

August 30, 2023

<b>To,</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 <b>BSE Scrip Code:</b> 532749	<b>To,</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (East), Mumbai - 400 051 <b>NSE Symbol:</b> ALLCARGO
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Dear Sir/Madam,

**Sub: Annual Report for the FY2022-23 and Notice convening 30<sup>th</sup> Annual General Meeting of the Company**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith the Annual Report of the Company for the FY2022-23 along with the Notice of the 30<sup>th</sup> Annual General Meeting (the “**AGM**”) of the Company to be held on Thursday, September 21, 2023, at 02:30 p.m. (IST) through Video Conferencing/Other Audio-Visual Means.

The requirements of sending physical copy of the Annual Report along with the Notice of the AGM to the Members have been dispensed with pursuant to the General Circular 11/2022 dated December 28, 2022 and other circulars issued by the Ministry of Corporate Affairs (“**MCA Circular**”) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, issued by Securities and Exchange Board of India (“**SEBI Circular**”) (MCA Circular and SEBI Circular are collectively known as “**Circulars**”). In compliance with the abovementioned Circulars, the Company has commenced the dispatch of the Annual Report for the FY2022-23 along with the Notice of the AGM to its Members through electronic mode only, today i.e. Wednesday, August 30, 2023.

The Annual Report for the FY2022-23 along with Notice of the AGM are being made available on the Company's website [www.allcargologistics.com](http://www.allcargologistics.com)

Thanking you,

Yours faithfully,  
For **Allcargo Logistics Limited**

**Devanand Mojindra**  
**Company Secretary & Compliance Officer**

Encl: a/a



BUILDING A  
**DIGITAL**  
LEGACY OF LOGISTICS EXCELLENCE

ANNUAL REPORT 2022-23



# Contents

## Corporate Overview

Corporate Information	02
Key Highlights	04
Key Milestones	06
Building a Digital Legacy of Logistics Excellence	08
Driven by a Greater Purpose	10
Collaboration to Further Innovation and Ingenuity	12
A Digital-first Approach to Logistics	14
Transformation to enhance, optimize, and innovate	16
Chairman's Message	18
Our Five Year Snapshot	22
The Allcargo Advantage	24

## Seamless, Digitally-Enabled Global Cargo Movements

International Supply Chain Solution (LCL)	28
Neutral FCL	30
Air Freight	32
Express Distribution	34
Contract Logistics	36
Board of Directors	38
Management Team	40

## Statutory Reports

Notice	42
Board's Report	54
Management Discussion and Analysis	83
Corporate Governance Report	88
Business Responsibility & Sustainability Report	113

## Financial Statements

Standalone Financial Statements	145
Consolidated Financial Statements	225

# Corporate Information

## Board of Directors



**Shashi Kiran Shetty**  
Founder & Executive Chairman

**Adarsh Hegde**  
Managing Director

**Arathi Shetty**  
Non-Executive Director

**Mohinder Pal Bansal**  
Independent Director

**Martin Müller**  
Independent Director

**Kaiwan Kalyaniwalla**  
Non-Executive Director

**Mahendra Kumar Chouhan**  
Independent Director

**Radha Ahluwalia**  
Independent Director

**Nilesh Vikamsey**  
Independent Director

**Sivaraman Narayanaswami**  
Independent Director  
(Appointed w.e.f. May 04, 2023)

**Parthasarathy Vankipuram Srinivasa**  
Vice Chairman &  
Non-Executive Director  
(Resigned w.e.f. June 30, 2023)

### Group Chief Financial Officer

Deepal Shah

### Company Secretary & Compliance Officer

Devanand Mojidra

### Internal Auditor

Mukundan KV

### Statutory Auditors

M/s S R Batliboi & Associates LLP

### Secretarial Auditors

M/s Parikh & Associates

### Solicitors and Legal Advisors

M/s Maneksha & Sethna

### Bankers/Financial Institutions

- Axis Bank Ltd.
- DBS Bank India Ltd.
- HDFC Bank Ltd.
- The Hongkong and Shanghai Banking Corporation Ltd.
- Kotak Mahindra Bank Ltd.
- Standard Chartered Bank
- Yes Bank Ltd.
- RBL Bank Ltd.
- BNP Paribas
- ING Belgium NV
- KBC Bank NV
- ICICI Bank Ltd.
- Axis Finance Limited

## Registered Office

### Allcargo Logistics Limited

6<sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai 400 098.  
Tel.: 022-6679 8100 | [www.allcargologistics.com](http://www.allcargologistics.com) | CIN: L63010MH2004PLC073508

## Registrar and Share Transfer Agent

M/s Link Intime India Private Limited,  
C-101, 247 Park, L B S Marg, Vikhroli (West),  
Mumbai 400 083.  
Tel.: 022-4918 6000 | Fax: 022-4918 6060  
[www.linkintime.co.in](http://www.linkintime.co.in) | E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**30<sup>th</sup> Annual General Meeting**  
Thursday, September 21, 2023  
02:30 p.m. (IST) onwards



### Forward-looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements (written and oral) that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

# Key Highlights

Allcargo Logistics Limited, the flagship company of Allcargo Group, is an end-to-end logistics services provider.

We offer International Supply Chain in 180 countries with our wholly-owned global subsidiary ECU Worldwide, express logistics under Gati Limited, and supply chain and contract logistics under Allcargo Supply Chain Private Limited.


As an industry frontrunner, we are focused on digital transformation, exceptional customer experiences, and a strategic approach to Environment, Social and Governance (ESG) and sustainability.

We are committed to setting new benchmarks of quality and consistency that enable institution building to create a strong and resilient, yet agile and flexible organization, as well as create value for our stakeholders.

World's  
**# 1 LCL**  
consolidator

Revenue:  
**INR 18,051 crore**

Operations in  
**180** countries  
and door-to-  
door deliveries  
in over **50**  
markets

The infographic features three white circular callouts with red borders, each containing text. These callouts are connected to a stylized globe at the bottom by thin white lines. The globe is rendered with white latitude and longitude lines and is set against a dark blue background with vertical light streaks and glowing orange particles. The callouts are arranged in a slight arc across the upper half of the page.

Listed among  
top **20** global  
ocean freight  
forwarders

Services across  
more than **2400**  
direct trade lanes

Three decades  
of expertise and  
excellence



# Key Milestones

1994

allcargo

Started as a cargo handling operator at Mumbai Port

1995



Entered into LCL Consolidation - agent of ECU Line

2003



Entered into Container Freight Station (CFS) operations at JNPT port

2018

allcargo LOGISTICS & INDUSTRIAL PARKS

Launch of Allcargo Logistics and Industrial Parks



Launch of Allcargo Greens, an organisation-wide sustainability programme

20



ECU Line rebranded as ECU Worldwide  
Consolidated global presence under ECU Worldwide

2019



Launched one of India's largest Logistics Parks, in Jhajjar

2020



Acquired strategic stake in GATI

2021



Acquired a controlling stake in Nordicon, market leader in LCL consolidation in the Nordic region

2005



Acquired stake in ECU Line

2006



Complete acquisition of ECU Line

2010



Acquired two Hong Kong-based entities

2016



Created ACCI – Making a strong entry into contract logistics business

2014



Acquired majority stake in FCL Marine Agencies, Rotterdam

2013



Acquired Econocaribe Consolidator in USA

2022



Acquisition of German based Fair Trade GmbH Schiffahrt, Handel und Logistik

2023



Strategic move with the scheme of Demerger

# Building a Digital Legacy of Logistics Excellence

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With three decades of experience and expertise, we keep moving, adding to our capabilities, strengthening the glorious legacy that we are so proud of.

As we resolve to move your world with innovation and ingenuity, we are harnessing the power of new-age digital tools and technology to transform logistics. Data-driven decisions, real-time analytics, optimization driven by AI and automation, are just few, of the many ways, in which we are bolstering global and domestic supply chains.

We are taking our purpose of helping global supply chains while caring for sustainability, to the next level. We are Building a digital legacy of logistics excellence!





# Driven by a Greater Purpose

With an aim to build a better world, we are driven by our purpose of **Helping global supply chains, while caring for sustainability**. It forms the basis of all our strategies, business activities, and decisions.

We have implemented a sustainability strategy focused on ESG and are prioritizing our efforts to reduce carbon emissions and our environmental impact as well as create a lasting, positive impact on society.

Partnering with leading global consultants, digitalizing our process for data collection and assessment across the globe by using specialized software and tools, as well as enlisting the support of an internal team of committed ESG Trailblazers, we have set ambitious targets.

## We aim to be CARBON NEUTRAL by 2040

Being a responsible corporate citizen in India and globally, we pay close heed to the Environmental, Social and Governance (ESG) norms and practices.

*Aligning offices and teams around the world to a common purpose and core values, we are geared to move ahead towards our vision of market leadership by far in all regions and businesses we operate in, to continue serving all our stakeholders and creating logistics magic.*

# E

## Environmental



# G

## Governance





- > Committed to reduce our carbon footprint and minimize environmental impact
- > Mr. Shashi Kiran Shetty, Founder and Executive Chairman, Allcargo Group, is a signatory to the 'Statement of Support' of the Supply Chain and Transport Community of the World Economic Forum, to accelerate a zero-emission future
- > More than 860,000 trees planted with a target to plant a million by 2023
- > Use of wind and solar power, as well as sustainability measures implemented at offices and facilities



# S

## *Social*

- > Inclusive social welfare programmes in Health, Education, Environment, Women's Empowerment, Sports, and Disaster Relief
- > Positively impacted more than 400,000 lives till date
- > Employee volunteering encouraged through activities like clean-up drives, tree plantation, blood donation drives, running marathons for social causes, and more
- > Encouragement to Diversity and Inclusion with a global workforce from diverse cultures and nationalities



- > We adhere to high standards of corporate governance, creating an enabling business environment and ecosystem
- > Certified ISO 31000 framework for risk management and ISO 27001 for information security
- > Business conducted in a free, fair, and ethical manner
- > Well-defined plan for business continuity management and to build resilience

# Collaboration to Further Innovation and Ingenuity

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As global business supply chains get more complex than ever before, collaboration is the key to providing seamless services that not only meet customers' increasing expectations, but also have the potential to bring about innovative disruption in the industry as a whole.

In keeping with our endeavour to transform the industry with a digital-first approach, we have embarked on a new startup collaboration initiative. We look ahead to partner with dynamic logistics startups, draw from each other's strengths, and devise agile, flexible solutions for niche logistics challenges.

While we explore multiple routes and business models to associate with startups that show great potential, the positive impacts of capacity building, enhanced efficiencies, growth, and profitability, will benefit multiple stakeholders across the ecosystem.

We have entered into a strategic partnership with Northstar.vc, a venture capital firm specialising in supply chain technology and fintech, to jointly explore investments in the supply chain technology space.

Some key benefits we envision from this initiative are:

- Enabling startups to tap into our network and resources (both, physical and digital)
- Mentorship and leadership from logistics industry leaders and veterans
- Global perspective and vision, backed by the inherent agile operations of startups
- Combining strengths to tackle specific logistics challenges in the most effective and efficient ways





# A Digital-first Approach to Logistics

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Integrating digital tools and technology across various operations and processes has the potential to fundamentally transform the business and its customer experience.

Adopting software and tools that streamline operations and bring in more efficiency is just one part of the digitalization effort. Another significant aspect of digitalization is to mine into the vast amount of data that logistics operations generate, and cull out actionable insights to make informed decisions in the interest of the business and its stakeholders.

Further, in keeping with the importance of data and cyber security, an organization-wide transformation has been implemented to ensure adherence to the highest security standards. The security posture is strengthened by strict implementation of Information Security Management Systems (ISMS) and there is a proactive approach to monitor, detect and mitigate information security risks in a timely manner.

A number of digital tools enable secure information flow and data exchange, to collaborate with customers and offer seamless, digital logistics solutions.

## **ECU360** SHIP WITH A CLICK

The state-of-the-art digital logistics platform ECU360 enables global cargo movements in just a few clicks with instant quotes, quick bookings, real-time tracking-and-tracing, reports and analytics, backed by access to a network operating in 180 countries and door-to-door deliveries in more than 50 global markets.



# Transformation to enhance, optimize, and innovate

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In an endeavour to stay ahead of the curve and reinforce digitally-driven market leadership, a number of transformation projects have been undertaken across the organization.

