics projects for efficient load management, Vehicles management and Cost optimization etc.

Mobile Application: For operational convenience and to capture real time updates of Pickup and Deliveries status, the Company has implemented Mobile based App.

E-Way Bill: The Company has successfully integrated its IT System with E-Way Bill portal and progressing continuously in direction of Operational Automation.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

Particulars	₹ in Lakhs)	
	2018-19	2017-18
Foreign Exchange Outgo	377.47	238.84
Foreign Exchange Earnings	-	-

ANNEXURE- C**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN (as on financial year ended on March 31, 2019)**

Pursuant to Section 92 (3) of the Companies Act, 2013 & Rule 12(1) of the Company (Management & Administration) Rules, 2014

I REGISTRATION & OTHER DETAILS:

I.	CIN	L62200TG2008PLC061781
II.	Registration Date	10.11.2008
III.	Name of the Company	TCI Express Limited
IV.	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non- Government Company
V.	Address of the Registered office & contact details	Flat No. 306 & 307, 1-8-271 to 273, 3 rd Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad- 500003 (Telangana) Tel.: +91 40-27840104
VI.	Whether listed company	Yes
VII.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Karvy Fintech Pvt. Ltd. (Formerly Karvy Computershare Pvt. Ltd), Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad- 500 032 Telangana Phone: 040- 67161524.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1.	Cargo handling incidental to land, water & air transport	52241, 52242 and 52243	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares held	Applicable Section
			N.A		

(IV) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**(i) Category wise shareholding**

Category Code	Category of Shareholder	No. of Shares at the beginning of the year				No. of Shares at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter & Promoter Group									
(1)	Indian									
(a)	Individual /HUF	82,53,013	-	82,53,013	21.55	84,55,345	-	84,55,345	22.07	0.52
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	1,70,65,677	-	1,70,65,677	44.58	1,72,00,677	-	1,72,00,677	44.90	0.32
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total A(1) :	2,53,18,690		2,53,18,690	66.13	2,56,56,022		2,56,56,022	66.97	0.84
(2)	Foreign									
(a)	Individuals (NRIs/FI)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total A(2) :	-		-	-	-		-	-	-
	Total A=A(1)+A(2)	2,53,18,690		2,53,18,690	66.13	2,56,56,022		2,56,56,022	66.97	0.84
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds /UTI	23,54,703	250	23,54,953	6.15	11,93,511	-	11,93,511	3.12	-3.03
(b)	Financial Institutions /Banks	4,725	10,338	15,063	0.04	4,655	9,041	13,696	0.04	0.00
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	2,759	2,759	0.01	2,941	-	2,941	0.01	0.00
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
	Alternate Investment Funds	5,80,819	-	5,80,819	1.52	5,85,072	-	5,85,072	1.53	0.01
	Foreign Portfolio Investors	12,99,829	-	12,99,829	3.39	15,82,910	-	15,82,910	4.13	0.74
	Sub-Total B(1) :	42,40,076	13,347	42,53,423	11.11	33,69,089	9,041	33,78,130	8.82	-2.29
(2)	Non-Institutions									
(a)	Bodies Corporate	9,39,266	23,513	9,62,779	2.51	10,12,075	18,454	10,30,529	2.69	0.18

Category Code	Category of Shareholder	No. of Shares at the beginning of the year				No. of Shares at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(b)	Individuals									
(i)	Individuals holding nominal share capital upto ₹1 lakh	39,24,434	9,95,198	49,19,632	12.85	48,70,167	6,02,643	54,72,810	14.29	1.44
(ii)	Individuals holding nominal share capital in excess of ₹1 lakh	9,90,793	-	9,90,793	2.59	9,64,266	-	9,64,266	2.52	-0.07
(c)	Others									
	Non Resident Indian	2,25,256	1,18,924	3,44,180	0.90	1,82,945	67,135	2,50,080	0.65	-0.25
	Non Resident Indian Non - Repatriable	4,64,146	-	4,64,146	1.21	1,57,159	-	1,57,159	0.41	-0.80
	Overseas Corporate Bodies	-	10,15,482	10,15,482	2.65	-	10,15,482	10,15,482	2.65	0.00
	Unclaimed shares	-	-	-	-	3,65,103	-	3,65,103	0.95	0.95
	Trusts	19,600	-	19,600	0.05	20,194	-	20,194	0.05	0.00
	Foreign Nationals	-	-	-	-	850	-	850	0.00	0.00
	Sub-Total B(2) :	65,63,495	21,53,117	87,16,612	22.76	75,72,759	17,03,714	92,76,473	24.21	1.45
	Total B=B(1)+B(2) :	1,08,03,571	21,66,464	1,29,70,035	33.87	1,09,41,848	17,12,755	1,26,54,603	33.03	-0.84
	Total (A+B) :	3,61,22,261	21,66,464	3,82,88,725	100.00	3,65,97,870	17,12,755	3,83,10,625	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C) :	3,61,22,261	21,66,464	3,82,88,725	100.00	3,65,97,870	17,12,755	3,83,10,625	100.00	0.00

(ii) Shareholding of Promoter's

S. No.	Name of the Promoter	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	M/s. Bhoruka Finance Corporation of India Ltd	79,52,339	20.77	-	79,52,339	20.76	-	-0.01*
2.	M/s. Bhoruka International (P) Ltd	52,94,102	13.83	-	52,94,102	13.82	-	-0.01*
3.	M/s. Dharpal Agarwal- representing TCI Trading	24,87,497	6.50	-	24,87,497	6.49	-	-0.01*
4.	M/s. TCI India Ltd.	20,22,782	5.28	-	20,22,782	5.28	-	-
5.	M/s. TCI Global Logistics Ltd.	11,53,455	3.01	-	11,53,455	3.01	-	-
6.	Mr. Chander Agarwal	10,52,131	2.74	-	9,17,131	2.39	-	-0.35
7.	M/s. Dharm Pal Agarwal- HUF	10,19,878	2.66	-	10,19,878	2.66	-	-
8.	Mr. Vineet Agarwal	9,91,467	2.59	-	9,91,467	2.59	-	-
9.	Mrs. Priyanka Agarwal	9,72,604	2.54	-	9,72,604	2.54	-	-
10.	Mrs. Urmila Agarwal	9,25,295	2.42	-	9,25,295	2.42	-	-
11.	M/s. XPS Cargo Services Ltd.	4,86,427	1.27	-	6,21,427	1.62	-	0.35
12.	Mr. Dharpal Agarwal	4,19,314	1.10	-	4,19,314	1.09	-	-0.01*
13.	Mrs. Chandrima Agarwal	3,70,528	0.97	-	3,70,528	0.97	-	-
14.	M/s. TCI Exim (P) Ltd.	1,56,572	0.41	-	1,56,572	0.41	-	-
15.	M/s. Vineet Agarwal-HUF	10,382	0.03	-	10,382	0.03	-	-
16.	Master Vihaan Agarwal	3,500	0.01	-	1,72,166	0.45	-	0.44
17.	Master Nav Agarwal	417	0.00	-	1,69,083	0.44	-	0.44
	Total	2,53,18,690	66.13	-	2,56,56,022	66.97	-	0.84

*Decrease in percentage owing to increase in paid up share capital of the Company as a consequence of allotment of Equity Shares to employees exercising their stock options.

(iii) Change in Promoter's Shareholding

S. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Mr. Chander Agarwal				
	Opening Balance April 1, 2018	10,52,131	2.74	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-1,35,000	0.35	9,17,131	2.39
	Closing Balance March 31, 2019	-	-	9,17,131	2.39
2.	XPS Cargo Services Ltd				
	Opening Balance April 1, 2018	4,86,427	1.27	-	-
	Bought during the year	1,35,000	0.35	6,21,427	1.62
	Sold during the year	-	-	-	-
	Closing Balance March 31, 2019	-	-	6,21,427	1.62

S. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
3.	Master Vihaan Agarwal				
	Opening Balance April 1, 2018	3,500	0.01	-	-
	Bought during the year*	1,68,666	0.44	1,72,166	0.45
	Sold during the year	-	-	-	-
	Closing Balance March 31, 2019	-	-	1,72,166	0.45
4.	Master Nav Agarwal				
	Opening Balance April 1, 2018	417	0.00	-	-
	Bought during the year*	1,68,666	0.44	1,69,083	0.44
	Sold during the year	-	-	-	-
	Closing Balance March 31, 2019	-	-	1,69,083	0.44

*Equity Shares received as Gift.

Note: Except above, there has been no changes in Promoters shareholding during the year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	M/s. IDFC Premier Equity Fund				
	Opening Balance April 1, 2018	12,09,491	3.16	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-12,09,491	3.16	0	0.00
	Closing Balance March 31, 2019	-	-	0	0.00
2.	M/s. Arcee Holding Ltd.				
	Opening Balance April 1, 2018	10,15,482	2.65	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	10,15,482	2.65
	Closing Balance March 31, 2019	-	-	10,15,482	2.65
3.	M/s. Canara Robeco Mutual Fund A/C Canara Robeco Emergi				
	Opening Balance April 1, 2018	8,75,322	2.29	-	-
	Bought during the year	1,02,766	0.27	9,78,088	2.56
	Sold during the year	-3,05,605	0.80	6,72,483	1.76
	Closing Balance March 31, 2019	-	-	6,72,483	1.76
4.	M/s. Motilal Oswal Focused Multicap Opportunities Fund				
	Opening Balance April 1, 2018	5,80,819	1.52	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	5,80,819	1.52
	Closing Balance March 31, 2019	-	-	5,80,819	1.52
5.	M/s. Sangeeta Nirmal Bang				
	Opening Balance April 1, 2018	4,33,960	1.13	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	4,33,960	1.13
	Closing Balance March 31, 2019	-	-	4,33,960	1.13
6.	M/s. Alquity Sicav – Alquity Indian Subcontinent Fund				
	Opening Balance April 1, 2018	3,58,619	0.94	-	-
	Bought during the year	69,817	0.18	4,28,436	1.12
	Sold during the year	-1,48,114	0.39	2,80,322	0.73
	Closing Balance March 31, 2019	-	-	2,80,322	0.73
7.	Mrs. Sushma Chamaria				
	Opening Balance April 1, 2018	3,37,332	0.88	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-3,37,332	0.88	0	0.00
	Closing Balance March 31, 2019	-	-	0	0.00
8.	M/s. Principal Trustee Co. Pvt. Ltd. – Principal Mutual				
	Opening Balance April 1, 2018	2,69,890	0.70	-	-
	Bought during the year	9,937	0.03	2,79,827	0.73
	Sold during the year	-	-	-	-
	Closing Balance March 31, 2019	-	-	2,79,827	0.73
9.	M/s. Padmavati Properties & Trust Pvt. Ltd.				
	Opening Balance April 1, 2018	2,37,939	0.62	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	2,37,939	0.62
	Closing Balance March 31, 2019	-	-	2,37,939	0.62
10.	M/s. New Horizon Opportunities Master Fund				
	Opening Balance April 1, 2018	2,27,000	0.59	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-2,27,000	0.59	0	0.00
	Closing Balance March 31, 2019	-	-	0	0.00

Note: In compliance with the provisions of SEBI Listing Regulations, during the year under review the Company has transferred 3,66,876 (0.96%) unclaimed Equity Shares to TCI Express Limited- Unclaimed Suspense Account. For more detail, please refer Corporate Governance Section.

(v) Shareholding of Directors and Key Managerial Personnel (KMPs)

S. No.	Name of Director/ KMP	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Mr. D.P Agarwal-Director				
	Opening Balance April 1, 2018	4,19,314	1.10	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	4,19,314	1.09
	Closing Balance March 31, 2019	-	-	4,19,314	1.09*
2.	Mr. Chander Agarwal-Managing Director				
	Opening Balance April 1, 2018	10,52,131	2.74	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-1,35,000	0.35	9,17,131	2.39
	Closing Balance March 31, 2019	-	-	9,17,131	2.39
3.	Mr. Vineet Agarwal-Director				
	Opening Balance April 1, 2018	9,91,467	2.59	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	9,91,467	2.59
	Closing Balance March 31, 2019	-	-	9,91,467	2.59
4.	Mr. Phool Chand Sharma-Whole Time Director				
	Opening Balance April 1, 2018	40,250	0.11	-	-
	Bought during the year	12,000**	0.03	52,250	0.14
	Sold during the year	-	-	-	-
	Closing Balance March 31, 2019	-	-	52,250	0.14
5.	Mr. Mukti Lal-CFO				
	Opening Balance April 1, 2018	5,750	0.02	-	-
	Bought during the year	1,500**	-	7,250	0.02
	Sold during the year	-950	-	6,300	0.02
	Closing Balance March 31, 2019	-	-	6,300	0.02

* Decrease in percentage owing to increase in paid up capital of the Company as a consequence of allotment of equity shares to employees exercising their stock options

**Equity Shares allotted in terms of ESOP-2016.

Note: No other Director or KMP held any share of the Company during the financial year 2018-19

(vi) Indebtedness
Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	4,065.99	-	-	4,065.99
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.22	-	-	1.22
Total (i+ii+iii)	4,067.21	-	-	4,067.21
Change in Indebtedness during the financial year				
Additions	205.25	-	-	205.25
Reduction	3,288.99	-	-	3,288.99
Net Change	(3,083.74)	-	-	(3,083.74)
Indebtedness at the end of the financial year				
i) Principal Amount	983.47	-	-	983.47
ii) Interest due but not paid	-	-	-	0
iii) Interest accrued but not due	1.99	-	-	1.99
Total (i+ii+iii)	985.46	-	-	985.46

(vii) Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole time director and or Manager**

(₹ in Lakhs)

Particulars of Remuneration	Mr. Chander Agarwal (Managing Director)	Mr. Phool Chand Sharma (Whole Time Director)	Total
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	361.02	152.55	513.57
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	6.17	0.62	6.79
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
Stock option	-	34.62	34.62
Sweat Equity	-	-	-
Commission	250.00	-	250.00
Others including Gratuity and Employer contribution to Provident Fund	38.32	14.12	52.44
Total	655.51	201.91	857.42
Ceiling as per the Act	₹ 1,122.21 Lakhs (10% of the net profit of the Company as computed under section 198 of the Companies Act, 2013)		

The Shareholders in their 9th Annual General Meeting passed a special resolution to pay remuneration to Mr. Chander Agarwal, Managing Director in excess of five percent (5%) of the net profit of the Company subject to the overall limits for all managerial person specified in section 197 of the Companies Act, 2013. The Remuneration to the above managerial personnel has been paid in compliance with the special resolution and the provisions of the Companies Act, 2013

B. Remuneration to Non-Executive Directors

(₹ in Lakhs)

S. No	Particulars of Remuneration	Category of Directorship						Total Amount
		Non-Executive Director		Non-Executive Independent Director				
		Mr. D.P Agarwal*	Mr. Vineet Agarwal*	Mr. Murali Krishna Chevaturi	Mr. Ashok Kumar Ladha	Mr. Prashant Jain*	Mrs. Taruna Singhi*	
(a)	Fee for attending Board/ Committee meetings	-	-	2.45	1.80	-	-	4.25
(b)	Commissions	5.00	5.00	5.00	5.00	5.00	5.00	30.00
	Total	5.00	5.00	7.45	6.80	5.00	5.00	34.25

The Shareholders in their 8th Annual General Meeting held on November 4, 2016 have fixed a ceiling on the commission payable to Non-Executive Directors @ 0.5% of the net profit computed in accordance with section 198 of the Companies Act 2013, which works to ₹ 56.11 Lakhs for the year under ended March 31, 2019.

*Mr. D.P Agarwal, Mr. Vineet Agarwal, Mr. Prashant Jain & Mrs. Taruna Singhi, did not accept the sitting fee for the year ended on March 31, 2019.

C. Remuneration of Key Managerial Personnel Other than MD/Manager/WTD

(₹ in Lakhs)

Particulars of Remuneration	Mr. Mukti Lal (CFO)	Mr. Vinay Gujral (CS)	Total
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	37.71	10.89	48.60
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.45	0.18	0.63
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
Stock option	4.33	-	4.33
Sweat Equity	-	-	-
Commission as % of profit	-	-	-
Others including Gratuity and Employer contribution to Provident Fund	2.82	0.65	3.47
Total	45.31	11.72	57.03

(viii) Penalties / Punishment / Compounding of Offences

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013, during the year under review.