Having achieved some noteworthy milestones, these projects in sales acceleration, finance and IT continue their forward strides, transforming the way we operate and strengthening our systems, processes, and team members to deliver new levels of excellence and convenience to customers.





### Sales acceleration and digitalization

Enabled by the transformative initiatives across the globe, our sales acceleration and digitalization transformation projects look ahead to multiple set areas of growth. The aim is to evolve products and services to better suit the needs of our customers.

- Follow gold-standard processes to streamline sales across the globe
- Increase sales team's productivity through automated workflows and tools like the sales accelerator app
- Automate sales acceleration trackers to provide real-time visibility
- Focus on growing door-to-door, which paves the way for deeper customer engagement and better yields
- Identify trade lanes with potential and implement targeted action plans, backed by process-centric growth and automation, to drive volumes and revenues
- Leverage historical data and data science algorithms to help improve cargo utilization and profitability
- Enable collaboration with customers for business growth, among countries and regions to drive adoption of digital and technology platforms, and within our multiple projects to create synergies and compound the benefits for the organization as well as our customers

With our state-of-the-art digital logistics platform ECU360, we drive closer collaboration with customers

- Develop abilities to integrate with customers' systems through API/EDI
- Leverage data to provide real-time intelligent insights
- Enable door-to-door, management of routings via ECU360
- Offer additional services like neutral FCL, trucking, air freight, etc.
- Identifying and aligning with customers' needs and expectations to emerge as a partner of choice

### Finance transformation

Our aim with the finance transformation is to optimize the finance function across the group, bring in economies of scale through rationalization of banks and accounts, creation of COEs, etc. and grow the finance function to play the role of a business partner or enabler and create value for the organization.

- Improve business acumen and leadership
- Future-ready, lean, and productive finance organization
- Optimize and automate standardized finance processes
- Increased agility with data-driven decisions
- Ease of doing business
- Strengthening the cash flows
- Simplified regulatory compliance
- Enhanced inter-company collaboration

### IT transformation

Our IT transformation looks ahead to augment our techno-functional expertise to accelerate business transformation across the organization, and set industry benchmarks of excellence.

- Implement multi-cloud technology
- Cyber uplift program based on NIST cybersecurity framework
- 24\*7 support and end-to-end management of IT infrastructure using enterprise management software
- Developed and implemented a centralized state-of-the-art application which is cloud enabled, micro-services based, highly scalable
- Establishing and deploying MDM Platform (Master Data Management) and governance practice across the group
- Establishing and setting up of Enterprise Datalake at the group level as central storage repository that holds a large amount of data in its native, raw format
- Optimize Security Operations Center (SOC), refine threat intelligence, and security toolkit
- Deployment of tools and reinforcement control to enhance security posture

# Chairman's Message

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Dear Shareholders,

Global container shipping, air freight and road transportation in various countries around the world are getting stable. However, owing to geo-politics, the situation continues to remain volatile.

Global GDP growth in 2023 is projected at 2.7%, which among the lowest, since the global financial crisis. Particularly since Q4FY23, the business environment has been extremely challenging and economic growth continues to be subdued and muted in many regions. There is, however, a silver lining for emerging markets like India, where the forecasts and expectations are relatively brighter. Favourable policies, along with concerted efforts of the public and private sector are playing a role in enabling growth.

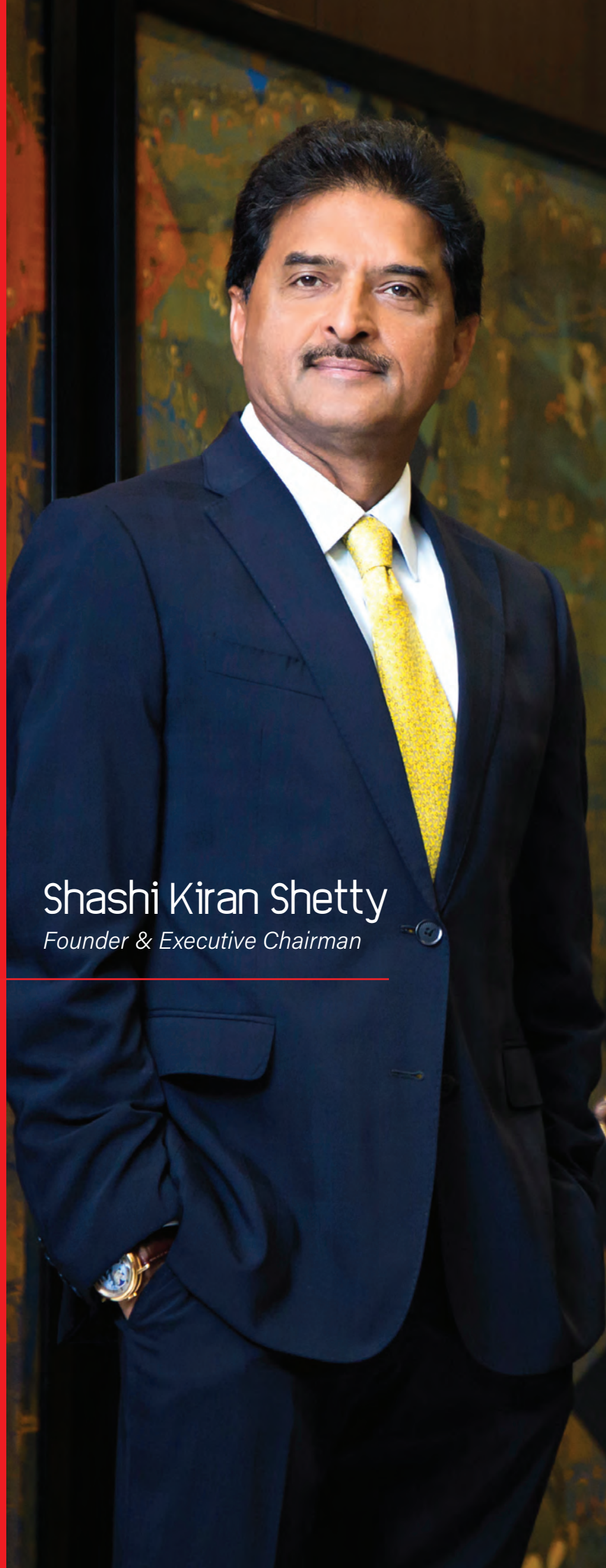
Globally, and in India, digitalization and technology has emerged as the single-most critical factor, contributing to the transformation of organizations and industries at large. New business models and innovative processes and operations are propelling growth and ensuring business continuity. At Allcargo too, we are leveraging digital tools and portals to optimize processes and operations for our teams to collaborate and work more efficiently, as well as provide customers the convenience of transacting with ease, any time of the day or night.

Whether it is our cutting-edge digital logistics platform ECU360 or organization-wide CRM system with strategic dashboards and tools, we have made digital technology a core focus. In addition to structured effort and serious investments, we are bringing in technologists and logistics experts, to help us drive competitive advantage with data science and analytics-based decisions. Being a mid-sized and agile company, with a reasonably healthy financial and intellectual bandwidth in addition to being a market leader in the LCL industry, we believe we have achieved a lot in this area. Our strategies and execution have been far superior in most countries across the world which matter to our business.

Another factor that has driven our success has been our remarkably good track record in implementing complex acquisitions and enabling their strategic turnaround to create value and sustainable growth for the organization and its business.

Since going public in 2006, we have seen a 17-18% year-on-year growth, backed by astute organic and inorganic expansion.

Our approach of turning challenges into opportunities is helping us navigate these tough times, and also support our customers, partners, and stakeholders, as we gear up to explore what lies ahead.



**Shashi Kiran Shetty**  
*Founder & Executive Chairman*

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## Embracing a new visual representation

We have always believed in being ahead of the curve and reiterating our leadership as industry frontrunners by being innovative, change managers, courageous in decision making, and agile in execution, in India and across the globe.

With a striking new visual identity, we are reinforcing leadership as well as the values and ideals we associate with.



Symbolizing a partner who is strong, reliable, and dynamic, this bold, new presence showcases prominently, and with clarity and confidence, our pride in being a homegrown Indian multinational, ranked as the 65th largest company and the foremost logistics company in India (as listed in BS 1000 Index, published in the Business Standard in March 2023).

## Anchored by our purpose and core values

At the very core of everything we do, is our purpose of **Helping global supply chains, while caring for sustainability.**

While our vision, mission, and values guide us on how to operate and conduct business, our purpose defines why we do what we have chosen to do. Across borders, geographies, departments, functions, and business verticals, our purpose unites us all.

As we chart our course towards sustainable growth and progress, we endeavour to build a strong institution that is resilient in the face of challenges, and yet adaptable to keep moving in a constantly evolving business environment.

Providing a powerful roadmap are our core values, namely, Entrepreneurship with a Purpose, Customer Centricity, Innovation and Execution, Collaboration, and Care for Environment and Society.

## Global growth stable, but fragile

In the recent OECD Economic Outlook, global GDP growth is projected to be 2.7% for 2023, with a modest improvement to 2.9% expected in 2024. Among major economies, India seems to have the brightest prospects with GDP growth projected at 6% for 2023 and 7% in 2024.

Growth is set to gradually pick-up through 2024 as inflation moderates and real income strengthens.

In terms of the directives to governments, the focus is on maintaining a restrictive foreign policy to combat inflation, target fiscal support to include inadequately covered vulnerable households, and prioritizing pro-growth public spending.

## Shipping and logistics sector to remain key contributor to growth

According to a recent study, the global logistics market is projected to touch USD 570.9 billion by 2030, growing at a CAGR of 11.8% from 2023 to 2030.

This growth is likely to be driven by thriving e-commerce and

reverse logistics operations, increase in trade agreements, and integration of new technologies in automation and data analytics across the shipping and logistics ecosystem. Demand for multimodal global cargo movements and single-window solutions from a reliable logistics partner, for time and cost efficiencies, will create new expansion avenues.

Exploring the use of autonomous and unmanned vehicles for delivery, real-time inventory tracking, use of Artificial Intelligence to streamline network and routing, robotics and automation for more flexible storage and fulfilment in warehousing, Big Data analytics to plan and optimize logistics at every stage, are just few of the many factors that will impact the digitalization of global and domestic business supply chains.

## Powering India's bold, global logistics ambitions

India's recent six-rank jump in the World Bank's Logistics Performance Index 2023 to be ranked 38th is testament to the success of the government's growth agenda and support to the logistics sector through a number of initiatives like the PM Gati Shakti National Master Plan, National Logistics Policy, etc., which aim to streamline nationwide infrastructure development by using technology to integrate them on a common platform with real-time visibility and information availability.

With the new Foreign Trade Policy 2023, the target of USD 2 trillion exports by 2030, and the endeavours to make the Indian Rupee a global currency, the situations are favourable for us to make a mark, globally.

As India's first homegrown global logistics player with operations in 180 countries, Allcargo Logistics Limited, along with its wholly-owned subsidiary ECU Worldwide, and Gati Limited, in which we own controlling stake, is well-positioned to contribute to this growth story.

## Leadership in International Supply Chain solutions

In the past year, we have consolidated our position as the global LCL consolidation leader with 15% market share in operating markets. With 2500 direct trade lanes and door-to-door deliveries in more than 50 markets, we have provided customized solutions for not just large corporates and global accounts, but also small and mid-sized freight forwarders and shippers.

We continue to leverage our scale, breadth of connectivity, and associations with key carriers to build resilience and ensure business continuity for customers, especially in the face of challenges that are a result of the global macroeconomic situation.

As a result of high volumes, we are able to ensure better container utilization, which increases profitability and allows us to offer cost advantage and exceptional service. Consequently, we have remained a preferred partner for our customers.

Building on our leadership in LCL, we have also made significant breakthroughs in FCL and air freight services. In several key global markets, we have carried out restructuring of our teams and brought in talent from within and outside the industry, to have a laser-sharp focus on rapid expansion in these domains.

We continue to enhance reach and connectivity through inorganic expansion as well, and ECU Worldwide recently entered into a Joint Venture with Fair Trade GmbH, which is one

of Germany's leading ocean freight service providers. Together, we are well-equipped to offer increased services, new port pairs, as well as road haulage across Europe and a stronger presence in the Europe-Asia, Europe-Latin America, and Europe-North America trade lanes.

In keeping with the current business situation, establishing cost leadership will be critical, and we are ably supporting this with smart sales and business development initiatives to grow revenue, volumes, and market share, as well as tap into new markets.