ANNEXURE- D

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
TCI Express Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TCI Express Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period, covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
6. Laws specifically applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
- a. The Indian Carriage of Goods by Road Act, 2007;
 - b. Motor Vehicles Act, 1988
 - c. The Carriage by Air Act, 1972

We have also examined compliance with the applicable clauses of the Secretarial Standards 1, 2 and 3 issued by the Institute of Company Secretaries of India;

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

Management Responsibility:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has not undertaken any specific event/action that can have a major bearing on the company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

- 1 Issue and allotment of equity shares under Employees Stock Option Scheme 2016 ('ESOS')

During the period under review, the Share Transfer Committee in its meeting held on July 13, 2018 has allotted 21,900 Equity Shares under ESOS-2016. Consequent to the said allotment, the paid-up share capital of the Company has been increased from 3,82,88,725 to 3,83,10,625 equity shares of face value of ₹ 2/- each.

For **M/s Vinod Kothari & Company**
Company Secretaries in Practice

Vinita Nair
Partner

Membership No: A31669
CP No.: 11902

Place: Mumbai
Date: May 10, 2019

ANNEXURE- 1

LIST OF DOCUMENTS

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Corporate Matters 1.1 Minutes books of the following meetings were provided in original <ol style="list-style-type: none"> 1.1.1 Board Meeting; 1.1.2 Audit Committee; 1.1.3 Nomination and Remuneration Committee; 1.1.4 Stakeholders Relationship Committee; 1.1.5 Corporate Social Responsibility Committee; 1.1.6 Annual General Meeting; 1.1.7 Separate Meeting of Independent Directors; 1.2 Agenda papers for Board Meeting along with Notice; 1.3 Annual Report 2017-18; | <ol style="list-style-type: none"> 1.4 Memorandum and Articles of Association; 1.5 Disclosures under Act, 2013 and Listing Regulations; 1.6 Policies framed under Act, 2013 and Listing Regulations; 1.7 Documents pertaining to Listing Regulations compliance; 1.8 Forms and returns filed with the ROC & RBI; 1.9 Checklists duly filled for specific laws; 1.10 Registers maintained under Act, 2013; 1.11 Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015 1.12 Disclosures under SEBI (Substantial Acquisition & Shares Takeover) Regulations, 2011. |
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ANNEXURE- E

ANNUAL REPORT ON CSR INITIATIVES TAKEN BY THE COMPANY

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

TCI Express Limited management believes that corporations are socio-economic citizens and that their objectives have to be congruent with the welfare of the society at large. Therefore, the Company believes it is at the core of its corporate responsibility to adopt and practice its business values through its commitment to grow in a socially and environmentally conscientious way, while protecting interests of all its stakeholders.

TCI Express Limited also understands that its business activities have extensive impact on the society in which it operates, and therefore an effectual practice is required giving due consideration to the welfare of its stakeholders. Therefore, it is committed to its stakeholders to conduct its business in a conscientious manner that builds a sustained optimistic impact on society.

As a corporate entity, the company is committed towards sustainability and to move ahead in this direction in an organized manner. The company has its duly enacted Corporate Social Responsibility Policy in place.

Through its societal investments, TCI Express Limited concentrates on the needs of communities residing in the areas from where it operates, taking sustainable initiatives in community development such as:

- > Integration of social, environmental and ethical responsibilities for long term success and sustainability;
- > Economic and social development of communities ;
- > Expansion of the knowledge horizons to channelize the skilled youth power towards development of the nation.

In compliance with Schedule VII of the Companies Act 2013 including any statutory modification or amendment thereto, TCI Express Limited acknowledges the community development activities as an essential part of its Corporate Social Responsibility.

The CSR policy of the Company may be accessed on the website at the web link: https://www.tciexpress.in/pdf/CSR_Policy.pdf

The detail of the CSR activities undertaken by the Company can be accessed on the website of the Company www.tciexpress.in

2. The Composition of CSR Committee.

Name of the Director	Designation	Member/ Chairman
Mr. D.P. Agarwal	Non-Executive Director	Chairman
Mrs. Taruna Singhi	Non-Executive & Independent Director	Member
Mr. Chander Agarwal	Managing Director	Member

3. Average net profit of the company for the last three financial years: ₹ 4860.55 Lakhs

4. Prescribed CSR Expenditure: ₹ 97.21 Lakhs

5. Details of CSR spent during the financial year 2018-19:

(a) Total Amount to be spent for the financial year;	During the year, the Company has spent Rs. 100.00 Lakhs against the required amount of Rs. 97.21 Lakhs
(b) Total unspent, if any;	None
(c) Manner in which the amount spent during the financial year is detailed below.	

S. No	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs. 1. Local area or other. 2. Specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise (Amount in Lakhs)	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads (Amount in Lakhs)	Cumulative expenditure upto the reporting period in (Amount in Lakhs)	Amount spent: Direct or through implementing agency
1.	Sports Development	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	Village Nayngal Bari, Tehsil Rajgarh, Distt. Churu (Rajasthan)	100.00	Direct CSR expenditure by the Company on the project during the year Rs. 100.00	100.00	TCI Foundation
Grand Total				100.00		100.00	

6. Confirmation:

We hereby confirm that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

Place: Gurugram
Date: May 22, 2019

D.P Agarwal
Chairman of the Committee

Chander Agarwal
Managing Director

ANNEXURE- F

Statement section 197(12) of the Companies Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

I. Remuneration details of Directors and Key Managerial Personnel (KMPs)

Name of the Director/KMP	Designation	% increase in remuneration over last year	Ratio of Remuneration of Directors with Median Remuneration of employees
a) Executive Directors			
Mr. Chander Agarwal	MD	46.27	452.06
Mr. Phool Chand Sharma	WTD	48.22	139.23
b) Non-Executive Directors			
Mr. D.P Agarwal	NEC	42.85	3.44
Mr. Vineet Agarwal	NED	42.85	3.44
Mr. Murali Krishna Chevaturi	NEID	42.85	3.44
Mr. Ashok Kumar Ladha	NEID	42.85	3.44
Mr. Prashant Jain	NEID	42.85	3.44
Mrs. Taruna Singhi	NEID	42.85	3.44
c) Key Managerial Personnel (other than Executive Directors)			
Mr. Mukti Lal	CFO	37.43	-
Mr. Vinay Gujral	CS	16.29	-

MD-Managing Director, WTD-Whole Time Director, NEC-Non-Executive Chairman, NED-Non-Executive Director, NEID-Non-Executive Independent Director, CFO-Chief Financial Officer, CS-Company Secretary.

Commission to the Managing Director: The Nomination & Remuneration Committee evaluates the performances of the Managing Director at the end of each financial year taking into account the comments of the Independent Directors and subsequently approves it. The Managing Director is paid commission well within the overall limit fixed by the shareholders.

Remuneration to Whole Time Director: The remuneration to Whole Time Director is increased owing to allotment of ESOP shares and also substantial increase in shares prices of the Company over last year.

Commission to the Non-Executive Directors: The Nomination & Remuneration Committee recommends the commission (variable component) payable to the Non-Executive Directors after considering their attendance and participation in meetings of Board and Committees, contribution to the development of long term strategy and risk management, updation in areas such as corporate governance framework and the industry and market scenario, exercise of duty with due and reasonable care, skill and diligence etc. It is well within the overall limit fixed by the shareholders of the Company.

II. Total employees on the payroll of the Company: **2747**

III. Percentage increase in the median remuneration of employees during FY 2018-19: **12.05**

IV. Remuneration of Managerial Personnel Vis a Vis other employees: During the year, average percentile increase in the salary of employees other than management personnel was 12.52% as against 47% average percentile increase in the salary of managerial remuneration. The average increase every year is an outcome of the Company's market competitiveness, salary benchmark survey, inflation and talent retention.

V. Pursuant to Rule 5(f) (xii) of the companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, it is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

VI. The list of top ten employees in terms of remuneration drawn including the employee who, if employed throughout the year were in receipt of remuneration at the rate of not less than ₹ 102.00 Lakhs per annum, and if employed for part of the year, were in receipt of remuneration at the rate of not less than ₹ 8.50 Lakhs per month:

Name	Designation	Remuneration (In Lakhs)	Qualification/ Experience (in yrs.)	Date of commencement of employment	Age (In years)	Last employment	No. of Equity Shares
Mr. Chander Agarwal	Managing Director	655.51	B.Sc/17 yrs.	18.08.2016	40	Joint Managing Director- Transport Corporation of India Ltd	9,17,131
Mr. Phool Chand Sharma	Whole Time Director	201.91	B.Com/35 yrs.	01.04.2016	58	CEO*	52,250
Mr. Mukti Lal	Chief Financial Officer	45.31	CA/ 15 yrs.	01.04.2016	41	CFO*	6,300
Mr. S. Narayana Das	HOD-OPS & ECOM	40.72	S.SC/40 yrs.	01.04.2016	59	Regional Manager*	8,400
Mr. Manish Jain	National Head-Sales & Marketing	33.07	B.Sc/23 yrs.	01.04.2016	43	National Head-Sales & Marketing*	292
Mr. L. Murali Krishna	Regional Head	31.55	H.SC/35 yrs.	01.04.2016	56	Regional Manager*	1,850
Mr. Noratmal Sarva	Regional Head	29.12	HSC/33 yrs.	01.04.2016	54	Regional Manager*	250
Mr. Amresh Mishra	HOD-Human Resource	27.08	M.B.A/24 yrs.	01.04.2016	45	GM-T&D-Transport Corporation of India Ltd	600
Mr. Rambali Singh Yadav	Regional Head	24.18	HSC/35 yrs.	01.04.2016	56	Regional Manager*	3,655
Mr. Pabitra Mohan Panda	Regional Head	21.48	MBA/ 20 yrs.	01.04.2016	45	Regional Manager*	1750

*Erstwhile TCI-XPS a division of Transport Corporation of India Ltd

Note: None of the employees is covered under rule 5(2) (ii) and (iii) of the Companies (Appointment & Remuneration) Rules, 2014 of section 197 of the Companies Act, 2013

Report on Corporate Governance

Statement on framework of Corporate Governance

In today's era, with all structural alterations happening in the social, regulatory and market environment, a Company can survive, sustain and grow, only by adopting best Governance practices. Corporate Governance practices may vary at various geographical regions but generally rests upon universally accepted principles which include transparency, accountability, fairness and independence. Corporate Governance ensures that a corporate entity set and pursued to create and enhance long term value for its Stakeholders, Customers, Employees and Society at large.

TCIEXPRESS (the Company), aims and practices not only to comply with the applicable regulatory law(s) but also endeavor to ensure that sound governance standards of ethical values, fairness, transparency and responsible conduct are met throughout organization at all levels. The Company believes and recognized that good governance is an ongoing exercise and thus reiterates its commitment to pursue sound standard of Corporate Governance in the overall interest of its stakeholders. To persuade its objective of Corporate Governance, the Company has established systems, procedures and policies to ensure that Board of Directors are well informed and well equipped to discharge their overall responsibilities and provide the Management with the strategic direction to create and enhance long term stakeholders value.

Your Company is in compliance with requirements of the guidelines on Corporate Governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

hereby presents the following Corporate Governance Report for the financial year 2018-19:

1. Board of Directors

The principles of a Company are influenced by the quality of leadership exhibited by the Board of Directors. Diversity in the Board provides diversity in ideas. The Board is entrusted with the responsibility of the management, general affairs, directions and performance of the Company and has been vested with requisite powers, authorities and duties to enable it to discharge its responsibilities and provide effective leadership to the Business.

Composition

The composition of the Board of Directors is in conformity with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. As on March 31, 2019, the Board of the Company consisted eight directors, of whom two were executive, four were non-executive independent (including woman director) and two were non-executive and non-independent director (including Chairman).

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting (AGM) held on August 1, 2018 and also the number of Directorships and Committee positions held by them in Companies are as under:

Name of Director	Category of Directorship in Company	No. of Directorship held in Companies		No. of Committee Position held		No. of Board meetings		Attended last AGM held on 01.08.18
		Public	Pvt.	Member	Chairman	Held	Attended	
Mr. D.P. Agarwal	NEC	6	0	2	0	4	4	Yes
Mr. Chander Agarwal	MD	4	2	1	0	4	4	Yes
Mr. Vineet Agarwal	NED	5	3	5	0	4	4	Yes
Mr. Murali Krishna Chevuturi	NEID	2	0	0	2	4	4	Yes
Mr. Ashok Kumar Ladha	NEID	6	1	1	2	4	3	Yes
Mr. Prashant Jain	NEID	2	1	1	0	4	3	Yes
Mrs. Taruna Singhi	NEID	1	5	0	1	4	3	Yes
Mr. Phool Chand Sharma	WTD	3	1	1	0	4	4	Yes

NEC- Non-Executive Chairman, MD-Managing Director, NED- Non-Executive Director, NEID-Non-Executive Independent Director, WTD-Whole Time Director

Notes:

- Directorship held in Foreign Companies and Section 8 Companies are excluded.
- Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Companies including TCI Express Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committee or Chairman of more than five such committees.
- Mr. D.P. Agarwal, Mr. Chander Agarwal and Mr. Vineet Agarwal are related to each other
- Details of the directors being re-appointed/appointed are given in the notice of Annual General Meeting.
- Independent Directors on the Board have confirmed that they meet criteria of independence as mentioned in regulation 16 of SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.
- The maximum tenure of Independent Directors is in compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.
- Brief profile of each director is available on the website of the Company www.tciexpress.in

In terms of the provisions of schedule V of SEBI Listing Regulations, the Board has identified following skills/expertise/competency of the Directors as required in context of business of the company for its effective functioning:

Name of Director	Expertise in specific functional area
Mr. D.P Agarwal	Transport and Logistics industry domain, Business Strategy, Management Skills and Corporate Governance
Mr. Chander Agarwal	Express Cargo, Lean Supply Chain Management, Logistics domain, Business Strategy, Management Skills, Corporate Governance and Understanding of Regulatory Environment
Mr. Vineet Agarwal	Logistics and Supply Chain Management domain, Business Strategy, Management Skills, Corporate Governance and Understanding of Regulatory Environment
Mr. Murali Krishna Chevuturi	Audit, Accounts, Finance, Corporate Planning, Controls and Systems design and implementation, Corporate Laws Advisory, Corporate Governance Advisory, Compliance Advisory and Risk Advisory
Mr. Ashok Kumar Ladha	Corporate Planning and Knowledge in Corporate Governance matters
Mrs. Taruna Singhi	Entrepreneur, Business and Corporate Planning and Astute Analytical Abilities
Mr. Prashant Jain	Entrepreneur, Financial knowledge, Business Corporate Planning and Strategy
Mr. P.C Sharma	Express Cargo & Logistics domain, Operations and Business Development, Management Skills and Understanding of Regulatory Environment

As per Schedule V SEBI Listing Regulations, the detail of directorships held by directors in other listed Companies including category of their Directorships are as under:

Name of Director	Name of Listed entity where directorship held (excluding TCI Express)	Category of Directorship
Mr. D.P Agarwal	Transport Corporation of India Ltd	Chairman & Managing Director
	TCI Developers Ltd	Non-Executive Chairman
	Jay Bharat Maruti Ltd	Non-Executive Independent Director
	TCI Industries Ltd	Non-Executive Director
Mr. Chander Agarwal	Transport Corporation of India Ltd.	Non-Executive Director
	TCI Developers Ltd	Non-Executive Director
Mr. Vineet Agarwal	Transport Corporation of India Ltd	Managing Director
	TCI Developers Ltd	Non-Executive Director
Mr. Ashok Kumar Ladha	Indorama Synthetics (India) Ltd	Non-Executive Independent Director

Except above, none of other Directors held Directorship in any other Listed Company.

A. Board Meetings

The Board meets at regular intervals and the gap between two consecutive meetings does not exceed one hundred and twenty days.

During the year under review, the Board met four (4) times. These meetings were well attended by the Directors and necessary quorum was present at all meetings. The details of Board Meetings held during the Financial Year 2018-19 are given as under:

S. No	Date of the Board meeting	Board Strength	No. of Directors Present	City
1.	May 25, 2018	8	8	Gurugram
2.	August 1, 2018	8	8	Hyderabad
3.	November 3, 2018	8	7	Gurugram
4.	February 11, 2019	8	6	Gurugram

Besides above, meeting of Board of Directors was held on May 22, 2019, to consider and approve the audited financials results of the Company for the year ended March 31, 2019, which was attended by all Board members.

B. Information available to the Board

In advance of each meeting, the Board is presented with relevant information on various matters related to working of the Company, especially those require deliberation at the highest level. The Board is given presentations covering operations, revenue and finance of the Company including business opportunities, business strategy and risk management practices before taking on record the quarterly/annual financial results of the Company. In addition to regular statutory matters requiring Board's approval, the Board also considered the matters w.r.t revenue budget, capital budget, all major decisions involving policy formulation, strategy and business plans, new investments, compliance with statutory/regulatory requirements and major accounting provisions from time to time. Further to this relevant/necessary informations as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also made available to the Board.

C. Post Meeting Mechanism

Minutes of the Board/Committee meetings are circulated to Board/ Committee(s) members for their comments, in conformity with Secretarial Standards and Companies Act, 2013, thereafter signed by the Chairman of the next Board/ Committee meeting. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board/Committee members.

D. Familiarization Programme for Directors

At the time of appointment of Director, a formal letter of appointment is given to him/her, inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Executive Director(s) also have one to one discussion with newly appointed Directors to familiarize him/her with the Company's operations. Further, on an ongoing basis as part of Agenda Documents, the details w.r.t Company's business and operations, regulatory updates, finance, risk management framework and roles & responsibilities of Directors under statute are provided to the Directors. The detail of familiarization programme for Director can be accessed https://www.tciexpress.in/pdf/FAMILARIZATION_PROGRAM.pdf

E. Code of Conduct for Board of Directors and Senior Management

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management. The Code of Conduct is a comprehensive document which defines the Company's expectation from its Directors as well as Senior Management, to act honestly, in good faith, and assist the Company in the achievement of corporate strategic objectives in the best interest of the Company. The duties of Independent Director as laid down in the Companies Act, 2013 also form part of the Code of Conduct. The Code has been communicated to the Directors and the members of Senior Management.

All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2019. The Code is available on the Company's website viz. www.tciexpress.in

F. Code of Fair Disclosure and Code of Conduct for prevention of Insider Trading

In line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted Code of Fair Disclosure and Code of Conduct for prevention of Insider Trading by Designated Person and immediate relatives of designated person.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the code of Fair Disclosure and Code of Conduct for Prevention of Insider Trading is available on the Company's website viz. www.tciexpress.in.

G. Separate Meeting of Independent Directors

In line with the mandate given in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, separate meeting of Independent Directors was held on May 22, 2019, without the presence of Executive and Non-Executive Directors and the management of the Company. During the meeting, the Directors discussed, among other matters, the performance of the Company, the flow of information to the Board, Competition, Strategy, Leadership Strengths and Weaknesses, Governance, Compliance and such other relevant matters.

2. The Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company and need a closer review. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. The Company has five Board Level Committees:

- A. Audit and Risk Management Committee
- B. Nomination and Remuneration Committee
- C. Corporate Social Responsibility Committee
- D. Stakeholders' Relationship Committee
- E. Share Transfer Committee

Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are given as under:

A. Audit and Risk Management Committee

The Audit and Risk Management Committee of the Company is constituted in line with the provisions of Regulation 18 and

21 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Section 177 of the Companies Act, 2013.

Pursuant to provisions of Regulation 21 of SEBI Listing Regulations, top 500 listed entities, determined on the basis of market capitalization as at the end of immediate financial year shall constitute Risk Management Committee. Accordingly, on May 22, 2019, the Board of Directors has changed the nomenclature and terms of reference of Audit Committee to Audit and Risk Management Committee to cover the provisions of Risk Management in comprehensive manner.

The terms of reference of the Committee are in conformity with the requirements of Listing Regulations and the Companies Act, 2013, which inter alia, includes the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
22. To identify and assess internal and external risk that may impact of the Company in achieving its strategic objectives.
23. To recommend to the Board of Directors the Risk Management Policy and Standard Operating procedure for risk management and any amendment thereto.
24. Quarterly review the Risk management process and practices to ensure a prudent balance between risks and reward in the Company's business activities.
25. With objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled, to review:
- Tolerance for financial risks;
 - Assessment of significant financial risk facing by the Company;
 - Company's policies, plans, processes and any proposed changes therein for controlling significant financial risks.
26. To review the legal matters which could have a material impact on the Company
27. To deal with audit issues relating to risk management
28. To submit Annual Report to the Board on Risk management and minimization procedures.

Apart from the above, the Audit and Risk Management Committee also exercises the role and powers entrusted to it by the Board of Directors from time to time.

Members of the Audit and Risk Management Committee are financially literate and bring in expertise in the field of Finance, Taxation, Economic and Risk Management. The Chairman of the Audit Committee has accounting and financial management expertise. The Chairman of the Committee attended the AGM held on August 1, 2018 to answer the shareholders queries. Senior Management Personnel including Chief Financial Officer, representative of Statutory Auditors, Internal Auditors and other financial experts are invitees to the meetings. The Company Secretary acts as the Secretary to the Committee.

During the financial year ended March 31, 2019, all the recommendations made by the Audit and Risk Management Committee were accepted by the Board.

The composition of the Committee is in conformity with the Listing Regulations. During the financial year 2018-19, the Audit and Risk Management Committee met four times on May 25, 2018, August 1, 2018, November 3, 2018 and February 11, 2019. The time gap between any two meetings was less than one hundred and twenty days.

As on March 31, 2019, the details of composition of Committee and attendance of members are given as under:

Name of the Member	Category	Position	Number of Meetings	
			held during the year	attended during the year
Mr. Murali Krishna Chevuturi	NEID	Chairman	4	4
Mr. Ashok Kumar Ladha	NEID	Member	4	3
Mr. Vineet Agarwal	NED	Member	4	4
Mr. Prashant Jain	NEID	Member	4	3

NEID-Non-Executive Independent Director, NED- Non-Executive Director

Besides above, meeting of the Audit and Risk Management Committee was held on May 22, 2019, to consider and approve the audited financial results of the Company for the year ended March 31, 2019.

B. Nomination and Remuneration Committee

The Composition and terms of reference of the Nomination and Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Nomination & Remuneration Committee inter alia, include the following:

- I. Identification and recommendation to Board, of persons who are qualified to become Director & Key Managerial Personnel (KMP) in accordance with the criteria laid down;
- II. Considering recommendations of the KMPs w.r.t. appointment & removal of Senior Management Personnel (SMPs) in accordance with the criteria laid down and forwarding their recommendations to the Board accordingly;
- III. Assist the Board in ensuring that plans are in place for orderly succession for appointment to the Board & Senior Management;
- IV. Ensure that the Board is balanced & follows a diversity policy in order to bring in professional experience in different areas of operations, transparency, corporate governance & financial management etc;
- V. Formulation of evaluation criteria for Independent/Non Independent/Executive Directors & the Board as a whole & the KMPs;
- VI. Ensure that directors are inducted through suitable familiarization process & that proper & regular training is given to Independent Directors to update & refresh their skills, knowledge and familiarity with the Company;
- VII. Formulation & supervision of the Remuneration Policy of the Company; &
- VIII. Oversee the formulation and implementation of Employee Stock Option Plan, its administration, supervision and formulating detailed terms and conditions in accordance with SEBI Guidelines.

All the members of the Nomination and Remuneration Committee are Non-Executive Directors. The Chairman of the Committee is an Independent Director. During the financial year 2018-19, the Nomination and Remuneration Committee met two times on May 25, 2018 and February 11, 2019.

As on March 31, 2019, the details of composition of Committee and attendance of members are given hereunder:

Name of the Member	Category	Position	Number of Meetings	
			held during the year	attended during the year
Mr. Ashok Kumar Ladha	NEID	Chairman	2	1
Mr. D.P. Agarwal	NED	Member	2	2
Mr. Murali Krishna Chevuturi	NEID	Member	2	2
Mr. Prashant Jain	NEID	Member	2	2

NEID-Non-Executive Independent Director, NED- Non-Executive Director

Besides above, meeting of the Committee was held on May 22, 2019, to determine the remuneration to be paid to Executive Directors and Commission to be paid to Non-Executive Directors.

The Company Secretary acts as the Secretary to the Committee.

Performance evaluation criteria for Directors

The Annual performance evaluation and other relevant information is provided in the Directors Report forming part of this Annual Report.

Nomination and Remuneration Policy

In accordance with the provisions of Section 178 of the Companies Act, 2013, policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel & Other Employees has been formulated by Nomination & Remuneration Committee (NRC) and approved by the Board of Directors. The Nomination and Remuneration Policy is applicable on

- I. Directors (Executive and Non-Executive)
- II. Key Managerial Personnel (KMPs)
- III. Senior Management Personnel (SMPs) and
- IV. Other employees of the Company.

Salient features of the Nomination and Remuneration Policy:

Appointment and Removal: The Committee shall identify, ascertain the integrity, qualification, expertise and experience of person for appointment as Director. Appointment and removal of Directors is subject to compliance of applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or other applicable laws & regulations.

Training/Familiarization programme for Independent Director:

Incoming/New Directors shall be given formal induction and orientation promptly after the appointment. The programme shall familiarize the incoming/new director with the Company's vision, strategic direction, industry/business model of the Company, core values including ethics, corporate governance practices and other key policies and practices.

Evaluation mechanism: Independent Directors shall hold at least one meeting every year without attendance of non-independent directors and members of the management to review performance of non-independent directors, Board as whole and Chairperson of the Company. The evaluation of the KMPs/SMPs shall be done by the Executive Director and evaluation report shall be submitted to NRC for its perusal and concluding judgment.

Remuneration Structure:

> Remuneration to Executive Directors

The Managing Director and Whole Time Director are paid remuneration within the range recommended by the Nomination and Remuneration Committee which is further approved by the Board of Directors and in compliance with the approval of Shareholders. The remuneration is decided considering various factors such as qualification(s), experience(s), expertise, and capability of the appointee, contribution to the Company's growth, remuneration prevailing in the Industry, Financial Position of the Company etc.

➤ Remuneration to Non-Executive Directors

Independent Directors of the Company are paid remuneration by way of fees for meetings attended of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. Non-Executive Directors also paid commission as approved by the shareholders subject to a limit of 0.5% of the net profit of the Company computed under the applicable provisions of the Companies Act, 2013.

Board Diversity: In order to ensure a balance composition of the Board, the Company shall consider candidates from variety of backgrounds, shall not discriminate on the basis of gender, ethnicity and/or physical disability and ensure an appropriate mix of educational qualification, skills, competency and experience as required in the context of the business of the Company and sector for it to function effectively.

Details of remuneration to Executive Directors during the year ended March 31, 2019:

(₹ in Lakhs)

Name of Executive Director	Salary	Perquisites*	Commission	Stock Options	Total	No. of Equity Shares Held
Mr. Chander Agarwal	361.02	44.49	250.00	-	655.51	9,17,131
Mr. Phool Chand Sharma	152.55	14.74	-	34.62	201.91	52,250

*Perquisites includes company's contribution to provident fund, medical, leave travel allowance, special allowances etc as monetary value of perquisites as per Income Tax rules.

Details of remuneration to Non-Executive Directors during the year ended March 31, 2019:

(₹ in Lakhs)

Name of Non-Executive Director	Sitting Fee*	Commission	Total	No. of Equity Shares Held
Mr. D.P Agarwal	-	5.00	5.00	4,19,314
Mr. Vineet Agarwal	-	5.00	5.00	9,91,467
Mr. Murali Krishna Chevuturi	2.45	5.00	7.45	-
Mr. Ashok Kumar Ladha	1.80	5.00	6.80	-
Mr. Prashant Jain	-	5.00	5.00	-
Mrs. Taruna Singhi	-	5.00	5.00	-

* Include sitting fee for Board & Committee meetings.

Notes:

- The Company has no financial association or dealings with its Independent Directors other than payment of sitting fees and/ or disbursement of commission to them.
- Mr. D.P Agarwal, Mr. Vineet Agarwal, Mr. Prashant Jain and Mrs. Taruna Singhi did not accept any sitting fees for the year ended March 31, 2019.
- None of Directors holds any stock options as March 31, 2019, except Mr. Phool Chand Sharma.
- Mr. D.P Agarwal, Mr. Chander Agarwal and Mr. Vineet Agarwal are related to each other

C. Corporate Social Responsibility Committee

The Company has a Corporate Social Responsibility Committee of directors to look into its CSR Activities, which strives to create value in the society and in the community in which it operates through its services, conduct & initiatives.

The terms of reference of Corporate Social Responsibility Committee includes:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process;
- Recommend the amount of expenditure to be incurred on CSR activities; and
- Institute a transparent monitoring mechanism for implementation of CSR projects or program or activities undertaken by the Company.

During the financial year 2018-19 the Committee met on May 25, 2018.

As on March 31, 2019, the details of composition of Committee and attendance of members are given as under:

Name of the Member	Category	Position	Number of Meeting	
			held during the year	attended during the year
Mr. D.P. Agarwal	NED	Chairman	1	1
Mrs. Taruna Singhi	NEID	Member	1	1
Mr. Chander Agarwal	MD	Member	1	1

NED- Non-Executive Director, NEID-Non-Executive Independent Director, MD-Managing Director

Besides above, the meeting of the Committee was held on May 22, 2019 to recommend the expenditure to be incurred on CSR activities during financial year 2019-20.

D. Stakeholders' Relationship Committee

The Composition and terms of reference of the Stakeholders' Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year 2018-19 the Committee met four times on May 25, 2018, August 1, 2018, November 3, 2018 and February 11, 2019.

As on March 31, 2019, the details of composition of Committee and attendance of members are given as under:

Name of the Member	Category	Position	Number of Meeting	
			held during the year	attended during the year
Mrs. Taruna Singhi	NEID	Chairperson	4	3
Mr. Vineet Agarwal	NED	Member	4	4
Mr. Phool Chand Sharma	WTD	Member	4	4

NEID-Non-Executive Independent Director, NED- Non-Executive Director, WTD-Whole Time Director

Besides above, meeting of the Stakeholders' Relationship Committee was held on May 22, 2019, which was attended by all the committee members.

The terms of reference of Stakeholder's Relationship Committee includes:

- > Look into various aspects of interests of shareholders, debenture holders and other security holders, if any;
- > Review of statutory compliance relating to shareholders, debenture holders and other security holders, if any
- > Consider and resolve the grievance of shareholders of the Company including complaints related to transfer of securities, non-receipt of annual report/ dividends/ notices etc;
- > Review of transfer of unclaimed dividends and shares to Investor Education & Protection Fund;
- > Review of movements in shareholding structure of the Company
- > Ensuing setting of proper controls and oversight of performance of the Registrar & Share Transfer Agent
- > Recommendation of measures for overall improvement of the quality of investor services.

Apart from the above, the Committee also exercises the role and powers entrusted to it by the Board of Directors from time to time.

Mr. Vinay Gujral, Company Secretary of the Company is designated as the Compliance Officer and act as Secretary of the Committee.

Detail of investor complaints received, disposed off and outstanding as on March 31, 2019:

No. of Investor complaints balance at the beginning of the year	No. of Investor complaints received during the Year	No. of Investor complaints disposed-off during the Year	No. of Investor complaints outstanding at the end of the Year
Nil	Nil	Nil	Nil

No investor complaint was outstanding as on March 31, 2019.

E. Share Transfer Committee

The Share Transfer Committee is formed to look into share transfer and related applications received from shareholders. The members of the Committee are Mr. Chander Agarwal, Managing Director, Mr. Vineet Agarwal, Non-Executive Director and Mr. Phool Chand Sharma, Whole Time Director.

The terms of reference of the Committee includes transfer/ transmission of shares and such other securities as may be issued by the Company from time to time, to approve and monitor dematerialization of shares /debentures / other securities and all matters incidental thereto, issue of duplicate share certificates subdivision/ split of shares & to allot shares.

3. Management Discussion and Analysis Report

Management Discussion and Analysis Report is given in a separate section and form an integral part of this Annual Report.

4. Disclosures

A. Related party transactions

The Company has formulated a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and SEBI Listing Regulations. The Policy for Related Party Transactions, as approved, may be accessed at <https://www.tciexpress.in/pdf/Policy%20on%20Related%20Party%20Transaction.pdf>

There were no material significant related party transactions with the Company's promoters, directors, management or their relatives which could have had a potential conflict with the interest of the Company. There were no material individual transactions with the related parties during the year, which were not in the normal course of business or not on Arms' Length basis. All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business.

B. Compliance with Regulations

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and Regulation 46 of SEBI Listing Regulation, 2015.