### Bolstering domestic presence with express distribution and contract logistics

Our collaboration with Gati, India's premier express distribution company, helps us offer truly integrated logistics. Complementing our International Supply Chain solutions are Gati's express distribution, contract logistics, domestic air freight, and special services.

We have recently bought out KWE's shares from Gati-KWE, which was the operating entity of Gati Limited. With the completion of this transaction, Allcargo, along with Gati, holds 100% stake in the operating entity, Gati Express and Supply Chain Private Limited (formerly Gati-KWE).

Further, we have also acquired the entire contract logistics business (we already owned 61.13% and have now bought out the remaining 38.87%) of our Joint Venture partner CCI Logistics. As Allcargo Supply Chain, our contract logistics division has close synergies with Gati, they have been brought under common leadership.

With this, we now have more strategic decision-making and offer enhanced services to Indian manufacturers and traders, with better inventory planning, management, and superior delivery capabilities to drive growth. We have diversified into several industry segments and partnered with marquee customers to offer express distribution with better reach and connectivity in more than 19,800 PIN Codes, as well as manage their inventories and provide third party supply chain solutions.

Together, with Gati and Allcargo Supply Chain, we offer a unique combination of express and contract logistics, backed by more than 150 warehouse and distribution centres, over 5000 vendor network trucks, and close to 10 million square feet of distribution and warehousing space. Additionally, Gati also aims to contribute to the government's goal of cutting the net carbon emissions to zero by 2070, by targeting to convert its entire pick-up and delivery fleet to alternative fuel by 2025.

More than 100 Electric Vehicles (EVs) have been deployed for first and last mile deliveries, and Gati has also signed an MoU with Gentari, a clean energy solutions provider, to add another 500 electric cargo vehicles to its fleet. For a global furniture retail giant Gati enables 61% of all deliveries from their Hyderabad store, as well as 40% e-commerce business and 38% of their local customer deliveries in Bengaluru to be carried out using EVs. Further, Gati has also entered into a special collaboration with a global leader in energy management and automation to design greener logistics solutions for them.

### Delivering excellence, digitally

In keeping with the global trends in the shipping and logistics sector, we have made technology and digitalization the cornerstone of our business and organization-wide transformation in the fiscal gone by. While Project Voyager has

been critical to sales acceleration and digital sales and service enablement, with Project Drone, we are streamlining our IT and finance functions across the globe. Use of new-age tools and technology is key to these projects.

We already have a robust network operating in 180 countries, and with our cutting-edge digital logistics platform ECU360, it is now strengthened with a digital infrastructure akin to some of leading technology-based logistics startups. What this essentially creates is a competitive advantage that creates vital synergies with offices at origin and destination ends, as well as the ease and convenience of online, on-demand logistics transactions – something which few others, if any, can match.

With ECU360, we have revolutionized the industry by offering an online ecosystem which provides access to instant quotes and quick bookings, value-added services like trucking and insurance, as well as increased customer satisfaction, revenue, and profitability, owing to its automated back-end processes. More than 60% of ECU Worldwide's bookings are done through ECU360 and more than 20,000 freight forwarders use it every month.

A number of globally scaled AI projects across 90 countries, some of which were initially considered impossible or wasteful by industry experts and consultants, have been implemented



successfully.

We have brought in new technologies that are allowing us to capture and measure new metrics, thus creating opportunities to identify gaps, new opportunities, and enhance operational efficiencies across the organization. AI and automation are being implemented to improve service reliability and visibility.

As a result, we are today, seen as a standard, globally, for our digital efforts. With our digital-first approach, we are cascading the benefits of technology, by inspiring our vendors, partners, associates, and other stakeholders to digitalize and enhance efficiencies.

The noteworthy acceleration in our digital transformation and contribution to digitalizing the logistics ecosystem at a global and domestic level has been made possible by a well-structured digital framework which helps us carry out digital interventions to deliver a smart, digital business model, offer faster turnaround times with real-time information and assistance, as well as make our support functions like HR, finance, and IT more efficient.

### Committed to customer delight

In order to get a better understanding of how our customers perceive us and rate our performance, we conducted a Customer Satisfaction (C-Sat) and Net Promoter Score (NPS) survey.

I am so proud to share that in 2022, our Customer Satisfaction (C-Sat) score moved up to 9.01 from the earlier score of 8.92.

We also retained our excellent NPS score of +49.

With a positive sentiment of 90%, customers' top positive associations with Allcargo were 1) Quality of service 2) Overall excellence and 3) Our infrastructure and scope with end-to-end services.

Our aim, now, is to enhance our capabilities and service offerings to maintain the upward trend and increase these scores even further.

### Strategic demerger paving the way for enhanced collaboration

Our strategic decision to demerge Allcargo Logistics Limited and create two new entities namely Allcargo Terminals Limited, which will include our CFS-ICD business and Transindia Real Estate Limited which will comprise of our logistics parks and leasing services, has come to fruition.

As a result, business verticals now have the operational and financial flexibility to pursue organic and inorganic expansion in a manner that truly maximizes their potential. With sharper management focus, opportunities to explore independent business undertakings and value creation avenues can be leveraged more effectively.

With Allcargo now being a completely asset-light and digitally-enabled business, we are in a position to be extremely flexible, in line with what the industry needs and demands. Our vast global presence, combined with this agility, allows us to compete effectively with multiple tech platforms and logistics service aggregators, while offering the added advantage of integrated logistics solutions as and when needed.

We divested our project cargo transport division in line with our strategic vision to focus on core businesses. We also exited the customs clearance business. This has been a group level strategic initiative and even in other group companies, non-core business of crane rental has been divested. Also, there has been significant success in sale of already leased logistics parks, demonstrating end-to-end capabilities in our real estate business under Transindia Real Estate, the company created as a result of our demerger.

This also makes way for more relevant evaluation and competitive benchmarking, when it comes to investor analysis and recommendations.

### ESG efforts to contribute to a better world

We have always believed in contributing to the welfare of societies and communities, while simultaneously building a culture of care within the organization which has a cascading impact on all things we do. This innately held value that has guided all our business decisions and activities, will only be fortified more with our ESG commitment.

We are streamlining our efforts across the globe, and have partnered with leading global consultants to take structured, result-oriented action.

By 2040, we look ahead to going carbon neutral and also transition to 100% renewable sources for electricity consumption of all owned facilities.

As part of our Maitree initiative, we have planted more than

860,000 trees and by 2023, will achieve our aim of planting a million. Taking this commitment further, we have set a target to plant 3 million trees by 2027 and 5 million by 2030.

Leading ocean freight player in the Nordic region, Nordicon, which is an ECU Worldwide company, is among the first to launch the use of electric trucks for container movements to and from Gothenburg port. Its digital platform My Nordicon also has a feature where the carbon emissions of cargo movements are displayed, thus creating awareness and enabling shippers to make informed, sustainable decisions.

Through inclusive initiatives of our CSR arm Avashya Foundation, we have made a difference to over 400,000 lives, and intend to continue this effort across core areas of Health, Education, Environment, Women's Empowerment, Sports, and Disaster Relief.

In addition to a focus on green logistics, our ESG targets and efforts have been designed to align with the United Nations Sustainable Development Goals, and span multiple areas like diversity, inclusion and equity, occupational health and safety, community development, corporate governance, and more.

We look ahead to continue taking consistent efforts to optimize our network and services, as well as closely evaluate our businesses and operations to integrate sustainable measures at every step.

### Looking ahead

What will hold us in good stead is the institutionalization of our vision, mission, and values and professionalization to bring in expertise from within and outside the industry.

Our Global Startup Innovation Program to collaborate with niche logistics startups, partnerships with leading supply chain venture capital firms, and renowned academic institutions, will help us explore new avenues of innovation.

Our journey to new milestones will be a result of strategic collaboration with peers and associates, encouraging gender diversity, partnerships with niche start-ups, people-centric policies to foster enabling workplaces, and an atmosphere conducive to nurturing new ideas of young minds.

Backed by your support, confidence and trust, FY22-23 has been an important step in our journey to sustainable growth and progress, and in the coming months and year, we will do everything it takes to take our success to the next level.

Together, let's keep moving forward, as we simplify the complexities of logistics with ingenuity, and bolster global business supply chains.

Best Regards,

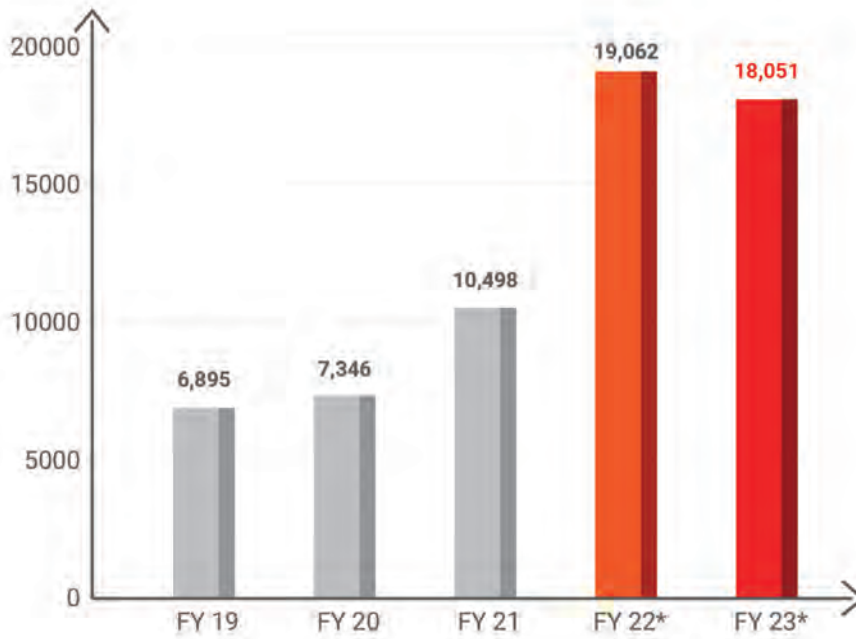


**Shashi Kiran Shetty**  
Chairman - Allcargo Logistics

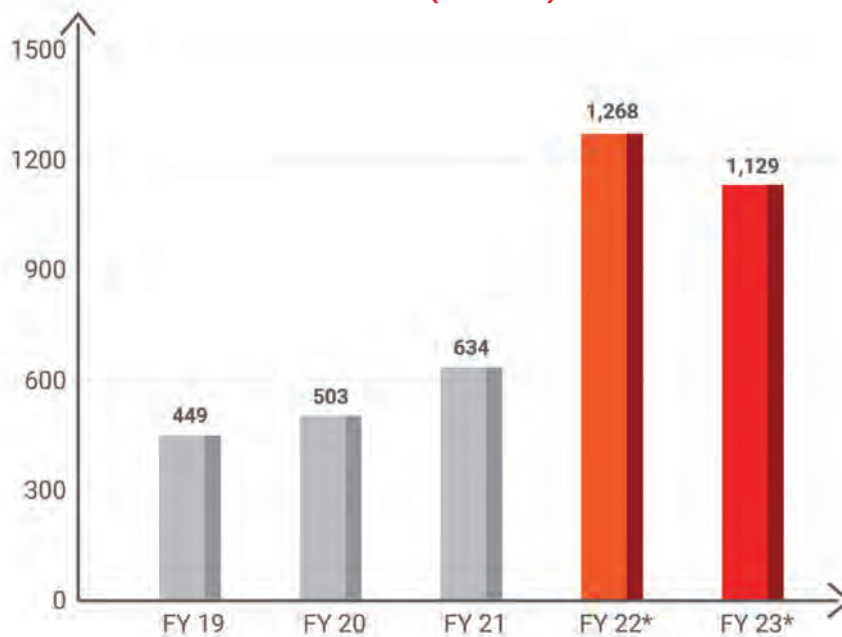


# Our Five Year Snapshot

Revenue (₹ in Cr)

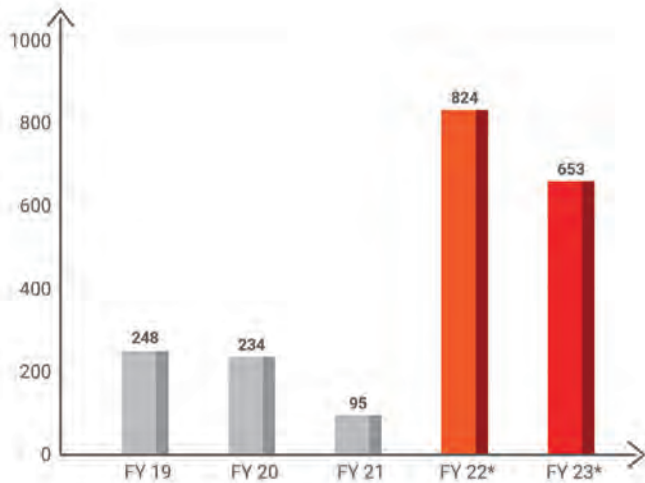


EBITDA (₹ in Cr)

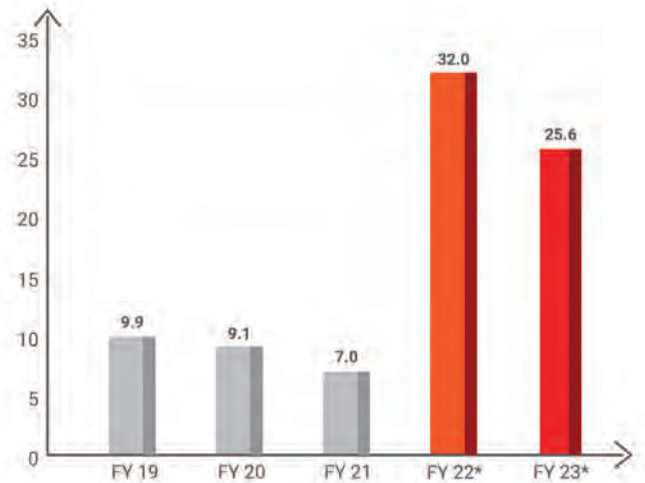


**\*NOTE:** Figures for FY22 and FY23 are not comparable with those of the previous years owing to the strategic demerger of Allcargo Logistics Limited.