C. Disclosure of Accounting Treatment

While in preparation of financial statement, the treatment that has been prescribed in the Indian Accounting Standards, has been followed to represent the facts in the financial statement in a true and fair manner.

D. Detail of Non-Compliance by the Company/Penalties/ Strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to the Capital markets during last 3 years.

There were no instances of non-compliance by the Company on any matter related to the capital markets or penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

E. Vigil Mechanism/Whistle Blower Policy

Pursuant to the Companies Act, 2013 and SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy through which Directors and Employees may report unethical behavior, malpractices, wrongful conduct, fraud and violation of Company's Code of Conduct without fear. None of the personnel of the

Company has been denied access to the Audit Committee. The Whistle Blower Policy can be accessed at <https://www.tciexpress.in/pdf/WHISTLE%20BLOWER%20POLICY.pdf>

F. Code of Conduct for prevention of Insider Trading

Code of Conduct for prevention of Insider Trading, inter alia, prohibits dealing in shares of the Company by Designated Persons & Immediate Relatives of Designated Persons while in possession of Unpublished Price Sensitive Information in

relation with the Company. The Code can be accessed at <https://www.tciexpress.in/pdf/CODE%20OF%20CONDUCT%20FOR%20PREVENTION%20OF%20INSIDER%20TRADING.pdf>

G. CEO/ CFO certification

In compliance with Listing Regulations, the CEO & Whole Time Director and the Chief Financial Officer have given the compliance certificate which is annexed to this report.

5. General Body Meetings

A. Details of last three Annual General Meetings are as under:

FY ended	Date, Time and Venue		Whether any Special Resolution(s) Passed
	Annual General Meetings(AGMs)		
March 31, 2016	November 4, 2016 11:30 a.m	Emerald II, H- Floor, Taj Krishna, Road No. 1, Banjara Hills, Hyderabad-500034, Telangana	Yes
March 31, 2017	August 1, 2017 11:30 a.m	Salon II & III, Basement 1, Park Hyatt Hyderabad, Road No.2, Banjara Hills, Hyderabad-500034, Telangana	Yes
March 31, 2018	August 1, 2018 12:00 noon	Drawing Room, Basement 1, Park Hyatt Hyderabad, Road No. 2, Banjara Hills, Hyderabad-500034, Telangana	No

B. Postal Ballot

During the financial year ended March 31, 2019, no resolution has been passed through postal ballot.

C. Annual General Meeting for the Financial Year 2018-19

Day and Date	Tuesday, July 30, 2019
Time	10.30 a.m
Venue	Meeting Place-1, 2 & 3, Lobby Level, Hyatt Place Hyderabad, Road No.1, Banjara Hills, Opposite to GVK One mall, Hyderabad- 500034, Telangana
Financial Year	2018-19
Book Closure Date	Thursday July 25, 2019 to Tuesday July 30, 2019 (both days inclusive)
Dividend Payment Date	The final dividend, if approved shall be paid within 30 days from the date of shareholders' approval

D. Tentative Calendar for Financial Year 2019-20

The tentative dates for Board Meetings for consideration of quarterly/ half yearly/ year ended financial results are as follows:

For the FY 2019-20	Results likely to be announced*
Quarter ended June 30, 2019	On or before August 14, 2019
Quarter & Half year ended September 30, 2019	On or before November 14, 2019
Quarter & Nine months ended December 31, 2019	On or before February 14, 2020
Quarter & Year ended March 31, 2020	On or before May 30, 2020

*tentative and subject to change

E. Means of Communications

Financial Results The Company's quarterly/half yearly/ annual results are intimated to Stock Exchanges and also published in prescribed format within 48 hours of the conclusion of the meeting of Board of Directors in which they are considered, in a national English newspaper and in local language (Telugu) newspaper. The Company's financial results and official press releases are sent to the stock exchanges and displayed on the Company's website www.tciexpress.in

Website The Investor Relation section on the website provides information to the shareholders pertaining to Financial Results, Annual Reports, Shareholding Pattern, Schedule of Investor meet and General Information about the Company etc.

News Release The official news releases are sent to Stock Exchanges and simultaneously displayed on the website of the Company

Investor Presentations The Schedule of Investor Meet and presentation are sent to Stock Exchanges and simultaneously displayed on the Company's website.

Annual Report The Company sends Annual Reports by email to those shareholders whose email ids are registered with the Company/ Depository. Physical copies are also sent to those shareholders whose email ids are not registered.

F. Listing Information

Listed on	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
Stock Symbol/ Code	NSE: TCIEXP and BSE: 540212
Listing and Custodian Fee	Annual Listing Fee and Custodian has been duly paid to Stock Exchanges and Depositories, respectively
ISIN	INE586V01016
CIN	L62200TG2008PLC061781

G. Unclaimed Dividends/Fractional Shares proceeds entitlement

Pursuant to the provisions of Companies Act, 2013, dividend/fractional entitlements lying un-claimed for a period of seven years from the date of their transfer to unpaid/un-claimed account have to be transferred to the Investor Education and Protection Fund (IEPF). The details of un-claimed dividend/fractional entitlement are posted on the website of the Company. The details w.r.t date of declaration and due date for transfer of un-claimed dividend/fractional entitlement to Investor Education and Protection Fund are as hereunder:

Year	Fractional/ Dividend	Date of Declaration	Due date for transfer to IEPF
2016-17	Fractional Amount	January 18, 2017	February 17, 2024
2016-17	Interim Dividend	January 31, 2017	March 3, 2024
2016-17	Final Dividend	August 1, 2017	September 4, 2024
2017-18	1 st Interim Dividend	November 1, 2017	December 7, 2024
2017-18	2 nd Interim Dividend	January 31, 2018	March 6, 2025
2017-18	Final Dividend	August 1, 2018	August 31, 2025
2018-19	1 st Interim Dividend	November 3, 2018	December 4, 2025
2018-19	2 nd Interim Dividend	February 11, 2019	March 14, 2026

H. Disclosure with respect to demat suspense account/unclaimed suspense account

As per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the status of unclaimed equity shares lying in demat suspense account is as hereunder.

S. No	Particulars	No. of Shareholders	No. of Equity Shares
1.	Aggregate number of shareholders and outstanding shares in the suspense account lying at beginning of the year*	2,650	3,66,876
2.	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	13	2,982
3.	Number of shareholders to whom shares were transferred from suspense account during the year	07	1,773
4.	Aggregate number of shareholders and the outstanding shares in suspense account lying at the end of the year	2,643	3,65,103

*Shares were transferred to demat suspense account on September 26, 2018.

The voting & beneficial rights of these shares are frozen till the rightful owner of such shares claims the shares.

I. Distribution of Shareholding and Shareholding pattern as on March 31, 2019
a. Distribution of Shareholding

S. No	Category	No. of Cases	% of Cases	Amount	% of Amount
1.	01-5000	25,742	98.45	87,73,190	11.45
2.	5001-10000	211	0.81	15,17,936	1.98
3.	10001-20000	88	0.34	12,64,456	1.65
4.	20001-30000	33	0.13	8,24,458	1.08
5.	30001-40000	11	0.04	3,87,232	0.51
6.	40001-50000	6	0.02	2,52,388	0.33
7.	50001-100000	12	0.05	8,66,406	1.13
8.	100001 & above	44	0.17	6,27,35,184	81.88
	Total	26,147	100.00	7,66,21,250	100.00

b. Shareholding pattern

S. No	Category	No. of Shareholders	No. of Shares held	% age of shares held
A	Promoters and Promoters Group	17	2,56,56,022	66.97
B	Public Shareholding			
I	Mutual Funds	15	11,93,511	3.12
II	Alternate Investment Fund	2	5,85,072	1.53
III	Foreign Portfolio Investors	33	15,82,910	4.13
IV	Financial Institutions/Banks	7	13,696	0.04
V	Foreign Institutional Investors	1	2,941	0.01
VI	Overseas Corporate Bodies	1	10,15,482	2.65
VII	Indian Public	24,419	63,73,965	16.64
VIII	NBFC Registered with RBI	3	5,007	0.01
IX	Trusts	4	20,194	0.05
X	Non Resident Indians (Repatriable and Non Repatriable)	1,084	4,07,239	1.06
XI	Clearing members	69	63,111	0.16
XII	Body Corporate	489	10,25,522	2.68
XIII	Foreign National	2	850	0.00
XIV	Unclaimed Suspense Account	1	3,65,103	0.95
	Total	26,147	3,83,10,625	100.00

Note: The folios have been consolidated basis PAN numbers.

J. Dematerialization of Shares and Liquidity:

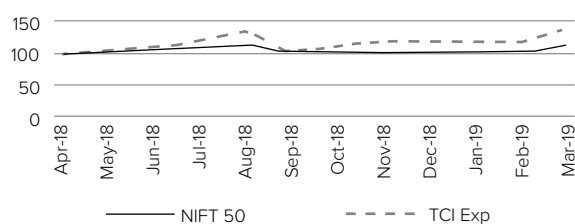
As on March 31, 2019, the status of equity shares in Demat and Physical form is provided as under:

Particulars	No. of Shares	% of share capital
Shares held in Demat form with NSDL	3,36,95,703	87.95
Shares held in Demat form with CDSL	29,02,167	7.58
Shares held in Physical	17,12,755	4.47
Total	3,83,10,625	100.00

K. Market Price Data during financial year ended March 31, 2019:

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
April, 2018	563.40	459.55	558.00	459.00
May, 2018	549.25	501.00	547.50	497.00
June, 2018	612.80	490.45	612.70	490.05
July, 2018	650.00	536.30	649.95	536.65
August, 2018	738.85	611.00	736.45	615.00
September, 2018	709.15	533.05	708.00	530.00
October, 2018	637.00	507.35	632.65	510.05
November, 2018	630.00	575.00	629.80	576.75
December, 2018	634.90	601.00	633.85	601.05
January, 2019	649.80	584.00	665.00	584.85
February, 2019	648.00	605.10	645.00	600.10
March, 2019	767.70	633.00	766.20	635.00

L. TCI Express Share movement on NSE Vs Nifty (2018-19)



M. Transfer of shares

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the SEBI Listing Regulations, 2015, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in dematerialised form with the depository. Therefore, shareholders are requested to take action to dematerialize the Equity Shares of the Company.

N. Outstanding GDR/Warrants and Convertible Notes, conversion date and likely impact on the equity

The Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments apart from Stock Options, details of which are given in Boards Report and accordingly, as on March 31, 2019 the Company does not have any outstanding GDRs/ ADRs/ Warrants or any other Convertible instruments.

O. Address for Correspondence

Mr. Vinay Gujral	Karvy Fintech Pvt. Ltd.
Company Secretary & Compliance Officer	(formerly Karvy Computershare Pvt. Ltd)
TCI Express Limited	Registrar & Share Transfer Agent
Corporate Office:	Karvy Selenium, Tower B, Plot number 31 & 32,
TCI House, 69, Institutional Area, Sector 32,	Financial District,
Gurugram -122001	Nanakramguda, Serilingampally Mandal, Hyderabad 500 032
Tel. 0124-2384090-94	Tel. 040- 67161524
E-mail: secretarial@tciexpress.in	E-mail: rajeev.kr@karvy.com
Website: www.tciexpress.in	Website: www.karvyfintech.com

P. Credit Ratings

CRISIL for Long Term	ICRA for Commercial Papers
CRISIL AA-/Stable	[ICRA] A1+

Q. Disclosure related to Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 as on March 31, 2019

The details of number of complaints filed, disposed of during the year and pending as on March 31, 2019 are given in Directors Report and form an integral part of this Annual Report.

Non Mandatory Requirements

Adoption of non-mandatory requirements of SEBI Listing Regulations, 2015 is being reviewed by the Board from time to time.

For and on behalf of the Board

Place: Gurugram
Date: May 22, 2019

D.P. Agarwal
Chairman

Declaration pursuant to Schedule V of the Listing Regulation

As provided under regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015, all the members of Board and Senior Management of the Company have affirmed Compliance with Code of Conduct as applicable to them for the year ended March 31, 2019

For TCI Express Limited

Place: Gurugram
Date: May 22, 2019

P.C. Sharma
Whole Time Director

CEO/CFO Certification

We the undersigned, in our respective capacities as Whole Time Director and Chief Financial Officer of TCI Express Limited ("the Company") to the best of our knowledge and belief certify that:

- i. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. We further state that to the best of our knowledge and belief, no transactions were entered into by the Company during the year, which were fraudulent, illegal or violation of the Company's code of conduct.
- iii. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have

disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- iv. We have indicated to the Auditors and the Audit Committee:
 - a. significant changes, if any, in internal control over financial reporting during the year;
 - b. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For TCI Express Limited

Place: Gurugram
Date: May 22, 2019

P.C. Sharma
Whole Time Director

Mukti Lal
CFO

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of
TCI Express Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TCI Express Limited having CIN L62200TG2008PLC061781 and having registered office at Flat No. 306 & 307, 1-8-271 to 273, 3rd Floor Ashoka Bhoopal Chambers, S. P. Road Secunderabad, Hyderabad Telangana 500003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of

companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanjeev Bhatia & Associates
Company Secretaries

Sanjeev Bhatia
Proprietor
C.P. No. 3870

Place: Gurugram
Date: May 14, 2019

Certificate on Corporate Governance

To

The Members of
TCI Express Limited

I have examined the compliance of the conditions of Corporate Governance by TCI Express Limited ('the Company') for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to us, and the representations made by

the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanjeev Bhatia & Associates
Company Secretaries

Sanjeev Bhatia
Proprietor
C.P. No. 3870

Place: Gurugram
Date: May 14, 2019

Independent Auditor's Report

To The Members of **TCI Express Limited**

Report on the Audit of the Ind AS Financial Statements Opinion

We have audited the accompanying Ind AS financial statements of TCI Express Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment testing of investments in Uketoru Co. Ltd, Japan Refer Note 5 to the accompanying financial statements</p> <p>As at 31 March 2019, the carrying amount of investment in Uketoru Co. Ltd, Japan is Rs. 126 lakhs</p> <p>The net worth of Uketoru Co. Ltd, Japan as at 31 March 2019 is fully eroded, as per unaudited accounts. No audited accounts for any years are available. The management has considered that there is no possible impairment in the carrying value of the investment. Accordingly, the management has obtained valuation by an independent valuer who has adopted 'Market Approach (Comparable Transaction Method) and based on information, explanations and assumptions with application of market approach.</p> <p>Considering the materiality of the amounts involved, the significant management judgement required is being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of management's process and evaluation design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS; • Assessed the appropriateness of methodology and valuation model used by the valuers to estimate the recoverable value of investment in Uketoru Co. Ltd; • Assessed the professional competence of the valuation specialist, who are cost accountants engaged by the management; • Based on our procedures, we also considered the adequacy of disclosures in respect of investment in the said Uketoru Co. Ltd, in the notes to the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial

performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we

are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in

terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- I. the Company has disclosed the impact of pending litigations on its financial position in the financial statements;
- II. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- III. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;

For **R.S. Agarwala & Co.**
Chartered Accountants
Firm's Regn No:-304045E

(R.S. Agarwala)

Partner

Camp:-Gurugram

Date: 22.05.2019

Membership No.005534

Annexure "A" to Independent Auditors' Report of even date to the members of TCI Express Limited, on the Ind AS Financial Statement for the year ended 31st March, 2019.

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) We are informed that a test of physical verification of these assets was carried out by the management at reasonable intervals and no material discrepancies were noticed. In our Opinion, the frequency of verification of Fixed Assets is reasonable having regards to the size of the Company and nature of its assets.
c) Most of the immovable properties as disclosed in the financial statement have been transferred on demerger. Out of the total properties transferred on demerger fifteen (15) numbers of properties have already been transferred in the name of the Company and title deeds of balance thirty-two (32) immovable properties are in the process of transfer. Properties purchased during the financial year are held in the name of the Company.
2. The Company does not holding any inventory. Accordingly the provisions of Clause 3 (ii) of the order, 2016 are not applicable.
3. The Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3 (iii) of the said order are not applicable.
4. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the said order are not applicable.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of any activities of the Company.
7. (a) According to the information and explanation given to us and records of the Company examined by us, in our opinion the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, custom duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues to the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax or sales tax or service tax or duty of excise or value added tax or cess or Employees' State Insurance as at March 31, 2019 which have not been deposited on account of any dispute are as under:

Particulars	Nature of the dues	Amount (In Crores)	Period to which amount relates	Forum where dispute is pending
Sales Tax Act (in Various States)	Trade Tax	0.20	2014-15	Various Authorities
		0.36	2018-19	
Entry Tax Act	Entry Tax	1.25	2011-12	Various Authorities
Labour Act	Labour Laws	0.02	2017-18	Various Labour Court

8. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institutions or bank or Government during the year. The company has not issued any debentures.
9. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Therefore, the provisions of Clause 3(ix) of the said order are not applicable to the company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the management during the course of our audit.
11. The company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
12. The company is not a Nidhi Company.
13. The transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of the related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standard.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause 3 (xiv) of the order are not applicable.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of Clause 3 (xv) of the order are not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **R.S. Agarwala & Co.**
Chartered Accountants
Firm's Regn No:-304045E

(R.S.Agarwala)

Partner

Camp:-Gurugram
Date: 22.05.2019

Membership No.005534

Annexure B to The Independent Auditors' Report

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **TCI Express Limited** on the Ind AS financial statements for the year ended 31st March, 2019

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the companies Act, 2013.

We have audited the internal financial controls over financial reporting of TCI Express Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal

financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R.S. Agarwala & Co.**
Chartered Accountants
Firm's Regn No:-304045E

(R.S.Agarwala)
Partner
Membership No.005534

Camp: Gurugram
Date: 22.05.2019

Balance Sheet

as at 31 March 2019

(₹ in Crores)

Particulars	Note No.	As at	As at
		31 March 2019	31 March 2018
ASSETS			
Non-Current Assets			
Property, Plant And Equipment	2	171.57	160.23
Capital Work-In-Progress	3	1.37	0.02
Intangible Assets	4	1.50	1.76
Financial Assets			
Investments	5	1.25	-
Other Non-Current Assets	7	10.22	5.15
		185.91	167.16
Current Assets			
Financial Assets			
Trade Receivables	9	163.14	154.38
Cash and Cash Equivalents	10	16.13	11.69
Other Bank Balances	11	0.97	0.49
Loans	6	8.51	7.11
Current Tax Assets (Net)	8	1.17	-
Other Current Assets	7	3.14	3.01
		193.07	176.68
Total Assets		378.97	343.84
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	7.66	7.66
Other Equity	13	259.53	199.15
		267.19	206.81
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	2.30	1.66
Deferred Tax Liabilities (Net)	15	5.50	4.29
		7.80	5.95
Current Liabilities			
Financial Liabilities			
Borrowings	16	6.38	38.16
Trade Payables	17		
Total Outstanding dues of micro enterprises and small enterprises		2.42	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		69.93	64.59
Other Financial Liabilities	18	11.09	10.50
Other Current Liabilities	19	10.04	14.34
Provisions	20	4.12	3.28
Current Tax Liabilities (Net)	8	-	0.21
		103.98	131.08
		111.78	137.03
Total Equity and Liabilities		378.97	343.84

The accompanying summary of significant accounting policy and other explanatory notes are an integral part of the financial statements

In terms of our Report of even date

For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

For and on behalf of **Board of Directors of TCI Express Limited**

R S Agarwala

Partner

(Membership No. 005534)

D P Agarwal

(Chairman)

Chander Agarwal

(Managing Director)

Murali Krishna Chevaturi

(Director)

Camp: Gurugram

Date : 22nd May 2019

P C Sharma

(Whole Time Director)

Mukti Lal

(VP & CFO)

Vinay Gujral

(Company Secretary)

Statement of Profit and Loss

for the year ended 31 March 2019

(₹ in Crores)

Particulars	Note No.	Year ended 31 March 2019	Year ended 31 March 2018
Revenue			
Revenue from Operations	21	1,023.79	885.08
Other Income	22	3.19	2.08
Total Income		1,026.98	887.16
Expenses			
Operating Expenses	23	753.37	664.43
Employee Benefits Expenses	24	85.86	72.53
Finance Costs	25	3.78	3.76
Depreciation and Amortisation Expenses	26	6.53	5.21
Other Expense	27	65.57	57.46
Total		915.11	803.39
Profit Before Tax		111.87	83.77
Tax Expense (Refer Note 29)			
Current Tax		37.37	24.20
Income tax expense pertaining to Earlier years		-	0.22
Deferred Tax		1.66	0.95
		39.03	25.37
Profit for the Year		72.84	58.40
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss			
Re-Measurement of Defined Benefit Liability		(1.32)	(0.40)
Less: Tax on Above Items		0.46	0.12
		(0.86)	(0.29)
Total Comprehensive Income for the Year		71.98	58.11
Earning Per Equity Share			
- Basic	28	19.02	15.25
- Diluted		19.00	15.24

The accompanying summary of significant accounting policy and other explanatory notes are an integral part of the financial statements

In terms of our Report of even date

 For **R S Agarwala & Co.**
 Chartered Accountants
 Firm Reg No. 304045E

 For and on behalf of **Board of Directors of TCI Express Limited**
R S Agarwala
 Partner
 (Membership No. 005534)

D P Agarwal
 (Chairman)

Chander Agarwal
 (Managing Director)

Murali Krishna Chevuturi
 (Director)

 Camp: Gurugram
 Date : 22nd May 2019

P C Sharma
 (Whole Time Director)

Mukti Lal
 (VP & CFO)

Vinay Gujral
 (Company Secretary)

Statement of Changes in Equity

for the year ended 31 March 2019

A. Equity Share Capital

(₹ in Crores)

Particulars	Balance as at 1 April 2017	Changes in equity share capital during the year	Balance as at 31 March 2018	Change in equity share capital during the year	Balance as at 31 March 2019
Equity Share Capital	7.66	-	7.66	0.00	7.66

B. Other Equity

(₹ in Crores)

Particulars	Reserve and Surplus					Total
	Retained Earnings	Securities Premium	General Reserve	Share options outstanding account	Other Comprehensive Income Reserve	
Balance as at 1 April 2017	12.77		140.34	-	-	153.11
Profit for the year	58.40		-		-	58.40
Other comprehensive income	-		-		(0.29)	(0.29)
Total comprehensive income for the year	58.40	-	-	-	(0.29)	58.11
Share options outstanding account				0.83		0.83
Transfer In/Out General Reserve	(40.00)		40.00	-	-	-
Transaction with owners in their capacity as owners:						
Dividend paid during the year	(10.72)		-	-	-	(10.72)
Tax on Dividend paid	(2.18)		-	-	-	(2.18)
Balance as at 31 March 2018	18.27	-	180.34	0.83	(0.29)	199.15
Balance as at 1 April 2018	18.27		180.34	0.83	(0.29)	199.15
Profit for the year	72.84		-		-	72.84
Other comprehensive income	-		-		(0.86)	(0.86)
Total comprehensive income for the year	72.84	-	-	-	(0.86)	71.98
Exercise of Stock Options		0.99				0.99
Share options outstanding account				0.80		0.80
Transfer In/Out General Reserve	(50.00)		50.00			-
Transaction with owners in their capacity as owners:						
Dividends paid during the year	(11.11)			-	-	(11.11)
Tax on dividend paid	(2.28)			-	-	(2.28)
Balance as at 31 March 2019	27.72	0.99	230.34	1.63	(1.15)	259.53

The accompanying summary of significant accounting policy and other explanatory notes are an integral part of the financial statements

In terms of our Report of even date

For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

For and on behalf of **Board of Directors of TCI Express Limited**

R S Agarwala

Partner

(Membership No. 005534)

D P Agarwal

(Chairman)

Chander Agarwal

(Managing Director)

Murali Krishna Chevuturi

(Director)

Camp: Gurugram

Date : 22nd May 2019

P C Sharma

(Whole Time Director)

Mukti Lal

(VP & CFO)

Vinay Gujral

(Company Secretary)

Statement of Cash Flow

for the year ended 31 March 2019

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	111.87	83.76
Adjustments for:		
Depreciation and Amortisation	6.53	5.21
Loss on Disposal of Property, Plant and Equipment (Net)	0.34	0.48
Amortisation of leasehold land	0.03	0.03
Employee Stock Option Compensation	1.31	0.83
Miscellaneous Provisions Written Back	(0.68)	(0.22)
Finance Cost	3.78	3.76
Interest Received	(0.01)	(0.03)
	11.30	10.06
Operating profit before working capital changes	123.17	93.83
Changes in Operating Assets and Liabilities:		
Trade Receivable	(8.76)	(41.09)
Loans, Other Financial Assets and Other Assets	(2.62)	2.43
Trade Payables	7.68	26.99
Other Financial Liabilities and Provisions	(3.17)	15.80
Cash Generation From Operations	116.30	97.96
Direct Taxes Paid	(38.76)	(24.09)
Net Cash from Operating Activities (A)	77.54	73.87
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(19.39)	(62.89)
Proceeds on Sale of Property, Plant and Equipment	0.09	0.19
Purchase of Investments	(1.25)	-
Long-Term Advances	(5.06)	(0.17)
Interest Received	0.01	0.03
Net Cash from Investing Activities (B)	(25.60)	(62.85)
C. CASH FLOW FROM FINANCING ACTIVITIES*		
Short Term Borrowings	(31.79)	7.64
Proceeds from Issuance of Share Capital	1.00	-
Proceeds from Term Borrowings	2.02	2.23
Repayment of Term Borrowings	(1.09)	(0.82)
Payment of Dividends	(11.11)	(10.72)
Payment of Dividend Tax	(2.28)	(2.18)
Interest Paid	(3.77)	(3.77)
Net Cash from Financing Activities (C)	(47.02)	(7.62)
Net Increase in Cash and Cash Equivalents (A+B+C)	4.92	3.40
Cash and Cash Equivalents at 1 April	12.18	8.78
Cash and Cash Equivalents at 31 March #	17.10	12.18

* Refer note 42 for Net debt reconciliation

Statement of Cash Flow

for the year ended 31 March 2019

Cash and Cash Equivalent at the end of the year include:

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Cash on hand	1.30	0.81
Cheques, Draft on Hand	14.81	10.87
Bank Balance with Current Account	0.02	0.01
	16.13	11.68
Others Bank Balance	0.97	0.49

Statement of significant accounting policies

The accompanying summary of significant accounting policy and other explanatory notes are an integral part of the financial statements

In terms of our Report of even date

For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

R S Agarwala

Partner

(Membership No. 005534)

Camp: Gurugram

Date : 22nd May 2019

For and on behalf of **Board of Directors of TCI Express Limited**

D P Agarwal

(Chairman)

P C Sharma

(Whole Time Director)

Chander Agarwal

(Managing Director)

Mukti Lal

(VP & CFO)

Murali Krishna Chevuturi

(Director)

Vinay Gujral

(Company Secretary)

Notes to the Financial Statements

for the year ended 31 March 2019

1. Summary of Significant Accounting Policies

i) Corporate Information

TCI Express Limited ('TCIEXP' or 'the Company') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The main objective of the Company is to carry express cargo distribution. The Equity Shares of the Company are listed with National Stock Exchange of India Limited and Bombay Stock Exchange Ltd.

The registered office of TCI Express Ltd is situated at Flat Nos. 306 & 307, 1-8-271 to 273, 3rd Floor, Ashoka Bhopal Chambers, S.P Road, Secunderabad- 500003 Telangana and the Corporate Office of the Company is situated at TCI House, 69, Institutional Area, Sector -32, Gurugram, Haryana.

ii) Basis of preparation of financial statements

Statement of Compliance with Ind AS

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs (MCA) pursuant to Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act. . The Company has consistently applied the accounting policies during the periods presented in the financial statements.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on May 22, 2019

Historical Cost Convention

The financial statements have been prepared on going concern basis under the historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – plan assets measured at fair value.
- Share based payments which are measured at fair value of the options.

iii) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note v(t) below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iv) All the amount disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

v) Significant Accounting Policies

a) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. An asset is treated as current when it is:

- Expected to be realised or intended to be sold in normal operating cycle*
- Held primarily for purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Notes to the Financial Statements

for the year ended 31 March 2019

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

*Operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) Property, Plant and Equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

Depreciation methods, estimated useful lives and residual value.

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Company: Management believes that useful life of assets are same as those prescribed in Schedule II to the Act.

Tangible Assets	Useful Life
Building	60 Years
Plant and machinery	15 Years
Furniture and fittings	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Leasehold land	Over the period of lease

The residual values are not more than 5% of the original cost of the asset. The assets residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

Advance paid towards the acquisition of acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advance under other non-current assets and cost of assets not ready to use before such date are disclosed under 'Capital work in progress'

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognized.

c) Intangible Assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Notes to the Financial Statements

for the year ended 31 March 2019

Subsequent measurement (depreciation and useful lives)

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	Amortized over a period of 6 years

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

d) Impairment of non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the finance leases recognized in accordance with Ind AS 17, that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Foreign Currencies

Transactions and balances

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Notes to the Financial Statements

for the year ended 31 March 2019

g) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss. Contingent rentals are recognized as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

h) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

Notes to the Financial Statements

for the year ended 31 March 2019

For the purpose of fair value disclosures, company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and Service Tax. Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and are custodian of goods and is also exposed to credit risks.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Sale of services:

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on services such as service tax, Goods and service tax etc.

Rental Income:

Income from rent is recognized over the period of the contract on straight line basis. Initial direct cost is expensed off when incurred.

Interest Income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all Financial Assets measured at amortised cost (refer 'j' below), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

j) Financial Instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

i. **Financial assets at amortised cost** - a financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

Equity Investments - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the Company

Notes to the Financial Statements

for the year ended 31 March 2019

decides to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with Ind-AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

Trade Receivable

The companies apply the approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. As a practical expedient, the company use a provision matrix to determine the impairment loss allowance on its portfolio of its trade receivable. The provision matrix is based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis observed default rates over the expected life of the trade receivable. At every reporting date, the historical observed default rate are updated.

Other Financial assets

For recognition of impairment loss on other financial asset and risk exposure, the company determine whether there has been a significant increase in the credit risk since initial recognition and if credit risk has been increased significantly, impairment loss is provided.

k) Retirement and other employee benefits

Defined Contribution plan

Defined Contribution plan such as provident fund, employee state insurance scheme, labour welfare fund and benevolent fund are charged to the statement of profit and loss as incurred. The Company has no obligation, other than the contribution payable to these funds/schemes. The Company recognizes contribution payable to these funds/schemes as an expense, when an employee renders the related service. The Company has no obligation other than the contribution payable to these funds/schemes. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for gratuity, a defined benefit plan covering eligible employees. The gratuity plans provides lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount base on the respective employees base salary and the tenure of employment. The gratuity liability is paid to the gratuity fund set up by the

Notes to the Financial Statements

for the year ended 31 March 2019

Company (TCI Express Gratuity Fund Trust). A provision for gratuity liability to the employee is made on the basis of actuarial valuation determined using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss.

Other Employee Benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Other short term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

l) Employee stock option plan (Share based payments)

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

o) Taxes

Current income tax

Current income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Notes to the Financial Statements

for the year ended 31 March 2019

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

p) Segment reporting

As the Company's main business activity falls within a single primary Business Segment viz. "Express Cargo", provisions of Segment Reporting as per Ind AS 108 are not applicable

q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and cash/cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

r) Dividend distribution to equity holders

The Company recognizes a liability to make dividend distributions to equity holders when the distribution is authorized and is no longer left to the discretion of the Company. As per the corporate laws in India, a distribution of final dividend is authorized when it is approved by the shareholders; and a distribution of interim dividend is authorized by the board of directors. The amount of dividend so authorized is adjusted directly in other equity.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

t) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Financial Statements

for the year ended 31 March 2019

- a. Allowance for doubtful debts** – The allowance for doubtful debts reflects management’s estimate of losses inherent in its credit portfolio. This allowance is based on Company’s estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company’s debtors compared to that already taken into consideration in calculating the allowances recognized in the financial statements.
- b. Useful lives of depreciable/amortizable assets** – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.
- c. Defined benefit obligation (DBO)** – Management’s estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- d. Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- e. Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- f. Contingent liabilities** – The Company is the subject of legal proceedings and tax issues which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.
- u) Recent Accounting pronouncements**
- Ministry of Corporate Affairs (“MCA”), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:
- Ind AS – 116**
- Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.
- The Company will adopt Ind AS 16, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.
- On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.
- The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.
- With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to
- amortization change for the right-to-use asset, and
 - interest accrued on lease liability.