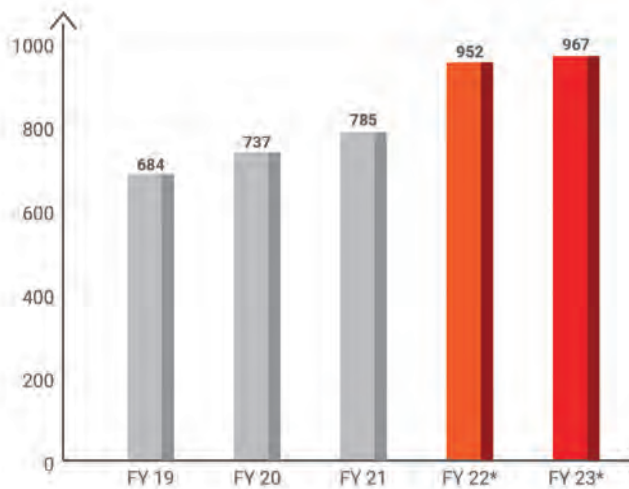
**PAT (₹ in Cr)**



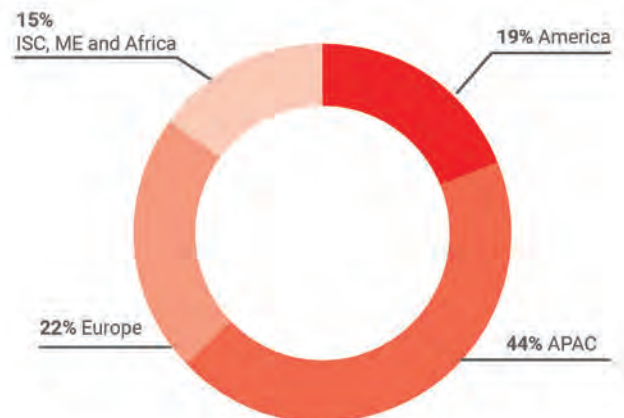
**EPS (₹)**



**ISC (Volume in 000's TEU's)**



**ISC Geographical break-up**



# The Allcargo Advantage

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**Expertise**  
to offer customised, end-to-end,  
integrated logistics for multiple sectors

**Commitment to grow**  
sustainably and deliver excellence  
with value-driven action and a  
strategic approach to ESG





**Reliability**

in our DNA that delivers peace of mind, every time



**A future-ready**

approach led by innovation, ingenuity, and adoption of digital tools and technology



**Unmatched synergies**

of a global network spanning 180 countries and vast domestic coverage



# Seamless, Digitally-Enabled Global Cargo Movements

- › International Supply Chain Solutions (LCL, Neutral FCL, Air Freight)
- › Express Distribution
- › Contract Logistics





# International Supply Chain Solution (LCL)

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Three decades of global expertise and experience have evolved Allcargo Logistics into the world leader in LCL consolidation. We offer a wide range of services, tailored to our customers' needs, backed by the best in digital tools and technology. Services across most major port pairs, more than 2400 direct trade lanes and door-to-door deliveries in over 50 markets, help us bolster businesses and keep global trade moving.

Our one-stop logistics solutions empower businesses in India and globally, so they truly experience reliable solutions from a single logistics partner for their supply chain needs.

We are a dynamic organisation, with a strong network of over 300 offices across 180 countries through our wholly-owned global subsidiary, ECU Worldwide. And we are committed to creating benchmarks in quality and consistency to create value for all our customers.



## OUR SOLUTIONS

- > LCL Consolidation
- > Neutral FCL
- > Air Freight Services
- > Pan-India Multi-City Consolidation
- > International Transhipment at Chennai and Nhava Sheva





## THE ALLCARGO ADVANTAGE

- > Services across more than **2400** direct trade lanes across the world
- > Dedicated hazardous cargo movement
- > Advanced track and trace
- > Strong relationships with carriers
- > Enhanced efficiencies and reduced transit times
- > Dedicated teams of professionals with exceptional local expertise
- > Cutting-edge digital logistics platform to ship with a click

## ECU360

SHIP WITH A CLICK

Our advanced technological platform, ECU360, is designed to offer the convenience of conducting business 24\*7, and transforming shipping into an on-demand experience. Global supply chains can thus build resilience and keep pace with the constantly evolving business landscape.

ECU360 has a plethora of features like quick quotes, convenient cargo booking, sailing schedules, and access to all important information at one go, to enable independent transactions and business continuity. It also provides value-added services like cargo insurance, trucking, and more.



Instant door to door quotes



Booking in seconds



Reusable templates



Automated Push Reports



Business Insights



Personalized Dashboards



Enhanced Track & Trace



# Neutral FCL

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We offer end-to-end, neutral FCL solutions across all major trade hubs and destinations around the world.

Our FCL services provide transit for heavy, out of gauge and breakbulk cargo services across multiple industry sectors, globally. Our collaboration and long-standing partnerships with the world's leading carriers help us offer the most optimal transit times, routes and costs.

Our team of local experts can offer excellent advisory and consultation services, to make FCL transit a smooth and seamless experience.



## THE ALLCARGO ADVANTAGE

- > Expertise across industries and a dedicated team of professionals
- > Ocean freight traffic on a multi-carrier principle
- > Optimised cost and time of transportation
- > Transport of break bulks, heavy or oversized goods, with the highest levels of quality and safety
- > Better control and cost-effective synergies with offices at both, origin and destination
- > Easy online access to the sailing schedule





# Air Freight

---

Our air freight services across the world's key business centres and trade destinations are facilitated through our global network. Our teams of experts are well-versed in local regulations across continents and help handle customs and compliance. To ensure end-to-end transit with safety, we also offer value-added services like inland trucking service and warehouse capabilities.



## THE ALLCARGO ADVANTAGE

- > Strong network of partners to optimize facilities, costs, and services
- > TSA-certified cargo-screening facilities at key airport locations
- > Capabilities to tender prebuilt units and make rates more effective
- > Safe, reliable movements for general and oversized project cargo, and hazardous freight
- > Temperature-controlled cargo and perishables movements
- > Charters
- > Combined sea-air cargo transportation
- > Consolidation, Foreign-to-Foreign, and Full import programs

Through our group company, Gati, our domestic air freight services in India are further strengthened by tie-ups with the country's leading airlines, providing end-to-end visibility on the movements of our customers' packages. With strategically located Air Transit Centres near prominent commercial airports in India, we enable unmatched connectivity promising smooth, safe deliveries of urgent as well as temperature-sensitive shipments within 24 to 48 hours.





# Express Distribution

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Our express distribution services offer customers the advantage of multi-modal deliveries that cover over 99% of the country's districts. We tailor solutions to specific requirements and help move parcels, freight, or special cargo, in a cost-effective manner. In an endeavour to customize services for diverse industry sectors, as well as for retail businesses, SMEs, households, and individuals, we have a number of options like Express Plus, Express, Premium Plus, Premium, and Special Services like Student Express, Bike Express, Art Express, and more.



## THE ALLCARGO ADVANTAGE

- > Transportation of goods all over India, including its hinterlands, in a swift, safe, timely manner
- > End-to-end multimodal deliveries with first and last mile solutions
- > Unparalleled network of channel partners to enhance efficiency
- > Use of data science and analytics for network and route optimization and convenient tools like Gati Genie, Gati Portal, and digital payments, for ease and convenience
- > Focus on using alternative fuel vehicles for pick-ups and deliveries





# Contract Logistics

Our contract logistics solutions are designed to simplify complexities and customize solutions to offer flexibility, scalability, and reliability. We offer supply chain management all over the country, with warehouses designed and built to meet global standards, and a dedicated team of experts backed by the latest in tools, technologies, and processes to enhance efficiencies and boost productivity. We offer end-to-end 3PL solutions for a variety of sectors including automobile and engineering, food, pharmaceuticals, chemical, e-commerce, fashion and retail, etc.



## THE ALLCARGO ADVANTAGE

- > Strategically located warehousing facilities across India, that meet international standards in construction and safety of operations
- > 3PL services for multiple sectors like chemicals, pharmaceuticals, automotive, food, and e-commerce
- > Scalable, flexible, and agile solutions designed by professionals who understand business supply chains
- > Last-mile deliveries, bonded and general warehousing, mother warehouse management for OEMs and dealers, domestic and international transportation, and more
- > Option of order and inventory-based models
- > Inventory and purchase order management
- > Digital tools, software, and automation to enhance human capital







# Board of Directors

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## Shashi Kiran Shetty | Founder & Executive Chairman

- > Shashi Kiran Shetty has been pioneering the Indian logistics sector since more than two decades and has helmed major transformations riding on the growth of the Indian economy.
  - > Recipient of the 'Distinction of Commander of the Order of Leopold II' the highest civilian honour by the H. M. King Philippe of Belgium.
  - > Has successfully led Allcargo Group to a global leadership position by leveraging well-timed organic and inorganic growth opportunities.
- 



## Adarsh Hegde | Managing Director

- > Adarsh Hegde has been associated with Allcargo Logistics since its inception.
  - > Been instrumental in Allcargo's strategic expansions and diversification.
  - > Responsible for achieving Allcargo Group's bold ambitions by providing leadership to various business verticals and regions across the globe.
- 



## Arathi Shetty | Non-Executive Director

- > Arathi Shetty is a Board Member since incorporation.
  - > She spearheads the sustainability initiatives of Allcargo Group under the Avashya Foundation.
  - > Under her guidance, the CSR team along with a network of partner NGOs implements inclusive initiatives across six key areas of Health, Education, Environment, Women's Empowerment, Sports, and Disaster Relief.
- 



## Kaiwan Kalyaniwalla | Non-Executive Director

- > Kaiwan Kalyaniwalla is a Solicitor and Advocate of the Bombay High Court and a partner of Maneksha & Sethna, a law firm based in Mumbai.
  - > He is an advisor to private sector corporates, multinational banks, transport and logistics companies and some of India's largest property development companies and business houses.
  - > He practices predominantly in the field of corporate laws, property laws, tax laws and general commercial laws.
- 



## Martin Müller | Independent Director

- > Martin Müller is a Swiss national and is an extremely well-informed business leader, Consultant who worked with Mckinsey in addition to his many other roles in various Logistics companies around the world as an independent consultant.
  - > He is currently Founder & Owner, Director. Management consulting at Agovis Singapore Pte Ltd and Non-Executive Director at Glatz AG, Frauenfeld, Switzerland
- 



## Mohinder Pal Bansal | Independent Director

- > A Chartered Accountant by qualification, Mohinder Pal Bansal has more than 25 years of experience in mergers & acquisitions, strategic advising, capital markets, company portfolio integration as well as post-acquisition performance management in India, Asia, and Europe.
- > He is currently on the boards of several corporate bodies such as Blacksoil Capital Pvt. Ltd., and others.