Notes to the Financial Statements

for the year ended 31 March 2019

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease. There will be consequent reclassification in the cash flow categories in the statement of cash flows. The effect of adoption of Ind AS 116 is expected to be insignificant.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The interpretation is effective for annual reporting periods beginning on or after 01 April 2019. The Company is evaluating the impact of this amendment on its financial statements

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

- (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty
- (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

Notes to the Financial Statements

for the year ended 31 March 2019

2 Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land	Building (refer point a)	Vehicle	Office Equipments	Plant & Machinery	Furniture & Fixture	Computer Hardware	Total
Gross Carrying Value								
Balance at 1 April 2017	30.99	50.60	3.48	4.54	9.30	7.32	7.24	113.47
Additions	33.11	26.07	2.65	1.23	3.37	1.90	1.95	70.28
Disposals	-	-	0.67	0.67	1.26	1.23	1.85	5.67
Balance at 31 March 2018	64.10	76.67	5.46	5.10	11.41	7.99	7.34	178.08
Additions	7.93	2.17	2.81	1.16	0.99	1.33	1.64	18.03
Disposals	-	-	0.53	-	1.03	-	-	1.56
Balance at 31 March 2019	72.03	78.84	7.74	6.26	11.37	9.32	8.98	194.55
Accumulated Depreciation								
As at 1 April 2017	-	2.23	0.99	2.13	3.09	4.02	5.50	17.95
Charge for the year	-	0.96	0.54	0.68	1.12	0.53	1.07	4.91
Disposals	-	-	0.34	0.61	1.13	1.17	1.75	5.01
Balance at 31 March 2018	-	3.19	1.19	2.20	3.08	3.38	4.82	17.85
Charge for the year	-	1.29	0.86	0.88	1.25	0.67	1.31	6.26
Disposals	-	-	0.33	-	0.80	-	-	1.13
Balance at 31 March 2019	-	4.48	1.72	3.08	3.53	4.05	6.13	22.98
Net Block as at 31 March 2018	64.10	73.48	4.28	2.90	8.34	4.61	2.52	160.23
Net Block as at 31 March 2019	72.03	74.36	6.03	3.18	7.84	5.27	2.85	171.57

- a) Buildings includes those on leasehold land (cost ₹ 7.55 crores accumulated depreciation ₹ 1.16 crores and written down value ₹ 6.39 crores) as on 31 March 2019, (Cost ₹ 7.55 crores, accumulated depreciation ₹ 1.01 crores and written down value ₹ 6.54 crores) as on 31 March 2018

Capitalised Borrowing Cost

The Company has not capitalised any borrowing costs during the year ended 31 March 2019 and 31 March 2018

3 Capital Work-in-Progress

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Capital Work-in-Progress	1.37	0.02

Movement in Capital Work in Progress:

(₹ in Crores)

Particulars	Amount
Balance as at 1 April 2017	7.85
Add: Additions during the year	18.15
Less: Capitalisation during the year	25.98
Balance as at 31 March 2018	0.02
Balance as at 1 April 2018	0.02
Add: Additions during the year	1.35
Less: Capitalisation during the year	-
Balance as at 31 March 2019	1.37

Notes to the Financial Statements

for the year ended 31 March 2019

4 Intangible Assets

(₹ in Crores)

Description	Amount
Gross Carrying Value	
As at 1 April 2017	2.90
Additions	0.44
Disposals	-
As at 31 March 2018	3.34
Additions	0.01
Disposals	-
As at 31 March 2019	3.35
Accumulated Amortisation	
As at 1 April 2017	1.28
Amortisation	0.30
Disposals	-
As at 31 March 2018	1.58
Amortisation	0.27
Disposals	-
As at 31 March 2019	1.85
Net Block as at 31 March 2018	1.76
Net Block as at 31 March 2019	1.50

5 Non Current Investments

(₹ in Crores)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of Shares	Amount	Number of Shares	Amount
In Equity Instruments - at FVOCI	50	1.25	-	-
Uketoru Co. Ltd				
Total	50	1.25	-	-

Detail of amounts recorded in Other Comprehensive Income:

(₹ in Crores)

Particulars	As at 31 March 2019			As at 31 March 2018		
	Gross	Tax	Net	Gross	Tax	Net
Net Gain/(Loss) on : Equity Securities	0.01	-	0.01	-	-	-

6 Loans

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Current		
Unsecured, considered good, unless otherwise stated (Carried at amortised cost)		
Security deposits		
- with related parties	2.01	1.40
- with customers	2.52	0.37
- with others	3.74	5.17
Loans to employees	0.24	0.17
Total	8.51	7.11

Notes to the Financial Statements

for the year ended 31 March 2019

7 Other Assets

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Non Current		
Prepaid expenses	1.06	0.99
Capital advances	9.16	4.16
	10.22	5.15
Current		
Prepaid expenses	0.61	0.37
Input tax credit receivable	0.08	0.93
Deferred expense (POCM)	1.25	0.45
Operational advances		
- considered good	1.20	1.26
- considered doubtful	0.19	0.19
Less: Provision for Doubtful Advances & Deposits	(0.19)	(0.19)
Total	3.14	3.01

8 Current Tax Assets (Liabilities)

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Advance tax (net of provision)	1.17	(0.21)
Total	1.17	(0.21)

9 Trade Receivables

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Unsecured		
- Considered good	163.14	154.38
- Considered doubtful	1.17	1.71
	164.31	156.09
Less: Allowances for credit losses	1.17	1.71
Total	163.14	154.38
Includes dues from companies where directors are interested	-	-

10 Cash and Cash equivalents

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Cash on hand	1.30	0.81
Cheques and drafts on hand	14.81	10.87
Balance with banks		
In current accounts	0.02	0.01
Total	16.13	11.69

Notes to the Financial Statements

for the year ended 31 March 2019

11 Other Bank Balances

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Earmarked Bank Balances		
Unclaimed dividend accounts	0.70	0.29
Fractional shares	0.05	0.05
Margin money deposits	0.22	0.15
Total	0.97	0.49

Refer note 31 on Financial instruments for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses

12 Equity Share Capital

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
(a) Authorised :		
5,00,00,000 Equity shares of ₹ 2 each (31 March, 2018 : 5,00,00,000 Equity shares of ₹ 2 each)	10.00	10.00
Issued, Subscribed & Paid up :		
38,310,625 Equity shares of ₹ 2 each (31 March, 2018 : 38,288,725 Equity shares of ₹ 2 each)	7.66	7.66
Total	7.66	7.66

(b) Reconciliation of Number of Shares

(₹ in Crores)

Particulars	As at 31 March 2019		As at 31 March 2018	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	38,288,725	7.66	38,288,725	7.66
Add: Allotted under Employee Stock Option Scheme	21,900	0.00	-	-
Equity shares at the end of the year :	38,310,625	7.66	38,288,725	7.66

(c) Rights/Preferences/Restrictions Attached to Equity Shares

The Company has only one class of Equity Share having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to the approval of the shareholders, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion of their shareholding.

As on 31 March, 2019, 365103 Equity Shares were lying in Demat Suspense Account of the Company. Dividend on these shares was transferred into bank account linked with demat suspense account. The voting and beneficial rights of these shares are frozen till the rightful owner of such shares claims such unclaimed shares.

(d) Details of Shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2019		As at 31 March 2018	
	No of shares	Amount	No of shares	Amount
Bhoruka Finance Corporation of India Limited	7,952,339	20.76%	7,952,339	20.77%
Bhoruka International (P) Limited	5,294,102	13.82%	5,294,102	13.83%
Dharampal Agarwal representing TCI Trading	2,487,497	6.49%	2,487,497	6.50%
TCI India Limited	2,022,782	5.28%	2,022,782	5.28%
	17,756,720	46.35%	17,756,720	46.38%

Notes to the Financial Statements

for the year ended 31 March 2019

12 Equity Share Capital (contd..)

(e) Share Reserved under Employee Stock Option Plan

The Shareholders in their meeting held on November 1, 2016 have approved the resolution to create, grant, issue and offer 9,57,216 options representing 2.5% of the paid up share capital as on date of shareholders approval in form of options, in one or more tranches under ESOP Scheme 2016.

During the year, in respect of Option granted under the Employees Stock Option Scheme 2016 and in accordance with the guidelines issued by Securities and Exchange Board of India the accounting value of Option (based on fair value of share on the date of grant of option minus option price) is accounted as a deferred employee compensation, which is amortised on straight line basis over the vesting period. Amortisation of deferred employee compensation as detailed below:

31 March, 2018: ₹ 0.83 Crores 31 March, 2019: ₹ 1.30 Crores

(f) In the period of five years immediately preceding 31 March 2018 :

As per the Scheme of Arrangement, 3,80,36,800 equity shares issued to shareholders of Transport Corporation of India Limited on August 31, 2016.

251,925 Shares allotted to erstwhile employees of Transport Corporation of India Limited against Employees Stock Option exercised by them during the financial year 2016-17.

During the year, the Company has allotted 21,900 Equity Shares to the eligible employees pursuant to ESOP-2016.

13 Other Equity

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
(i) Retained Earnings		
Opening balance	18.27	12.78
Add: Net profit for the current year	72.84	58.39
Less: Dividends	(11.11)	(10.72)
Less: Tax on Dividends	(2.28)	(2.18)
Profit available for appropriation	77.72	58.27
Transferred to general reserves	(50.00)	(40.00)
Closing balance	27.72	18.27
(ii) Securities Premium		
Opening Balance		
Change during the year	0.99	-
	0.99	-
(iii) General reserve		
Opening balance	180.34	140.34
Change during the year	50.00	40.00
	230.34	180.34
(iv) Other Reserves:		
Share Options Outstanding Account		
Opening balance	0.83	
Add : Created against Stock Options granted during the year	1.31	0.83
Less : Exercise of Stock Option	0.51	-
	1.63	0.83
(v) Other Comprehensive Income Reserve		
Re-measurements of the Net Defined Benefit Plans		
Opening balance	(0.29)	-
Changes during the year	(0.86)	(0.29)
	(1.15)	(0.29)
Total Other Equity	259.53	199.15

14 Borrowings

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Secured		
Term loans		
From Banks	3.46	2.50
Current Maturities of long term borrowings (Refer Note 18)	(1.16)	(0.84)
Total	2.30	1.66

Notes to the Financial Statements

for the year ended 31 March 2019

Other Information Pertaining to Nature of Security and terms of repayment

(₹ in Crores)

Particulars of Nature of Security	Type of loan	Terms of Repayment	As at	As at
			31 March 2019	31 March 2018
Term loans from Bank :	Vehicle loan	Repayable in 36 monthly installments at an average rate of 8.70%	0.80	1.35
Vehicle Loans secured by respective vehicles		Repayable in 48 monthly installments at an average rate of 9.24%	0.56	-
		Repayable in 60 monthly installments at an average rate of 8.47%	2.10	1.15

15 Deferred Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred Tax (Assets)/ Liabilities arising on account of		
Property, Plant and Equipment- Depreciation	6.06	4.01
Receivables, financial assets and liabilities at amortised cost	-	0.59
	6.06	4.60
Provision for employee and other liabilities deductible on actual payments	(0.56)	(0.31)
	(0.56)	(0.31)
Deferred Tax Liabilities (Net)	5.50	4.29

Movement in Deferred Tax Liabilities (Net) in F Y 2017-18

(₹ in Crores)

Particulars	As at 01 April 2017	Recognised in Statement of Profit And Loss	Recognised in Other Comprehensive Income	As at 31 March 2018
Deferred Tax (Assets)/Liabilities in relation to :				
Property, Plant and Equipment	2.91	1.10	-	4.01
Receivables, Financial Assets and Liabilities at Amortised Cost	0.54	0.05	-	0.59
Provision for Employee and Other Liabilities Deductible on Actual Payments	(0.10)	(0.33)	0.12	(0.31)
Net Deferred Assets/Liabilities	3.35	0.82	0.12	4.29

Movement in Deferred Tax Liabilities (Net) in F Y 2018-19

(₹ in Crores)

Particulars	As at 31 March 2018	Recognised in other Comprehensive income	Recognised in Other Comprehensive Income	As at 31 March 2019
Deferred Tax (Assets)/Liabilities in relation to :				
Property, Plant and Equipment - Depreciation	4.01	2.05	-	6.06
Receivables, Financial Assets and Liabilities at Amortised Cost	0.59	(0.59)	-	-
Provision for Employee and Other Liabilities Deductible on Actual Payments	(0.31)	(0.71)	0.46	(0.56)
Net Deferred Assets/Liabilities	4.29	1.21	0.46	5.50

16 Borrowings

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to Income taxes levied by the same taxation authority

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Secured Working Capital Loans		
From banks (a)	6.38	38.16
	6.38	38.16

Notes to the Financial Statements

for the year ended 31 March 2019

(a) Security Details

Particulars of Nature of Security :

Working Capital Loans are secured by hypothecation of entire current assets, book debts as primary security alongwith equitable mortgage of certain land and building as collateral at Kakati, Distt Belgaum, Karnataka, Sanjay Gandhi Transport Nagar New Delhi, Transport nagar Lucknow, Kasaba Hubli, Mysore, Transport Nagar, Allahabad

17 Trade Payables

(₹ in Crores)

Particulars	As at	As at
	31 March 2019	31 March 2018
Total Outstanding dues to MSME	2.42	-
Others	69.93	64.59
	72.35	64.59

Refer Note 34 for information about liquidity risk and market risk of trade payables.

Note : Dues to Micro and Small enterprises

Company has certain dues to suppliers registered under Micro , Medium and Small Enterprises Development Act. 2006 (MSMED ACT). The disclosures pursuant to the said MSMED Act are as follows :

(₹ in Crores)

Particulars	As at	As at
	31 March 2019	31 March 2018
The principal amount remaining unpaid to any supplier at the end of the year	2.42	-
Interest due remaining unpaid to any supplier at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro , Small and Medium Enterprises development Act, 2006 " is based on the information available with company regarding the status of registration of such vendors under the said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

18 Other Current Financial Liabilities

(₹ in Crores)

Particulars	As at	As at
	31 March 2019	31 March 2018
Current maturities of long term borrowings from banks (Refer Note 14)	1.16	0.84
Interest accrued but not due on borrowings	0.02	0.01
Unclaimed dividends	0.69	0.29
Fractional shares entitlements payable	0.05	0.05
Trade / security deposits	1.43	1.23
Retention monies	2.03	2.30
Creditors against capital assets	1.14	2.87
Employee related payables	4.57	2.90
	11.09	10.50

Note: There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Notes to the Financial Statements

for the year ended 31 March 2019

19 Other Current Liabilities

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory remittances	8.37	13.28
Deferred income (POCM)	1.67	1.05
	10.04	14.34

20 Provisions

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for Employee Benefits		
Provision for gratuity	2.26	1.86
Provision for leave encashment	1.86	1.42
	4.12	3.28

21 Revenue from Operations

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Operating Revenue		
Freight, Demurrage and miscellaneous charges	1,023.79	885.08
	1,023.79	885.08

22 Other Income

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Interest	0.01	0.03
Unspent liabilities/excess provisions written back	0.69	0.22
Bad debts and irrecoverable balances written off earlier, realised	-	0.13
Rent	2.49	1.70
Dividend Income	-	0.00
	3.19	2.08

23 Operating Expenses

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Freight	693.35	605.39
GPS communication charges	0.64	0.83
Crane operating expenses	1.75	1.26
Payments to labour boards	11.65	10.21
Air freight	36.42	37.06
Ship freight	1.20	1.10
Rail freight	0.74	1.40
Other transportation expenses	7.41	6.88
Claims for loss & damages (net)	0.21	0.29
	753.37	664.43

Notes to the Financial Statements

for the year ended 31 March 2019

24 Employee Benefit Expenses

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Salaries, wages & bonus	71.36	59.47
Contribution to provident & other funds	4.64	4.84
Contribution to employees' state insurance	1.55	1.33
Expenses on employees stock option scheme	1.31	0.83
Staff welfare & development expenses	7.00	6.07
	85.86	72.53

25 Finance Costs

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Interest expenses	3.32	3.25
Bank charges	0.46	0.51
	3.78	3.76

26 Depreciation & Amortization Expense

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation on property, plant and equipment	6.26	4.91
Amortization of intangible assets	0.27	0.30
	6.53	5.21

27 Other Expenses

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Rent	26.73	21.87
Rates and taxes	0.38	0.45
Insurance	0.22	0.28
Telephone expenses	0.75	0.81
Printing and stationery	1.66	1.23
Travelling expenses	9.63	8.36
Legal expenses	0.04	0.03
Postage and courier	0.35	0.23
Electricity expenses	2.68	2.17
Advertisement expenses	1.43	1.09
Office maintenance & security expenses	6.51	6.10
E mail/I. Net expenses	1.62	1.47
Consultancy Expenses	1.25	1.52
Conference & seminar expenses	1.31	1.51
Commission & fees to directors	0.34	0.24
Remuneration to Auditors :		
Audit fees	0.06	0.06
Tax audit fees	0.04	0.04
Bad debts and irrecoverable balances written off	0.57	0.46
Charity & Donations	0.09	1.64
CSR	2.00	0.50
Loss on sale of assets (Net)	0.34	0.48
Miscellaneous expenses	3.31	2.66
Repair & Maintenance :		
Motor Cars	1.49	1.32
Plant & equipment	0.23	0.26
Computers	0.91	1.05
Buildings	1.63	1.63
	65.57	57.46

Notes to the Financial Statements

for the year ended 31 March 2019

Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, a Corporate Social Responsibility Committee has been formed by the company. The funds were primarily allocated to a corpus and utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Amount required to be spent as per section 135 of the Companies Act, 2013	0.97	0.43
Contribution made during the year	1.00	0.50

28 Earnings per share has been arrived at as under :

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Profit/(loss) attributable to shareholders	72.84	58.40
Weighted Average Number of Equity Shares used for computing Earnings Per Share for Basic EPS	38,305,150	38,288,725
Weighted Average Number of Equity Shares used for computing Earnings Per Share for Diluted EPS	38,358,416	38,311,806
Nominal value per share	2.00	2.00
Earnings per equity share		
Basic	19.02	15.25
Diluted	19.00	15.24

29 Income Tax

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
The income tax expense consists of the following :		
Current tax expense for the current year	37.37	24.20
Current tax expense pertaining to previous year	-	0.22
Deferred tax expense/(benefit)	1.66	0.95
Total income tax	39.03	25.37

The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Profit before income taxes	111.88	83.76
At India's statutory income tax rate (31 March 2019: 34.944%, 31 March 2018: 28.84%)	39.10	24.16
Adjustments in respect of current income tax		
Permanent Disallowances	0.41	0.32
Others	(0.48)	0.89
Total income tax expense	39.03	25.37

30 Contingencies and Commitments

(₹ in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(A) Contingent liabilities		
I Trade Tax/ Octroi/ Duty and other demands under dispute	4.14	2.98
II Guarantees and Counter Guarantees Outstanding	2.00	0.49
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advance on tangible assets.	3.49	0.71

Notes to the Financial Statements

for the year ended 31 March 2019

31 Financial Instruments

A. Fair values hierarchy

The different levels of fair value have been defined below:

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

Financial assets and liabilities

The carrying amounts and fair values of financial instruments by category are as follows:

(₹ in Crores)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Financial assets measured at amortised cost			
(i) Trade Receivables	9	163.14	154.38
(ii) Cash and Cash equivalents	10	16.13	11.69
(iii) Other Bank balances	11	0.97	0.49
(iv) Loans	6	8.51	7.11
(v) Investments		1.25	-
Total Financial Assets		190.00	173.67
Financial liabilities measured at amortised cost			
(i) Borrowings	16 & 14	8.68	39.82
(ii) Trade Payables	17	72.27	64.59
(iii) Other Financial liabilities	18	11.09	10.50
Total Financial Liabilities		92.04	114.91

Fair value of instruments measured at amortised cost

(i) The management assessed that fair values of cash and cash equivalents, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(ii) The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

B. Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Crores)

As at 31 March 2019	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at				
Fair value through other comprehensive income	-	-	1.25	1.25
Fair value through profit and loss	-	-	1.25	1.25

a. Valuation process and technique used to determine fair value

(i) In order to arrive at the fair value of unquoted investments, the Company obtains independent valuations. The techniques used by the valuer are as follows:

- Asset approach - Net assets value method
- Income approach - Discounted cash flows ("DCF") method
- Market approach - Enterprise value/Sales multiple method

Notes to the Financial Statements

for the year ended 31 March 2019

- b. Significant unobservable inputs used in Level 3 fair values and sensitivity of the closing values as at end of reporting period to such inputs is as below:

Unquoted equity shares		(₹ in Crores)	
Description	As at 31 March 2019	As at 31 March 2018	
Impact on fair value if change in earnings growth rate			
- Impact due to increase of 0.50 % for 2019 and 0.50 % for 2018	0.01	-	
- Impact due to decrease of 0.50 % for 2019 and 0.50 % for 2018	(0.01)	-	
Impact on fair value if change in risk adjusted discount rate			
- Impact due to increase of 0.50 % for 2019 and 0.50 % for 2018	0.01	-	
- Impact due to decrease of 0.50 % for 2019 and 0.50 % for 2018	(0.01)	-	

- c. The following table presents the changes in level 3 items for the periods ended 31 March 2019:

Description	(₹ in Crores) Unquoted equity shares
As at 31 March 2018	-
Loss recognised in other comprehensive income during the year	0.01
As at 31 March 2019	0.01

32 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

The Company has adopted the standard on 1 April 2018 on a modified retrospective basis with a cumulative catch-up adjustment booked to retained earnings as at 1 April 2018 as if the standard had always been in effect. The standard is applied only to contracts that are not completed as at 1 April 2018. Comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. While the adoption of the new standard did not result in any material adjustments to the Company's revenue or net income.

Significant changes in contract assets and liabilities

Changes in balance of contract liabilities during the year:

Description	(₹ in Crores) Year ended 31 March 2019
Opening balance of contract liabilities	1.05
Less: Amount of revenue recognised against opening contract liabilities	(1.05)
Add: Addition in balance of contract liabilities for current year	1.67
Closing balance of contract liabilities	1.67

There has been no significant changes in Contract Assets and Liabilities during the year.

Notes to the Financial Statements

for the year ended 31 March 2019

Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of below:

(₹ in Crores)	
Revenue	Amount
Revenue from contract with customer	
Domestic	1,023.79
Other revenue	
Domestic	-

(₹ in Crores)	
Revenue by time	Total
Revenue recognised over time	1,023.79
Revenue recognised at point in time	-
	1,023.79

Assets and liabilities related to contracts with customers

(₹ in Crores)		
Particulars	As at 31 March 2019	As at 31 March 2018
Current		
Contract assets related to sale of service	-	-
Contract liabilities related to sale of service	-	-
Deferred income liability	1.67	1.05
Trade Receivable	163.14	154.38

Reconciliation of revenue from Ind AS 18 to Ind AS 115

(₹ in Crores)	
Description	Year ended 31 March 2019
Revenue from operations as per Ind AS 18	1,023.79
Adjustment related to Ind AS 115	-
Revenue from operations as per Ind AS 115	1,023.79

Performance obligation of the Company

In case of freight service there is only one performance obligation of the Company i.e. to carry express cargo distribution. The Company recognizes revenue over time during which the services are being delivered.

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

33 Risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company's risk management is carried out by a central team at the Corporate Office comprising of chief financial officer, credit controller and other members of the finance/credit control function under policies approved by the Board of Directors. All receipts and payments are maintained at centralised bank account, thus resulting in mitigating the credit risk and liquidity risk.

A. CREDIT RISK

Credit risk management

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Notes to the Financial Statements

for the year ended 31 March 2019

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A : No Risk
- B: Low credit risk
- C: Moderate credit risk
- D: High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on past credit loss experience with customers and considering differences between current and historical economic conditions.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company or debtor declaring bankruptcy or customer closing down the business. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in statement of profit and loss.

Financial Assets that exposes the entity to credit risk:

Credit rating	Particulars	As at	
		31 March 2019	31 March 2018
	Cash and cash equivalents	16.13	11.69
A: No Risk	Other Bank Balances	0.97	0.49
B: Low credit risk on financial reporting date	Loans	9.77	12.18
	Trade receivables	162.64	154.08
C: Moderate credit risk	Trade receivables	0.50	0.30

(₹ in Crores)

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through IT driven internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts and stipulated days. Moreover, given the diverse nature of the Company's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 3% or more of the trade receivables in any of the years presented. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously

Financial assets are considered to be of good quality and there is no significant increase in credit risk

Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2019

(₹ in Crores)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade Receivables	164.30	(1.17)	163.14

Notes to the Financial Statements

for the year ended 31 March 2019

As at 31 March 2018

(₹ in Crores)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade Receivables	156.09	(1.71)	154.38

Movement in provisions of doubtful debts

(₹ in Crores)

Particulars	Amount
Loss allowance on 31 March 2018	(1.71)
Impairment loss recognised/reversed during the year	(0.03)
Amounts written off	0.57
Loss allowance on 31 March 2019	(1.17)

Expected credit loss for trade receivables under simplified approach :
As at 31 March 2019

(₹ in Crores)

Ageing	Not Due (0-30)	31-60 days past due	61-90 days past due	91-180 days past due	More than 180 days past due	Total
Gross carrying amount	75.52	45.25	26.60	15.20	1.74	164.31
Expected loss rate		0.39%	0.39%	2.49%	29.28%	
Expected credit loss (Loss allowance provision)	-	(0.17)	(0.10)	(0.38)	(0.51)	(1.17)
Carrying amount of trade receivables (net of impairment)	75.51	45.08	26.50	14.82	1.23	163.14

Movement of doubtful advances

(₹ in Crores)

Particulars	Amount
As on 31 March 2018	(0.19)
Expected loss recognised/reversed during the year	-
Amounts written off	-
As on 31 March 2019	(0.19)

B. LIQUIDITY RISK

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Crores)

Floating Rate	As at 31 March 2019	As at 31 March 2018
Expiring within one year (cash credit and other facilities- Fixed rate)	53.63	27.17
Expiring beyond one year (bank loans - Floating rate)	-	-
	53.63	27.17

Notes to the Financial Statements

for the year ended 31 March 2019

(ii) Contractual Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 March 2019						(₹ in Crores)
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	
Borrowings (Including Interest accrued but not due)	6.38				6.38	
Term Loan	1.25	0.92	1.32	0.16	3.65	
Trade Payables	72.27				72.27	
Other Financial Liabilities	11.09				11.09	
Total	90.99	0.92	1.32	0.16	93.39	

31 March 2018						(₹ in Crores)
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	
Borrowings (Including Interest accrued but not due)	38.16				38.16	
Term Loan	0.95	0.81	0.46	0.47	2.69	
Trade Payables	64.59				64.59	
Other Financial Liabilities	10.50				10.50	
Total	114.20	0.81	0.46	0.47	115.94	

C. MARKET RISK

a) Interest Rate risk

i) Liabilities

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to interest income and interest expenses and to manage the interest rate risk, management performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term and short term financing. At 31 March, 2019, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	(₹ in Crores)	
	As at 31 March 2019	As at 31 March 2018
Variable rate borrowing	6.38	38.16
Fixed rate borrowings	3.46	2.50
Total borrowings	9.84	40.66
Amount disclosed under other current financial liabilities	(1.16)	(0.84)
Amount disclosed under borrowings	8.68	39.82

Sensitivity

The following table illustrates the sensitivity of profit and equity to a possible change in interest rates of +/- 1% (31 March 2019: +/- 1%; 31 March 2018). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Notes to the Financial Statements

for the year ended 31 March 2019

Sensitivity (contd..)

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Interest sensitivity		
Interest rates – increase by 100 basis points (100 bps)	(0.04)	(0.25)
Interest rates – decrease by 100 basis points (100 bps)	0.04	0.25

* Holding all other variables constant

34 Capital risk management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while keeping very low leverage by putting a cap on capital expenditure within the limit of internal accruals. The Company manages the capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, reduction in capital expenditure or issue new shares.

a) Debt-Equity ratio

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
Borrowings	9.83	40.66
Net debt	9.83	40.66
Total equity	267.19	206.81
Net Debt to Equity ratio (In times)	0.04	0.20

b) Dividends

(₹ in Crores)

Particulars	As at	
	31 March 2019	31 March 2018
i) Interim Dividend		
For the year ended 31 March 2018 ₹ 2 per share and for the year ended 31 March 2019 ₹ 2.40 per share (excluding tax)	9.19	7.66
(ii) Final Dividend		
For the year ended 31 March 2019 of 0.50 per share and for the year ended 31 March 2018 of 0.80 per share (excluding tax)	1.92	3.06

35 Employee benefit obligations

1) Gratuity

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the group makes contributions to recognised funds in India. The group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The weighted average duration of the defined benefit obligation as at 31 March 2019: 12 years (31 March 2018: 12 years)

Notes to the Financial Statements

for the year ended 31 March 2019

The amounts recognised in the Statement of Financial Position and the movements in the net defined benefit obligation over the year are as follows:

a. Reconciliation of present value of Defined Benefit Obligation and the fair value of plan assets (₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Present value obligation as at the end of the year	10.70	8.46
Fair value of plan assets as at the end of the year	8.45	6.75
Net (liability)/asset recognised in Balance Sheet	(2.25)	(1.71)

b. Changes in defined benefit obligation (₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Present value obligation as at the start of the year	8.46	6.84
Interest cost	0.65	0.53
Service cost	0.96	1.28
Benefits paid	(0.76)	(0.59)
Actuarial loss/(gain) on obligations	1.40	0.40
Present value obligation as at the end of the year	10.71	8.46

c. Amount recognized in the statement of profit and loss (₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Service cost	0.96	1.28
Net Interest cost	0.13	0.09
Amount recognised in the statement of profit and loss	1.09	1.37

d. Change in the Fair Value of Plan Asset : (₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Fair Value of Plan Assets as at the Start of the Year	6.75	5.68
Return on Plan Assets	0.52	0.44
Actuarial (Loss)/Gain	0.07	(0.00)
Contribution	1.86	1.22
Benefits Paid	(0.76)	(0.59)
Fair Value of Plan Assets as at the End of the Year	8.44	6.75

e. Other Comprehensive Income (₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Actuarial (gain)/loss on arising from change in financial assumption	1.40	0.40
Actuarial (gain)/loss on arising from experience adjustment	(0.07)	0.00
Unrecognized actuarial (gain)/loss at the end of the year	1.33	0.40

f. Actuarial Assumption

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	7.70% p.a	7.75% p.a
Future salary increase	6.50% p.a	6.00% p.a

The discount rate indicated above reflects the estimated and currency of benefit payments. It is based on the yields/ rates available on applicable bonds as on the current valuation date

Notes to the Financial Statements

for the year ended 31 March 2019

g. Demographic Assumption

Particulars	As at	As at
	31 March 2019	31 March 2018
Retirement Age (Years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2006-08) ultimate	
Ages	Withdrawal Rate(%)	
Up to 30 years	4.00%	5.00%
From 31 to 40 years	3.00%	5.00%
From 41 to 50 years	3.00%	3.00%
Above 50 years	3.00%	2.00%

h. Sensitivity analysis for gratuity liability

(₹ in Crores)

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	10.70	8.46
a) Impact due to increase of 1.00%	(1.10)	(0.80)
b) Impact due to decrease of 1.00%	1.34	0.94

i. Sensitivity Analysis for Gratuity Liability

(₹ in Crores)

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
Impact of the change in salary increase		
Present value of obligation at the end of the year	10.70	8.46
a) Impact due to increase of 1.00%	1.30	0.95
b) Impact due to decrease of 1.00%	(1.09)	(0.81)

j. Sensitivity Analysis for Gratuity Liability

(₹ in Crores)

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
Impact of the change in Attrition rate		
Present value of obligation at the end of the year	10.70	8.46
a) Impact due to increase of 1.00%	0.13	0.12
b) Impact due to decrease of 1.00%	(0.15)	(0.15)

k. Maturity Profile of Defined Benefit Obligation

(₹ in Crores)

Particulars	As at	As at
	31 March 2019	31 March 2018
April 2018 to March 2019		0.59
April 2019 to March 2020	1.24	0.82
April 2020 to March 2021	0.41	0.40
April 2021 to March 2022	1.22	1.08
April 2022 to March 2023	0.48	0.44
April 2023 to March 2024	0.63	-
April 2022 to March 2029	3.56	7.20
April 2029 onwards	26.30	

Notes to the Financial Statements

for the year ended 31 March 2019

I Windup Liability/ Discontinuance Liability

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2019	Increase %
Discontinuance Liability*	N/A	12.68	-
Present value of Obligation	8.46	10.70	27%
Ratio (Present Value of Obligation / Discontinuance Liability)	-	84%	-

*Discontinuance liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

Defined Contribution Plans

The Company's Officer's state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the Statement of Profit and Loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds

2) Leave Obligations

The leave obligations cover the Company liability for earned leaves. Since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Current Leave Obligations Expected to be Settled within the Next 12 months	0.34	0.09
Non-Current Leave Obligations Expected to be Settled in Future	1.50	1.30

Movement in the Liability Recognised in the Balance Sheet is as under:

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Present value of defined benefit obligation as at the start of the year	1.39	1.17
Current service cost	0.30	0.29
Interest cost	0.11	0.09
Actuarial loss/(gain) recognized during the year	0.06	(0.17)
Benefits paid	-	-
Present value of defined benefit obligation as at the end of the year	1.86	1.39

Amount Recognised in the Statement of Profit and Loss is as under:

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Current service cost	0.29	0.30
Interest cost	0.09	0.11
Amount Recognized in the Statement of Profit and Loss	(0.17)	0.06

Amount Recognised in the Statement of Other Comprehensive Income

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Net Cumulative Unrecognised Actuarial Gain/(Loss) Opening		
Actuarial Gain/(Loss) for the Year on PBO	(16.63)	(10.16)
Actuarial Gain/(Loss) for the Year on Asset	-	-
Unrecognised Actuarial Gain/(Loss) at the End of the Year	(16.63)	(10.16)

Notes to the Financial Statements

for the year ended 31 March 2019

Actuarial Assumptions

Particulars	As at 31 March 2019	As at 31 March 2018
Discount Rate (per annum)	7.70%	7.75%
Salary Growth rate (per annum)	6.50%	6.00%

Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Current Liability (Short Term)	0.35	0.09
Non Current Liability (Long Term)	1.51	1.30
Present Value of Obligation as at the end	1.86	1.39

36 Leases

Operating Lease:

In case of assets taken on lease

The Company has taken space on lease for use as sorting centres/branch operation/admin offices. There are no restrictions imposed on the Company under the lease arrangement. There are no subleases.