### Parthasarathy Vankipuram Srinivasa | Non-executive Director (Resigned w.e.f. June 30, 2023)

- > Mr. Parthasarathy Vankipuram Srinivasa (fondly known as Partha) is a much-awarded professional, thought leader, and votary of transformational changes with over 35 years of rich experience wherein he has successfully led businesses, functions, and organizational transformations.
- > Prior to being appointed as the President of Mobility Services Sector, Mahindra Group in April 2020, Partha was the Group CFO and Group CIO, Mahindra Group for 7 years as well as a member of the Mahindra Group Executive Board for over 10 years. A well recognized speaker in the fields of finance and IT, he was awarded a Lifetime Achievement Award for both his CFO and CIO roles.
- > Partha is a Chartered Accountant from ICAI and ICAEW and an alumnus of Harvard Business School's AMP (2011).



### Mahendra Kumar Chouhan | Independent Director

- > Mahendra Kumar Chouhan is a renowned thought leader in the Corporate Governance, ESG & SDGs space. He is the Chairman of Fino Payment Bank and serves on the boards of a wide range of industries, such as financial services, capital goods, exposition, education finance and housing finance among others.
- > He holds a certificate from Global Corporate Governance Forum, IFC - World Bank Group, as a trainer for the board of directors and a certificate on "Governing the Corporation: Global Perspectives in the Indian Context" from the Wharton School, University of Pennsylvania, USA.
- > He has previously served on policymaking and regulatory committees and is a member of various Indian and international bodies working in the sphere of sustainability.



### Radha Ahluwalia | Independent Director

- > For over two and a half decades, Radha Ahluwalia created and led industry leadership networks across India. She was the Managing Director of IMA, one of India's premier business research firms.
- > Radha guides start-ups in various areas – leadership and corporate governance, government-industry alliances, and community and network development.
- > She is General Partner of Work10M, a work and education-focused fund and research institute centered on investments in early-stage start-ups with direct linkages to work and employability.



### Nilesh Vikamsey | Independent Director

- > Nilesh Vikamsey is a senior partner at KKC & Associates LLP (Formerly - Khimji Kunverji & Co LLP) - an 85-year-old Chartered Accountants firm. He also serves as an independent director in other listed and unlisted companies.
- > He is a member of the Institute of Chartered Accountants of India (ICAI) since 1985 and holds a Diploma in Information System Audit (DISA) from the ICAI and a Certificate course in Forensic Accounting and Fraud Detection from ICAI and Business Consultancy Studies Course.
- > He is a Committee Member of organizations like Indo American Chamber of Commerce, Bombay Chartered Accountants' Society (BCAS), and The Chamber of Tax Consultants (CTC) among other prestigious organizations.



### Sivaraman Narayanaswami | Independent Director (Appointed w.e.f. May 04, 2023)

- > Sivaraman Narayanaswami is a seasoned business leader with close to 40 years of experience as a finance professional and organizational/business leader.
- > During the course of his 40-years journey, he has proved his expertise in strategy, business planning, organization building, capital raising, mergers and acquisitions, and investor relations.
- > He has previously served as Managing Director and Group CEO at ICRA Limited and held senior positions including as President & Wholetime Director of L&T Finance Holdings Ltd. ("LTFH") and at IL&FS as a COO.
- > His range of accomplishments centre on leading a small company or platforms through transformational growth into admirable organizations and providing exceptional leadership to produce differentiated outcomes.

# Management Team

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VISION



EXPERTISE



PASSION

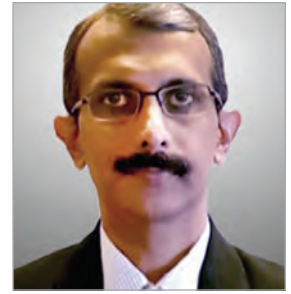




**Shashi Kiran Shetty**  
*Founder & Executive Chairman*



**Adarsh Hegde**  
*Managing Director*



**Suresh Kumar**  
*Managing Director  
Allcargo Terminals*



**Tim Tudor**  
*Chief Executive Officer,  
ECU Worldwide*



**Pirojshaw Sarkari (Phil)**  
*Managing Director, GKEPL*



**Vaishnav Shetty**  
*Chief Digital Officer*



**Ravi Jakhar**  
*Chief Strategy Officer &  
Chief of Staff*



**Indrani Chatterjee**  
*Group Chief People Officer*



**Deepal Shah**  
*Group CFO*



**Kapil Mahajan**  
*Global Chief Information and  
Technology Officer*



**Shloka Shetty**  
*Head Innovations*

# NOTICE

**NOTICE** is hereby given that the Thirtieth Annual General Meeting of the Members of **Allcargo Logistics Limited** will be held on **Thursday, September 21, 2023 at 02:30 p.m.** (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Report of Auditors thereon.
2. To confirm the Interim Dividend of ₹3.25 (i.e. 162.50%) per equity share of ₹2/- each declared by the Board of Directors of the Company at its meeting held on March 06, 2023 as final dividend for the Financial Year ended March 31, 2023.
3. To appoint a Director in place of Mr Shashi Kiran Shetty (DIN: 00012754), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr Kaiwan Kalyaniwalla (DIN: 00060776), who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

5. **Re-designation of Mr Adarsh Hegde (DIN: 00035040) as Managing Director of the Company**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment (s) thereof, for the time being force) and the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for re-designating Mr Adarsh Hegde ("Mr Hegde"), as Managing Director and Key Managerial Personnel of the Company, with effect from June 01, 2023 for remaining period, on the terms & conditions and remuneration as approved by the members of the Company at the 29<sup>th</sup> Annual General Meeting of the Company."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this Resolution."

6. **Offer or invite for subscription of Secured/Unsecured Non-Convertible Debentures and/or Bonds on private placement basis**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and subject to all other applicable regulations, rules, notifications, circulars and guidelines prescribed by the Securities and Exchange Board of India ("**SEBI**"), including the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Reserve Bank of India ("**RBI**") (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, SEBI, RBI, the Stock Exchanges or any regulatory or statutory authority (the "**Appropriate Authority**") and subject to such conditions and/or modifications as may be prescribed or imposed by the Appropriate Authority while granting such approvals, consents, permissions and sanctions, the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), for making offer(s) or invitation(s) to subscribe to the issue and allot Secured/Unsecured Non-Convertible Debentures and/or Bonds (the "**issue**") on a private placement basis, in one or more series/tranches, fixing the price and the terms and conditions of the issue as the Board may from time to time determine and consider proper and most beneficial to the Company, such that the aggregate amount does not exceed ₹500 crores (Rupees Five Hundred Crores) during a period of one year from the date of passing of this Resolution and that the said borrowing is within the overall borrowing limits of the Company."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to determine and fix the terms and conditions of the issue, from time to time, do all such acts, deeds, matters and things and give such directions as may be deemed necessary, proper or expedient in the interest of the Company and to sign and execute any deeds/documents/undertakings/agreements/papers/writings, as may be required in this regard and to resolve and settle all questions and difficulties that may arise at any stage from time to time."

**By order of the Board of Directors**

**Sd/-**  
**Devanand Mojdra**  
Company Secretary & Compliance Officer

Place: Mumbai  
Date: May 30, 2023

### Registered Office:

6<sup>th</sup> Floor, Allcargo House, CST Road,  
Kalina, Santacruz (East), Mumbai - 400 098  
Email Id: [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com)  
Website: [www.allcargologistics.com](http://www.allcargologistics.com)  
Phone No: 022-66798100  
CIN: L63010MH2004PLC073508

**NOTES:**

1. Pursuant to the General Circular 11/2022 dated December 28, 2022 and other circulars issued by the Ministry of Corporate Affairs (“MCA”) (“MCA Circulars”) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by Securities and Exchange Board of India (“SEBI”) (MCA Circulars and SEBI Circulars are collectively known as “Circulars”), the companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the AGM shall be the Registered Office of the Company i.e. 6<sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai- 400098.

2. The Explanatory Statement pursuant to Section 102 of the Act, in respect of the Special Businesses as set out in Item Nos. 5 to 6 above and the relevant details of the Directors seeking appointment/re-appointment above as required by Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India are annexed hereto.

3. **SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**

In compliance with the Circulars, the Notice of the AGM indicating the process and manner of electronic voting along with the Annual Report of the Company for the Financial Year ended March 31, 2023 is being sent to the Members only through electronic mode whose e-mail addresses are registered with the Company/Depositories.

To support the ‘Green Initiative’ and obtaining Annual Report of the Company, Members are requested to register their e-mail addresses by sending an e-mail on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) by giving details like name, folio number, permanent account number and contact number. Members holding shares in demat form are requested to register their e-mail addresses with their DP’s only.

In compliance with the said MCA Circulars, the Company will publish a public notice by way of advertisements in Free Press Journal and Navshakti, *inter alia*, advising the Members whose e-mail address are not registered/updated with the Company or the Depository Participant(s) (“DP’s”), as the case may be, to register/update their e-mail address with them at the earliest.

The copy of Notice and Annual Report of the Company for FY2022-23 is also available on the Company’s website <https://www.allcargologistics.com> and the website of the Stock Exchanges, i.e. BSE Limited <https://www.bseindia.com> and The National Stock Exchange of India Limited <https://www.nseindia.com>. The Notice of AGM is also available on the website of National Securities Depository Limited (“NSDL”) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for reckoning the quorum under Section 103 of the Act.

5. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Pursuant to the provisions of the Act, Institutional Members/ Corporate Members intending to allow their authorized representative(s) to attend and vote at the AGM are requested to submit a certified true copy of the Board Resolution/letter of appointment authorizing their representative(s) together with the specimen signature(s) of those authorized representative(s) to the Scrutinizer at [dhrumil@dmsah.in](mailto:dhrumil@dmsah.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

6. Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during business hours [11.00 a.m. (IST) to 02:00 p.m. (IST)] on all working days, except Saturday, Sunday and public holidays upto the date of the AGM. The aforesaid documents will also be available for inspection by Members during the AGM.

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

- For shares held in electronic form: to their Depository Participants (DPs)
- For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 along with relevant proofs and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 3, 2021.

Members may also refer to Shareholder Service Request Section on Company’s website <https://www.allcargologistics.com/investorshareholders.aspx>

Members are further requested to note that non-availability of correct bank account details such as MICR (“Magnetic Ink Character Recognition”), IFSC (“Indian Financial System Code”) etc., which are required for making electronic payment will lead to rejection/failure of electronic payment instructions by the bank in which case, the Company or RTA will use physical payment instruments for making payment(s) to the Members with available bank account details of the Members.

8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company’s website at <https://www.allcargologistics.com/investorshareholders.aspx> and on the website of the Company’s RTA at <https://web.linkintime.co.in/KYC-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

9. SEBI vide its Circular dated January 25, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
11. As per the provisions of Section 72 of the Act and aforesaid SEBI Circulars, the facility for making nomination is available for the Members in respect of the shares held by them in physical mode. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 with RTA.

Further members holding physical shares are informed that they can opt out of nomination or cancel the existing nomination by filing following form with RTA:

- a. Form ISR – 3: For opting out of nomination by shareholder(s)
- b. Form SH – 14: For cancellation or variation to the existing nomination of the shareholder(s)

## 12. Unpaid/unclaimed dividend and shares

Members are hereby informed that as per the provisions of Section 124 of the Act, dividend which remains unpaid/unclaimed over a period of seven (7) consecutive years has been transferred by the Company to “The Investor

Education and Protection Fund” (“**IEPF**”) established by the Central Government under Section 125 of the Act.

Further, in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“**IEPF Rules**”), as amended from time to time, 4,643 equity shares of face value of ₹2/- each in respect of which dividend had remained unpaid/unclaimed for 7 (seven) consecutive years or more from the date of such transfer to Unpaid/Unclaimed Dividend Account of the Company has been transferred to the IEPF by crediting such shares to the DEMAT Account of the IEPF Authority (the “**Authority**”). The Company has sent individual notice to all the Members whose shares are due to be transferred to the Authority and has also published newspaper advertisement in this regard. Members are requested to visit the website of the Company and/ or the Authority/MCA to check their unpaid/unclaimed dividend status and are advised to write to the Company and/or RTA immediately claiming dividend(s) declared by the Company. The details of the shares transferred to the Authority are uploaded on the Company’s website: [www.allcargologistics.com/investors/shareinformation/dividends](http://www.allcargologistics.com/investors/shareinformation/dividends).

The Members may note that the shares as well as unpaid/unclaimed dividends transferred to the Authority can be claimed back by making an application to the Authority in Form IEPF-5 along with the requisite documents available on [www.iepf.gov.in](http://www.iepf.gov.in) and sending duly signed physical copy of the same to the Company and/or RTA. The Members can submit only one consolidated claim in a financial year as per the IEPF Rules. In order to claim refund, the Members are advised to visit the weblink <http://iepf.gov.in/IEPFA/refund.html> or contact the RTA. No claims shall lie against the Company in respect of the dividend/shares so transferred.

The Members are requested to note the following due date(s) for claiming unpaid/unclaimed dividend paid/declared by the Company:

Dividend	Date of Declaration of Dividend	Year	Due date for claiming Unpaid dividend
Final Dividend	August 10, 2017	FY2016-17	September 11, 2024
Final Dividend	August 10, 2018	FY2017-18	September 14, 2025
Special Interim Dividend	February 08, 2019	FY2018-19	March 11, 2026
Interim Dividend	March 16, 2020	FY2019-20	April 21, 2027
Interim Dividend	March 15, 2021	FY2020-21	April 19, 2028
Interim Dividend	March 16, 2022	FY 2021-22	April 18, 2029
Interim Dividend	March 06, 2023	FY 2022-23	April 05, 2030

Pursuant to the IEPF Rules, the Company has also uploaded the details of unpaid/unclaimed amounts lying with the Company as on March 31, 2023 on the Company’s website [www.allcargologistics.com/investors/shareinformation/dividends](http://www.allcargologistics.com/investors/shareinformation/dividends) and also on the website of the Authority, MCA - [www.iepf.gov.in](http://www.iepf.gov.in).

## 13. Tax Deducted at Source (“TDS”) on Dividend:

- i. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source (“**TDS**”) from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the

“**IT Act**”). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their DP’s or in case shares are held in physical form, with the Company by sending documents through e-mail.

- ii. For resident shareholders, TDS is required to be deducted at the rate of 10% under Section 194 of the IT Act on the amount of dividend declared and paid by the Company in the FY2022-23 provided valid PAN is registered by the Shareholder. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the IT Act.

- iii. If any resident individual shareholder is in receipt of dividend not exceeding ₹5,000 in a financial year, then no TDS will be deducted from the dividend.
  - iv. If any resident individual shareholder is in receipt of Dividend exceeding ₹5,000 in a financial year, entire dividend will be subject to TDS @ 10%.
  - v. In the cases where the shareholder provides valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted.
  - vi. For Non-resident shareholders [Including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)], the TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 or 196D of the IT Act, as the case may be.  
  
Further, as per Section 90 of the IT Act, the nonresident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them.
  - vii. It may be further noted that in case TDS on dividend is deducted at a higher rate in absence of receipt of the aforementioned documents, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
  - viii. The Company has therefore, deducted TDS at the time of payment of Interim Dividend for FY2022-23, for resident shareholder at 10% with valid Permanent Account Number (PAN) or at 20% without/invalid PAN and for Non-Resident shareholders at the applicable rates inclusive of surcharge and cess prescribed under the IT Act or Tax Treaty, read with Multilateral Instruments, if applicable based on information received by the RTA of the Company from the Depositories.
14. Any information required in relation to the Accounts and Operations of the Company may be sent to the Company Secretary at [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com) at least seven (7) days in advance of the date of AGM, so as enable the Management to keep the information ready at the AGM.
15. Non-Resident Indian Members are requested to inform RTA, immediately of:
- a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

## 16. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during AGM will be provided by NSDL.

- I. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. **Thursday, September 14, 2023**. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owner maintained by the Depositories as on the cut-off date shall only be entitled to avail facility of remote e-voting or e-voting during AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
  - II. The Members who have exercised their votes through remote e-voting prior to the AGM may also participate in the AGM but they shall not be entitled to vote again.
  - III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - IV. **The remote e-voting period begins at 09.00 a.m. (IST) on Sunday, September 17, 2023 and ends at 05.00 p.m. (IST) on Wednesday, September 20, 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**
17. **Instructions for participating in the AGM through VC/OAVM and E-voting are as follows:**

### A. Instructions for E-voting are as follows:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="746 1021 1214 1294" style="text-align: center;"> <p>NSDL Mobile App is available on   App Store     Google Play      </p> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.****How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 125732 then user ID is 125732001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at [dhrumil@dmshah.in](mailto:dhrumil@dmshah.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, Shareholders/Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR E-VOTING ON THE DAY OF THE AGM FOR MEMBERS ARE AS UNDER:-

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

- c. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

**B. Instructions for participating in AGM through VC/OAVM:**

- i) a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against the Company name.
  - b) You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.
  - c) By clicking on this link, the Members will be able to attend and participate in the proceedings of the AGM.
  - d) Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
  - e) Members are encouraged to join the Meeting through Laptops for better experience.
  - f) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - g) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
  - h) The Members can join the AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more share of the Company), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Governance and Nomination & Remuneration Committee, Audit Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- i) Members who would like to express their views/have questions during the AGM may register themselves as a speaker shareholder by sending a request along with their questions in advance mentioning their name, demat account number/folio number, email id and mobile number at [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com) on or before Sunday, September 17, 2023. (IST) on 03:00 P.M. Those Members who have registered themselves as a speaker shareholder will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speaker shareholders depending on the availability of time for the AGM.
  - ii) Speaker shareholders will join through the separate link as attendee. The shareholders will be on mute by default and can see the AGM proceedings. Speaker shareholders need to allow their audio and video to be kept open. Once moderator announce and allow shareholders to speak, then only such shareholders will speak.
  - iii. Mr Dhrumil Shah (Membership No. FCS 8021 and CP No 8978) of M/s Dhrumil Shah & Co LLP, Practicing Company Secretaries, Mumbai, have been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
  - iv. The Chairman at the AGM, shall at the end of the discussion on the Resolutions, on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of electronic ballot voting system for all the Members who are present at the AGM but have not exercised their votes by availing the remote e-Voting facility.
  - v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, shall unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and not later than 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's Report to the Chairman or any person duly authorised by him in writing who shall countersign the same and declare the results forthwith.
  - vi. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on date of the AGM i.e. September 21, 2023.
  - vii. The results declared along with the Scrutinizer's Report shall be displayed on the notice board at the Registered Office of the Company, on the Company's website [www.allcargologistics.com](http://www.allcargologistics.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately after the result is declared. The Company shall simultaneously intimate the result to the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited.

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Pursuant to the provisions of Section 102 of the Companies Act, 2013 (the "Act") and Secretarial Standard-2 on General Meetings ("SS-2"), the following Explanatory Statement sets out all material facts relating to the special business mentioned at Item No. 5 and Item No. 6 in the accompanying Notice dated May 30, 2023 and forms part of the Notice.

### Item No. 5

The Members of the Company at 28<sup>th</sup> Annual General Meeting ("AGM") held on September 29, 2021, had approved the re-appointment of Mr Adarsh Hegde ("Mr Hegde") as Joint Managing Director of the Company for a period of five (5) years with effect from July 01, 2021 on the terms and conditions including remuneration payable to him.

Considering Mr Hegde's persistent endeavour in strengthening the operations, his insights in developing and implementing business strategies, managing the Company's overall operations and resources and based on the annual performance evaluation and recommendation by the Governance and Nomination & Remuneration Committee ("GNRC") and the Board of Directors (the "Board"), decided to redesignate Mr Hegde as the Managing Director for the remaining period of his tenure subject to the approval of the shareholders on the same remuneration and terms & conditions as approved by the members at the 29<sup>th</sup> AGM.

The Board recommended the Special Resolution set out at Item No.5 of the Notice for the approval by the Members.

Save and except, Mr Hegde, Mrs Arathi Shetty and his relative, none of the other Directors and Key Managerial Personnel of the Company and/or their relatives is/are concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of this Notice, except to the extent of their shareholding interest.

### Item No. 6

The Company had obtained approval of the Members at the 29<sup>th</sup> Annual General Meeting held on September 20, 2022, to raise funds upto ₹1,000 crores (Rupees One Thousand crores only) by issue of Secured/Unsecured Non- Convertible Debentures on a private placement basis, in one or more tranche(s) from time to time.

As per provisions of Section 42 of the Act and the Rules framed thereunder, the Special Resolution passed by the Members with respect to issue of Non-Convertible Debentures shall be valid for a period of one year from the date of passing the Resolution. Accordingly, the aforesaid Resolution is valid till September 19, 2023.

Considering the future capex plans, strategic investments, and cost effectiveness of borrowing through the Debentures, Board of the Directors of the Company at their meeting held on May 29, 2023 proposed to obtain Members' approval for borrowings upto ₹500 crores (Rupees Five Hundred Crores only) by way of issue of Secured/Unsecured Non-Convertible Debentures and/or Bonds on a private placement basis in one or more tranche(s). This would be an enabling Resolution authorizing the Board of Directors to make specific issuances based on the Company's requirements, market liquidity and appetite at the opportune time. The aggregate borrowings of the Company shall be well within the limits approved by the Members.

The Board recommends the Special Resolution set out at Item No.6 of the Notice for the approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

**By order of the Board of Directors**

**Sd/-**  
**Devanand Mojidra**  
Company Secretary & Compliance Officer

Place: Mumbai  
Date: May 30, 2023

### Registered Office:

6<sup>th</sup> Floor, Allcargo House, CST Road,  
Kalina, Santacruz (East), Mumbai - 400 098  
Email Id: investor.relations@allcargologistics.com  
Website: www.allcargologistics.com  
Phone No: 022-66798100  
CIN: L63010MH2004PLC073508

## ANNEXURE

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 30TH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD- 2 ON GENERAL MEETINGS ARE AS UNDER:**

I.	Name of Director	Shashi Kiran Shetty (DIN:00012754)	Kaiwan Kalyaniwalla (DIN: 00060776)	Adarsh Hegde (DIN: 00035040)
II.	Age	66 years	59 Years	59 Years
III.	Qualification	Bachelor of Commerce	Bachelor's degree in economics and political science and a bachelor of laws degree from the University of Mumbai	Bachelor's degree in Mechanical Engineering from Nitte Education Trust, Mangalore
IV.	<b>Brief resume including profile, experience and expertise in specific functional areas</b>	<p>Mr Shashi Kiran Shetty is a pioneer and leader of the logistics industry with numerous Indian and global recognitions and a deep-rooted commitment to social welfare.</p> <p>Mr Shetty began early, when the logistics sector was at a nascent stage. In 1993, Mr Shetty founded Allcargo Logistics which today enjoys the status of being India's largest integrated logistics company. Its trajectory of success and wide portfolio of world-class services like ISC, Contract Logistics and Project Equipment are testimony to Mr Shetty's entrepreneurial spirit and foresight.</p> <p>Spearheading over 10 key acquisitions in less than a decade, Mr Shetty sets a brilliant example of benefiting from first mover's advantage, wherein he saw the formidable strength and bright future the logistics sector holds in India and globally, creating India's first and largest integrated logistics solutions provider in the private sector and a global leader in multimodal transport with operations in more than 160 countries.</p> <p>Under the leadership of Mr Shetty, Allcargo Logistics acquired a substantial stake in Gati Limited, a major player in logistics and express distribution segment. Right from being conferred Belgium's highest civilian honour the 'Distinction of Commander of the Order of Leopold II' to being declared as the Global Logistics Personality of the Year, Mr Shetty's experience and contribution has been recognised across diverse fora and platforms in India and internationally. An astute business sense, exemplary leadership and a vision to identify potential opportunities reiterate his position as an industry veteran.</p>	<p>He is a Solicitor and Advocate of the Bombay High Court and a partner of Maneksha &amp; Sethna, a law firm based in Mumbai. Mr Kalyaniwalla has been in the practice of law for over 35 years and is enrolled as a Solicitor of the Supreme Court of England and Wales. His practice is predominantly in the field of corporate laws, property laws, tax laws and general commercial laws. Mr Kalyaniwalla is the President and an active member of the Managing Committee of the Bombay Incorporated Law Society.</p>	<p>After finishing his mechanical engineering from Nitte Education Trust, Mangalore, he started his career as an Assistant Maintenance Engineer with Eastern Ceramics Private Limited, Mumbai in 1987 and has served the organization in various capacities.</p> <p>He has experience in the field of logistics close to three decades. Mr Hegde joined the Company on August 21, 2006 and has been instrumental in the success of the Company's growth story. Presently, he is designated as Managing Director of the Company.</p> <p>Mr Hegde's business acumen and vision in logistics business, advanced and modern management proficiency quality drives him as an ideal business leader. He has played a key role in designing and implementing various systems and procedures, which resulted in exponential growth opportunities for the Company.</p>