The total of minimum future lease payments under non-cancellable operating lease is as under:

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Lease payments for the year recognised in the Statement of Profit and Loss	0.03	0.03
Minimum lease payments:	-	-
Not later than one year	0.03	0.03
Later than one year but not later than five years	0.12	0.12
Later than five years	0.96	0.73

37 Disclosures pursuant to Ind AS 24 "Related party Disclosures"

I. List of Related Parties

i) Key Managerial Personnel:

Name	Designation
Mr. Chander Agarwal	Managing Director
Mr. Phool Chand Sharma	Whole Time Director
Mr. DP Agarwal	Non Executive Non Independent
Mr. Vineet Agarwal	Non Executive Non Independent
Mr. Murali Krishna Chevuturi	Independent Director
Mr. Prashant Jain	Independent Director
Mr. Ashok Kumar Ladha	Independent Director
Mrs Taruna Singhi	Independent Director
Mr. Mukti Lal	Chief Financial Officer
Mr. Vinay Gujral	Company Secretary

ii) Enterprises over which KMPs/ relatives of KMPs exercise Significant Influence

Bhoruka Finance Corporation of India Ltd	XPS Cargo Services Ltd
TCI Properties (Guj) – Partnership firm	TCI India Ltd
TCI Properties (Delhi) – Partnership firm	TCI Warehousing (MH) - Partnership firm
TCI Developers Ltd.	Transport Corporation of India Ltd
TCI Properties (West) Ltd.	Transystem Logistics International Pvt. Ltd
TCI Institute of Logistics	Bhoruka Charitable Trust
Chander Asset Management Trust	TCI Foundation
	Dharpal & Sons (HUF)

Notes to the Financial Statements

for the year ended 31 March 2019

II. Transactions during the year with Related Parties:

A Enterprises over which KMPs/ relatives of KMPs exercise significant influence

(₹ in Crores)

Nature of Transaction	Year ended 31 March 2019	Year ended 31 March 2018
Income		
Freight Income	1.68	0.93
Rental Income	2.43	1.64
Expenditure		
Rent Payment	8.65	8.34
Freight Expense	0.00	0.03
Fuel Purchase	0.03	0.04
Shipping Expenses	1.15	1.06
Business Support	4.24	4.43
Consultancy Expenses	0.33	0.30

B Key Managerial Personnel Compensation

(₹ in Crores)

Nature of Transaction	As at 31 March 2019	As at 31 March 2018
Short Employee Benefits	8.37	5.79
Post Employment Benefits	0.34	0.28
Other Long Term Employee Benefits	0.27	0.23
Employee Stock Option	0.80	0.51
Sitting fees and Commission to Independent Directors	0.34	0.24

III. Balance as at the year end :

(₹ in Crores)

Nature of Transaction	Nature of Relation	As at 31 March 2019	As at 31 March 2018
Assets:			
Advances/ Deposits Given		2.01	1.40
Liabilities:			
Remuneration Payable :	Managing Director	2.50	1.00
	Non Executive Directors	0.30	0.21
Payable		1.07	-

38 Segment Reporting

As the Company's main business activity falls within a single primary Business segment viz. "Express Cargo" the disclosure requirements of Segment Reporting as per Indian Accounting Standard - 108 are not applicable.

39 Various parties accounts are subject to confirmation and reconciliation, wherever required.

40 Additional Information

Remittance in Foreign Currency :	Amount in Crores
Investment	1.26
Travelling Expense	2.29
Conference & Seminar	0.13
Air Freight payments	0.07
Subscription	0.02

41 Net Debt/Surplus Cash Reconciliation

(₹ in Crores)

Particulars	As at 31 March 2019	As at 31 March 2018
Cash and Cash equivalents	17.10	12.18
Less: Non Current borrowings	3.48	2.51
Less: Current borrowings	6.38	38.16
Net Debt/(Surplus Cash)	(7.24)	28.49

Notes to the Financial Statements

for the year ended 31 March 2019

42 Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

(₹ in Crores)

Particulars	Long Term Borrowings	Short Term Borrowings	Cash and Cash Equivalents	Total
Net Debt as at 1 April 2017	1.10	30.52	8.79	22.84
Cash Flows:				
Proceeds	2.23	7.64	-	9.86
Repayment	(0.82)	-	-	(0.82)
Interest expense	0.15	3.61	-	3.76
Interest paid	(0.15)	(3.61)	-	(3.76)
Net Cash Flow	-	-	3.39	(3.39)
Net Debt as at 31 March 2018	2.51	38.16	12.18	28.49

(₹ in Crores)

Particulars	Long Term Borrowings	Short Term Borrowings	Cash and Cash Equivalents	Total
Net Debt as at 1 April 2018	2.51	38.16	12.18	28.49
Cash Flows:				
Proceeds	2.02	-	-	2.05
Repayment	(1.09)	(31.79)	-	(32.88)
Interest expense	0.29	2.92	-	3.19
Interest paid	(0.25)	(2.92)	-	(3.17)
Net Cash Flow	-	-	4.92	(4.92)
Net Debt/(Surplus Cash) as at 31 March 2019	3.48	6.37	17.10	(7.24)

43 Immovable Properties involved in Scheme of Arrangement:

Pursuant to Scheme of Arrangement between Transport Corporation of India Limited (TCI) and TCI Express Limited (TCIEXPRESS) and their respective shareholders, 47 Immovable Properties are required to be transferred in name of TCIEXPRESS. Out of 47 Immovable Properties, 15 Immovable Properties has been transferred in the name of TCIEXPRESS and rest of the Immovable Properties are in process of transfer.

The accompanying summary of significant accounting policy and other explanatory notes are an integral part of the financial statements

In terms of our Report of even date

For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

R S Agarwala

Partner

(Membership No. 005534)

Camp: Gurugram

Date : 22nd May 2019

For and on behalf of **Board of Directors of TCI Express Limited**

D P Agarwal

(Chairman)

P C Sharma

(Whole Time Director)

Chander Agarwal

(Managing Director)

Mukti Lal

(VP & CFO)

Murali Krishna Chevuturi

(Director)

Vinay Gujral

(Company Secretary)

Notice of Annual General Meeting

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held on Tuesday, July 30, 2019 at Meeting Place-1, 2 & 3, Lobby Level, Hyatt Place Hyderabad, Road No.1, Banjara Hills, Opposite to GVK One mall, Hyderabad- 500034, Telangana at 10.30 a.m. to transact the following business:

Ordinary Business:

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 & the report of the Board of Director's and Auditor's thereon; and
- To declare a final dividend on Equity Shares @30% (₹0.60 per equity share of ₹2/- each) for the financial year ended March 31, 2019;
- To appoint a Director in place of Mr. D.P Agarwal (DIN: 00084105) who retires by rotation and being eligible, offers himself for re-appointment.

**By Order of the Board
For TCI Express Limited**

Place: Gurugram
Date: May 22, 2019

Vinay Gujral
Company Secretary & Compliance Officer

Registered Office:

Flat No. 306 & 307, 1-8-271 to 273,3rd Floor,
Ashoka Bhoopal Chambers, S.P Road,
Secunderabad-500003, Telangana
CIN: L62200TG2008PLC061781
Email: secretarial@tciexpress.in
Website: www.tciexpress.in
Tel: +91 40 27840104

NOTES:

- Proxy:** A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy form, in order to be valid and effective, must be delivered at the Registered Office of the company not later than forty-eight hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting right. A member holding more than ten (10%) percent of the total share capital may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Authorized Representatives:** Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of Board Resolution authorising their representatives to attend and vote on their behalf at the meeting.
- In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, additional information on directors recommended for appointment/re-appointment, if any at the Annual General Meeting and directors liable to retire by rotation and seeking re-election is contained in the Statement annexed to Notice.
- Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office and Corporate Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. up to the date of this Annual General Meeting ("AGM") and also at the AGM. The relevant documents may be accessed at the website www.tciexpress.in.
- Closure of Books:** The Register of Members and Share Transfer Books of the Company will remain closed from Thursday July 25, 2019 to Tuesday July 30, 2019 (both days inclusive) for determining the names of the members eligible for dividend on Equity Shares, if declared.
- Details of Shareholders:** Members who are holding shares in physical form are requested to notify the change in their respective addresses or Bank details to the Company and always quote their Folio Numbers in all correspondence with the Company. Those holding shares in electronic form are requested to notify any change in addresses or Bank details to their respective Depository Participants.
- Dematerialization:** Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.

8. **NRI Shareholders:** Non-resident Indian members are requested to inform Company on:
- the change in the residential status on return to India for permanent settlement; and
 - the particulars of the bank accounts maintained in India with complete name of Bank, branch, account type, account number and address of the bank, if not furnished earlier.
9. **Nomination:** Pursuant to Section 72 of the Companies Act, 2013 individual shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the Shares in the Company shall vest in the event of death of the sole / all joint shareholders.
10. **Shareholders Correspondence:** The members are requested to address all their communications M/s. Karvy Fintech Pvt Ltd (Formally known M/s. Karvy Computershare Pvt Ltd), Corporate Registry, Karvy Selenium, Tower- B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India, the common agency to handle electronic connectivity and the shares in physical mode or at the Corporate Office of the Company for prompt redressal.
11. **Information and other instructions relating to e-voting are as under:**
- Voting through electronic means**
- Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - The facility for voting through ballot paper shall also be made available at the venue of the Annual General Meeting.
 - The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - The Company has engaged the services of M/s. Karvy Fintech Pvt Ltd (Formally known M/s. Karvy Computershare Pvt Ltd) ("Karvy") as the Agency to provide remote e-voting facility.
 - The Board of Directors of the Company has appointed Mr. Vasanth Kumar Bajaj of M/s. V.K Bajaj & Associates, Company Secretaries, as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner and they have communicated their willingness to the said appointment and will be available for same purpose.
- Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Wednesday, July 24, 2019.
 - A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Wednesday, July 24, 2019 only shall be entitled to avail the facility of remote e-voting / voting.
 - Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Wednesday, July 24, 2019, may obtain the User ID and password in the manner as mentioned below:
 - If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD<space>Folio No. or DP ID Client ID to 9212993399

Example for NSDL:
MYEPWD<space>IN12345612345678

Example for CDSL :
MYEPWD<space>1402345612345678

Example for Physical :
MYEPWD<space>XXX123456
 - If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - Member may call Karvy's toll free number 1-800-3454-001. (please check 1800-425-40324)
 - Member may send an e-mail request to einward.ris@karvy.com.

If the member is already registered with Karvy e-voting platform, then he can use his existing User ID and password for casting the vote through remote e-voting.

The remote e-voting facility will be available during the following period:
 - Commencement of remote e-voting: From 9.00 a.m. (IST) on Saturday, July 27, 2019
 - End of remote e-voting: Up to 5.00 p.m. (IST) on Monday, July 29, 2019
 The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
 - The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 (forty eight) hours from the conclusion of the Meeting,

make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.tciexpress.in and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.

x) **Instructions and other information relating to remote e-voting:**

In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:

- a) Launch internet browser by typing the URL : <https://evoting.karvy.com>.
- b) Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
- c) After entering these details appropriately, click on "LOGIN".
- d) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- e) You need to login again with the new credentials.
- f) On successful login, the system will prompt you to select the E-Voting Event Number for TCI Express Limited.
- g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

- h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- j) You may then cast your vote by selecting an appropriate option and click on "Submit".
- k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
- l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: Scrutinizer_tciexp@VKbajajassociates.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:

- a) User ID and initial password - These will be sent separately.
- b) Please follow all steps from Sr. No. (a) to (l) as mentioned in above, to cast your vote.

Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

- m) In case a person has become a member of the Company after dispatch of the AGM Notice but on or before the cut-off date i.e. Wednesday, July 24, 2019 may write to Karvy on the email id einward.ris@karvy.com or to Mr. Rajeev Kumar contact no 040-67161524 at M/s. Karvy Fintech Pvt Ltd (Formally known M/s. Karvy Computershare Pvt Ltd) (Unit TCI Express Limited) Corporate Registry, Karvy Selenium, Tower-B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India, requesting for the user id and password. After receipt of the same, please follow all the steps as from (a) to (l) as mentioned above to cast the vote.

- n) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
- o) The Members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the AGM through Ballot Papers.
- p) In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com> or contact Mr. Rajeev Kumar, Contact No. 040-67161524 at M/s. Karvy Fintech Pvt Ltd (Formally known M/s. Karvy Computershare Pvt Ltd), Corporate Registry, Karvy Selenium, Tower- B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India.

Additional Information: A brief profile of the Directors seeking appointment/re-appointment as required under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Particulars	Mr. D.P Agarwal
Age	68 years
Qualifications	Graduate
Expertise in specific functional Area*	He has been associated with the transport industry for more than 50 years and contributing in developing the unorganized logistics sector into an organized one.
Terms and Conditions of Appointment/Re-appointment	As per existing terms and conditions
Remuneration Last drawn (including sitting fee, if any)	Rs.5.00 Lakhs as Commission
Remuneration Proposed to be paid	Non-Executive Directors are eligible for payment of sitting fee for attending Board/Committee meetings thereof as approved by the Board from time to time within prescribed limits. Non-Executive Directors may be paid commission subject to a limit of 0.5% of the net profits of the Company computed under applicable provisions of the Companies Act, 2013 as approved by the Shareholders.
Date of first appointment on the Board	October 7, 2015
Relationship with other Directors / Key Managerial Personnel	Related to Mr. Chander Agarwal-Managing Director and Mr. Vineet Agarwal-Non Executive Director
Number of meetings of the Board attended during the year	Four (4) meetings
Directorship held in other Companies	I. Jay Bharat Maruti Ltd. II. Transport Corporation of India Ltd. III. TCI Developers Ltd. IV. TCI Industries Ltd. V. Bhoruka Power Corporation Ltd. VI. TCI Institute of Logistics
Membership/Chairmanship of the Committees of other Companies	Jay Bharat Maruti Ltd. i. Member: Audit Committee, ii. Member: Nomination & Remuneration Committee iii. Member: Stakeholder's Relationship Committee iv. Member: CSR Committee Transport Corporation of India Ltd i. Chairman: Share Transfer Committee ii. Member: CSR Committee iii. Member: Finance Committee TCI Developers Ltd. i. Chairman: Share Transfer Committee
Number of Equity Shares held in the Company	4,19,314

*Please refer Company's website www.tciexpress.in for detailed profile of the director.

TCI EXPRESS

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