		<p>Mr Shetty is known not just for his professional achievements, but also for his involvement in a number of philanthropic and community development initiatives. Be it through personal donations and contributions or involvement in the interventions of Avashya Foundation, Allcargo Logistics' CSR arm, Mr Shetty walks the talk when it comes to giving back to society in every way possible.</p> <p>Under Mr Shetty's guidance and insistence on quality, impeccable execution, customer satisfaction and a values-driven culture, Allcargo Logistics continues to be recognised as one of the most professionally-managed and process driven organisations. In addition to being a sports enthusiast and an avid golfer, Mr Shetty also appreciates art and its diverse cultural expressions.</p>		
V.	<b>Shareholding in the Company as on March 31, 2023</b>	15,22,41,341 equity shares of face value ₹2/- each constituting 61.96% of the total paid-up share capital of the Company.	1,49,250 equity shares of face value ₹2/- each constituting 0.06% of the total paid-up share capital of the Company.	45,45,500 equity shares of face value ₹2/- each constituting 1.85% of the total paid-up share capital of the Company.
VI.	<b>Date of first appointment on the Board of the Company</b>	August 18, 1993	August 06, 2021	August 21, 2006
VII.	<b>Directorship held in other companies (including the Company and listed entities from which the person has resigned in the past three years) (as on May 30, 2023)</b>	<ul style="list-style-type: none"> <li>- Allcargo Logistics Limited</li> <li>- Gati Limited</li> <li>- Panvel Logistics and Warehousing Solutions Private Limited (<i>Resigned</i>)</li> <li>- Allcargo Multimodal Private Limited</li> <li>- Malur Logistics and Industrial Parks Private Limited (<i>Resigned</i>)</li> <li>- Allcargo Terminals Limited (<i>Resigned</i>)</li> <li>- ALX Shipping Agencies India Private Limited (<i>Resigned</i>)</li> <li>- Allcargo Inland Park Private Limited</li> <li>- AGL Warehousing Private Limited</li> <li>- Talentos Warehousing &amp; Industrial Parks Private Limited</li> <li>- Hoskote Warehousing &amp; Industrial Parks Private Limited</li> <li>- Alltrans Logistics Private Limited</li> <li>- CCI Worldwide Logistics Private Limited (<i>Resigned</i>)</li> <li>- FTL (India) Private Limited (<i>Resigned</i>)</li> <li>- Avashya Holdings Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Allcargo Logistics Limited</li> <li>- Gati Limited</li> <li>- Modern India Limited</li> <li>- Iorn &amp; Metal Traders Private Limited</li> <li>- Bombay Metal and Alloys MFG Company Private Limited</li> <li>- Allcargo Terminals Limited</li> <li>- TransIndia Real Estate Limited</li> <li>- TransIndia Logistic Park Private Limited</li> <li>- Synchro Investments Private Limited</li> <li>- Quantum Trustee Company Private Limited</li> <li>- Bombay Incorporated Law Society</li> <li>- Sunbeam Pte. Ltd</li> <li>- Aladin Group Holding Ltd</li> <li>- Avashya Corporation Private Limited</li> <li>- Talentos Entertainment Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Allcargo Logistics Limited</li> <li>- Gati Limited (<i>Resigned</i>)</li> <li>- Allcargo Supply Chain Private Limited (Formerly known as Avvashya Supply Chain Private Limited) (<i>Resigned</i>)</li> <li>- Indport Maritime Agencies Private Limited</li> <li>- Allcargo Multimodal Private Limited</li> <li>- Gati-Kintetsu Express Private Limited</li> <li>- Container Freight Station Association of India (Renewal Old AN 165281)</li> <li>- Contech Logistics Solutions Private Limited</li> <li>- TransIndia Freight Services Private Limited</li> <li>- Alltrans Logistics Private Limited</li> <li>- TransIndia Logistic Park Private Limited</li> </ul>

		<ul style="list-style-type: none"> <li>- Avashya Corporation Private Limited</li> <li>- Talentos Entertainment Private Limited</li> <li>- Aladin Group Holding Ltd</li> <li>- AGL N.V.</li> <li>- ECU-Line Saudi Arabia LLC</li> </ul>		<ul style="list-style-type: none"> <li>- Comptech Solutions Private Limited <i>(Resigned)</i></li> <li>- Ecu International (Asia) Private Limited</li> <li>- GK Cold Chain Solutions Private Limited <i>(Resigned)</i></li> <li>- CCI Worldwide Logistics Private Limited (Formerly known as Avvashya CCI Logistics Private Limited) <i>(Resigned)</i></li> </ul>
VIII.	<b>No. of Committees in which Director is member</b>	<p><b>Allcargo Logistics Limited</b></p> <ul style="list-style-type: none"> <li>- Stakeholders Relationship Committee</li> <li>- Corporate Social Responsibility Committee</li> <li>- Governance and Nomination &amp; Remuneration Committee</li> </ul>	<p><b>Gati Limited</b></p> <ul style="list-style-type: none"> <li>- Audit Committee</li> <li>- Stakeholders relationship Committee</li> <li>- Risk Management Committee</li> </ul> <p><b>Modern India Limited</b></p> <ul style="list-style-type: none"> <li>- Audit Committee</li> <li>- Risk Management Committee</li> <li>- Corporate Social Responsibility Committee</li> </ul>	<p><b>Allcargo Logistics Limited</b></p> <ul style="list-style-type: none"> <li>- Executive Committee</li> <li>- Stakeholders Relationship Committee</li> <li>- Risk Management, Finance, Strategy and Legal Committee</li> </ul>
IX.	<b>No. of Committees in which Director is Chairman</b>	<p><b>Allcargo Logistics Limited</b></p> <ul style="list-style-type: none"> <li>- Executive Committee</li> </ul>	<p><b>Gati Limited</b></p> <ul style="list-style-type: none"> <li>- Corporate Social Responsibility Committee</li> </ul>	
X.	<b>Terms and Conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn</b>	Please refer to the Board's Report and Corporate Governance Report		
XI.	<b>No. of Meetings of the Board attended during the year</b>	9	9	8
XII.	<b>In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Not Applicable		
XIII.	<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Spouse of Mrs Arathi Shetty	Not Applicable	Brother of Mrs Arathi Shetty



# BOARD'S REPORT

To,  
The Member of  
**Allcargo Logistics Limited**

The Directors present their Thirtieth Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2023.

## FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
Continuing Operation				
<b>Total Income</b>	<b>18,11,543</b>	19,09,245	<b>2,81,763</b>	3,11,025
<b>Total Expenses</b>	<b>17,27,470</b>	18,11,869	<b>2,59,754</b>	2,85,516
<b>Profit before share of profit from associates, joint ventures, exceptional items and tax</b>	<b>84,073</b>	97,376	<b>22,009</b>	25,509
Share of profits from associates and joint ventures	1,744	8,120	-	-
<b>Profit before exceptional items and tax</b>	<b>85,816</b>	1,05,496	<b>22,009</b>	25,509
Exceptional items	3,717	2,611	3,987	1,321
<b>Profit before tax after exceptional items</b>	<b>89,534</b>	1,08,107	<b>25,996</b>	26,830
<b>Tax expense</b>				
- Current tax	<b>25,082</b>	28,033	4,032	5,910
- Deferred tax	<b>(869)</b>	(2,331)	1,701	(1,516)
<b>Profit after tax for the period from continuing operation</b>	<b>65,321</b>	82,405	<b>20,263</b>	22,436
<b>Discontinued Operation</b>				
<b>Profit before tax for the period from discontinuing operation</b>	-	16,906	<b>71</b>	15,996
<b>Tax Expenses for the period for discontinued operation</b>	-	2,852	-	1,786
<b>Profit after tax for the period from discontinued operation</b>	-	14,054	<b>71</b>	14,210
<b>Profit / (loss) for the period from continuing and discontinuing operation</b>	<b>65,321</b>	96,459	<b>20,334</b>	36,646
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to Statement of Profit and Loss:</b>	-	-	-	-
Re-measurement gain/(loss) on defined benefit plans	<b>(716)</b>	(412)	(74)	(37)
<b>Items that will be reclassified subsequently to Profit or Loss:</b>				
(i) Exchange gain on translation of foreign operations	8,131	2,128	-	-
Income Tax effect	(296)	(68)	-	-
(ii) Hedge of net investments in foreign operations	-	-	-	-
(iii) Cash flow hedge reserves	-	-	1,318	1,002
Income tax effect	-	-	(340)	(318)
<b>Other comprehensive income for the year, net of tax</b>	<b>7,119</b>	1,648	<b>904</b>	647
<b>Total comprehensive income for the year, net of tax</b>	<b>72,440</b>	98,107	<b>21,238</b>	37,293
<b>Profit attributable to:</b>				
- Equity holders of the Parent	62,959	92,527	20,334	36,646
- Non-controlling interests	2,362	3,887	-	-
<b>Other comprehensive income attributable to:</b>				
- Equity holders of the Parent	7,681	1,654	904	647
- Non-controlling interests	(561)	(6)	-	-
<b>Total comprehensive income attributable to:</b>				
- Equity holders of the Parent	70,641	92,996	21,238	37,293
- Non-controlling interests	1,800	3,881	-	-
<b>Total comprehensive income attributable to owners of the equity at the beginning of the year</b>	<b>2,55,586</b>	1,69,799	<b>1,39,165</b>	1,09,244
Total comprehensive income for the year	62,803	93,160	21,238	37,293
On account of business combination	-	-	-	-
Non-Controlling interest acquired	-	-	-	-
Others- Debit to reserve on account of net asset transferred pursuant to demerger	(65,035)	-	(68,734)	-
<b>Less: Appropriation</b>				
Cash Dividend on equity shares	(7,986)	(7,373)	(7,986)	(7,373)
Tax on Dividend	-	-	-	-
<b>Total comprehensive income attributable to owners of the equity at the end of the year</b>	<b>2,45,369</b>	2,55,586	<b>83,684</b>	1,39,165

### Note:

The businesses transferred to Allcargo Terminals Limited and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited) as a part of Scheme of Arrangement and Demerger ("Scheme"), had been disclosed as discontinued operations. Accordingly, financial statements have been restated to give effect to the said Scheme. Hence, the financial statements are not comparable.

Pursuant to the provisions of the Companies Act, 2013 (the "Act"), the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

### DIVIDEND

During the year under review, the Company has declared and paid an Interim Dividend of ₹3.25 per equity share (162.50%) on the paid-up capital of the Company for the financial year ended March 31, 2023.

In view of outlay on account of Interim Dividend, the Board recommended that the Interim Dividend declared on March 06, 2023, shall be treated as the Final Dividend on the equity shares of the Company for the financial year ended March 31, 2023.

The dividend payout is in accordance with the Company's Dividend Distribution Policy. In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the 'Dividend Distribution Policy' has been hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

### TRANSFER TO RESERVE

During the year under review, there was no amount transferred to any of reserves by the Company.

### PERFORMANCE REVIEW

#### Consolidated:

The revenue from operations for FY2022-23 decreased from ₹19,06,206 Lakhs to ₹18,05,077 Lakhs, a decrease of 5.31% over the previous year, due to decrease in freight rates of ISC division.

The Business Earnings before Interest, Depreciation, Tax and Amortization ("EBIDTA") stood at ₹1,19,412 Lakhs, a decrease of 8.02% as compared to ₹1,29,826 Lakhs earned in the previous year.

The Profit for the year attributable to the members and non-controlling interest stood at ₹65,321 Lakhs, a decrease by 20.73% as compared to ₹82,405 Lakhs of the previous year.

#### Consolidated Cash Flow:

The Cash flows from operations post tax were positive ₹1,58,276 Lakhs (as at March 31, 2022 ₹85,034 Lakhs). Spend on capex was ₹10,148 Lakhs. The borrowing of the Company as at March 31, 2023 stood at ₹70,516 Lakhs (as at March 31, 2022 ₹1,84,788 Lakhs). Cash and bank balances including investment in mutual funds stood at ₹1,47,942 Lakhs (as at March 31, 2022 ₹79,032 Lakhs). The Net Debt to Equity stood at 0.28 times (as at March 31, 2022 0.32 times).

#### Standalone:

The revenue from operations for FY2022-23 decreased from ₹2,87,897 Lakhs to ₹2,72,184 Lakhs, a decrease of 5.46% over the previous year.

EBIDTA stood at ₹25,712 Lakhs, a decrease of 16.40% as compared to ₹30,756 Lakhs earned in the previous year.

The Profit after taxes was ₹20,334 Lakhs, an increase by 44.51% as compared to ₹36,646 Lakhs of the previous year.

#### Standalone Cash Flow:

The Cash flows from operations were positive ₹35,050 Lakhs (as at March 31, 2022 ₹4,070 Lakhs). Spend on capex was ₹699

Lakhs. The borrowing of the Company as at March 31, 2023 stood at ₹19,597 Lakhs (as at March 31, 2022 ₹74,285 Lakhs). Cash and bank balances including investment in mutual funds stood at ₹19,928 Lakhs (as at March 31, 2022 ₹20,473 Lakhs). The Net Debt to Equity stood at 0.19 times (as at March 31, 2022 0.39 times).

### BUSINESS OVERVIEW

Pursuant to the Scheme of Arrangement and Demerger between our Company ("Demerged Company"), Allcargo Terminals Limited ("Resulting Company 1") and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited) ("Resulting Company 2") the ("Scheme") having appointed date April 01, 2022 was effective from April 01, 2023.

The Scheme enabled our Company and Resulting Companies to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.

Prior to Demerger, our Company was operating mainly in four segments: (i) International Supply Chain; (ii) Container Freight Stations/Inland Container Depots (iii) Project and Engineering Solutions and (iv) Logistics Park (v) Contract Logistics through ASCPL and (vi) Express Distribution through Gati.

Consequent to the Scheme, our Company is involved in the Business of International Supply Chain, Contract Logistics through ASCPL and Express Distribution through Gati.

#### International Supply Chain ("ISC")

The Company operates in ISC business segment including Non Vessel Owning Common Carrier ("NVOCC") operations related to Less than Container Load ("LCL") consolidation and Full Container Load ("FCL") forwarding activities. Our NVOCC services are built on the strength of our nationwide and global reach with over 300 offices in 180 countries. With our global network, we serve over 2,400 global trade lanes, including 300 trade lanes that connect India to the world.

Three decades of global expertise and experience has evolved us into the world leader in LCL consolidation and India's leading integrated logistics solutions provider, offering one-stop-solutions that empower businesses in India and across the world. Our global network, local insights, operational excellence and expertise as the world leaders in LCL, offers customers the edge and peace of mind that they seek.

Our International Supply Chain services offers the benefit of LCL, FCL and Air Freight Services, backed by first and last mile delivery, Our customers benefit from dealing with just one partner from their end-to-end needs. Latest Processes, state-of-the-art systems and an experienced workforce ensure the highest standards of multimodal services. With value added services like inland trucking service and warehousing capabilities, we ensure complete transit with safety. We have successfully eliminated transit time by adding direct lines within the network..

Our digital logistics solutions are enhancing efficiency and convenience for our customers. To gain further operational and functional efficiencies, our teams are working to test and implement the latest tech innovation which will bring in greater agility and transparency in our service offerings. ECU360, our state-of-the-art platform, which was developed in-house, enables customers to effortlessly manage their shipments, with real-time information on their fingertips. In addition, we launched our new API product suite, making ECU Worldwide integration ready for customers, vendors and third-party providers.

### **Contract Logistics (“CL”) Business through Allcargo Supply Chain Private Limited**

CL Business of Avvashya CCI Logistics Private Limited (“ACCI”) got transferred to Allcargo Supply Chain Private Limited (“ASCPL”) (formerly known as Avvashya Supply Chain Private Limited) pursuant to the sanction of the Scheme of Arrangement (Demerger) between ACCI and ASCPL by Hon’ble National Company Law Tribunal, Mumbai vide order dated January 27, 2023.

CL continues to be the fastest growing sub-sectors of logistics in India and with Honorable Prime Minister’s announcement of Gati-shakti policy, there is more focus on the logistics sector in India. FY2023 has been a year where the organization has expanded and strengthened its presence in the segment.

Currently, Allcargo’s CL division manages more than 46 Lakhs sq. ft. of warehousing space across over 60 locations with significant presence in major consumption centres Pan-India, more than 50% of this is in Grade “A” warehouses. While we continue to maintain leadership in the chemical vertical, we have also significantly added in the area of e-Commerce and Auto. One of our key strengths, we pride, is our ability to provide world class solution design to our customers, be it the large industry leaders or fast-growing unicorns. We excel at providing bespoke solutions to our customers to solve their Supply Chain problems and create a value for them that help us to create lasting partnerships. One of the key differentiators of our warehousing services, especially in chemical space, is the stringent safety standards that we adhere to. No storage is allowed unless all safety compliances and certifications are implemented. We deploy full range of safety features that allow us to store different types of hazardous and non-hazardous goods. We consistently receive customer appreciations and awards from various industry bodies in the area of Safety and Operation Management. Our expertise encompasses Automotive manufacturing and Distribution, from Passenger, commercial vehicles to component manufacturers. We offer packaging, kitting, manage and optimize our customers overall supply chain. Our flexible approach and swift turnaround time are our Unique Selling Point (USP). This has resulted in expansion of our e-Commerce vertical with the addition of two major brands i.e. Meesho and Zepto this year in our portfolio. We are planning to expand our presence with them across India.

Allcargo’s CL division is also making strategic investments in automation & digitization. We have invested in state-of-the-art Warehouse Management System last year with deployment in specific accounts. This year under the leadership of Mr Pirojshaw Sarkari, Managing Director-GKEPL, we will collaborate with Gati for our expansion of service offerings in transportation. Apart from this, we continue to invest in adding capabilities as per our customer’s needs. We have a multi customer site with Order Management System capabilities at Farukhnagar as well as in Mumbai region and also operate a “Seller Flex” model at our Bhiwandi Warehouse. We also offer services like production logistics, engineering, ordering and replenishment services, reusable packaging solutions, tailor made kitting, just-in-time and pull delivery concepts and pre-production services. Key benefits of production logistics include optimisation of part flows from point of delivery to production, Just-In-Time that reduce inventory at line level and lower costs, use of lean management concepts and minimisation of handover points and interfaces. In line with the Group philosophy, we are committed to protect the environment, create a strong governance structure and contribute to the betterment of community. With more focus

on ESG, we have taken quite a few initiatives like 100% electric material handling equipment in the warehouse and also deployment of energy efficient lighting in the warehouse. Also, we are exploring solarising of our key warehouses across India.

Allcargo’s CL division is one of the predominant players managing activities for key clients in Chemical, Automotive, Engineering & e-Commerce sectors. In line with our goal to expand into other verticals, this year we have forayed into paints, lubricants & agri chemicals business. We are setting up operations for key customers which will enable us to further expand into these sub-verticals of the Chemical vertical. We are also planning to expand into new verticals like Pharma, Retail & Fashion and Consumer Sector.

Along with this, we are planning to expand our service offerings into returns management, refurbishment, customised milk-run planning basis Gati’s network presence, etc.

In line with our vision to provide services which enable customer delight, we are in the process of setting up a control tower for warehouse operation, which enables us to have complete visibility of operation including our customer’s KPIs achievement at the click of button. This will enhance our capability in terms addressing any service failure proactively without impacting the customer. We are looking at doubling our footprint and expand in the next three years across existing as well as new verticals and geographies.

### **Express Logistics (“EL”) Business through Gati Limited**

Allcargo Logistics is the promoter and the single largest shareholder of Gati Limited with 50.20% ownership. As an Allcargo Company, Gati can now tap into a Global Network Operating in 180 countries and expand the scope of our services to include the diverse logistics business verticals. Through Gati’s domestic reach and network, the Company offers end-to-end logistics solutions to its global and local clients in India.

Gati operates in time sensitive, high value cargo which requires specialised handling. The Company is a pioneer in the express industry and manages Industry leading infrastructure network offering its services across 99% of GoI approved PIN codes. The Company operates complex hub & spoke network through 31 transshipment hubs, distribution centres and warehouses spanning over ~4 mn sq.ft. across multiple locations in India. Its core offerings include surface and air express however it also provides other solutions like supply chain management and e-Commerce solutions.

### **STATE OF COMPANY AFFAIRS**

#### **Scheme of Arrangement and Demerger between Allcargo Logistics Limited (“Demerged Company”) and Allcargo Terminals Limited, (“Resulting Company 1” or “ATL”) (Formerly known as Allcargo Terminals Private Limited) and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited), (“Resulting Company 2” or “TREL”) (“Scheme”)**

The Hon’ble National Company Law Tribunal (“NCLT”) approved the Scheme between Demerged Company and Resulting Company 1 and Resulting Company 2 on January 5, 2023. The Company received the certified true copy of the order passed by the Hon’ble NCLT on March 10, 2023. The Scheme came into effect from April 01, 2023. Pursuant to said Scheme, the businesses got specifically bifurcated into the Demerged Company and Resulting Companies as follows with effect from Appointed Date i.e. April 01, 2022:

1. International Supply Chain, Express Logistics, Contract Logistics and other related Logistics Businesses will continue to be operated by Allcargo Logistics Limited.
2. Container Freight Station/Inland Container Depots business division and any other related Logistics Businesses of the Company will be operated by Allcargo Terminals Limited.
3. Engineering and Equipment Leasing and Hiring Solutions, Logistics Park, Warehousing, Real Estate Development and Leasing Activities and other related Businesses of the Company will be operated by TransIndia Real Estate Limited.

Pursuant to the Scheme, the equity shares issued by both the resulting companies will be listed on BSE Limited & National Stock Exchange of India Limited, which will unlock the value for shareholders of the Demerged Company.

Further, the existing shareholders of the Demerged Company are holding shares of 3 (Three) entities as the said Scheme has become effective, giving the investors flexibility in managing their investments in the three businesses having differential dynamics.

**Transfer of Contract Logistics Business from Avvashya CCI Logistics Private Limited ("ACCI") to Allcargo Supply Chain Private Limited ("ASCPL") (formerly known as Avvashya Supply Chain Private Limited)**

The Hon'ble National Company Law Tribunal, vide order dated January 27, 2023 approved the Scheme of Arrangement (Demerger) between ACCI and ASCPL which became effective on March 01, 2023. Pursuant to said order, the Contract Logistics ("CL") business of ACCI got transferred to ASCPL from appointed date i.e. April 01, 2021.

The Company entered into a Share Purchase Agreement with ACCI and ASCPL on May 17, 2023. Consequent to which 61.13% stake held in ACCI was sold to JKS Finance Limited and its affiliates. Further, the Company acquired an additional 38.87% stake in ASCPL from JKS Finance Limited and its affiliates. As a result of which, ASCPL has now become a wholly owned subsidiary of the Company and hold 100% in CL Business.

**Acquisition of 30% stake of Gati-Kintetsu Express Private Limited**

Gati Limited, Subsidiary of the Company, holds 70% stake in Gati-Kintetsu Express Private Limited ("GKEPL"). The Company entered into a Share Purchase Agreement between the Company, KWE-Kintetsu World Express (S) Pte Ltd. ("KWE Singapore"), KWE Kintetsu Express (India) Private Limited ("KWE India"), Gati Limited and GKEPL on March 27, 2023, for acquisition of 30% stake in GKEPL from KWE Singapore and KWE India.

**Sale and acquisition of certain Subsidiaries in Blackstone Deal:**

In FY 2020, the Company had entered into the definitive agreements with BRE Asia Urban Holdings Ltd., an entity controlled by funds managed or advised by affiliates of The Blackstone Group Inc. ("Blackstone"), which is a globally renowned real estate private equity investor. Pursuant to the said agreement and extended transaction agreements entered during the year, the controlling stake in certain subsidiaries got transferred to Blackstone and the Company, post satisfaction of customary closing conditions and achievement of certain milestones as prescribed in the transaction documents executed by and among Blackstone, the Company and subsidiaries of the Company. The said transaction was carried out in following manner:

1. Sold 90% equity stake held by the Company in Venkatapura Logistics and Industrial Parks Private Limited to Blackstone on February 01, 2023.
2. Sold 90% equity stake held by the Company in Malur Logistics and Industrial Parks Private Limited to Blackstone on February 01, 2023.
3. Allotted 90,000 equity shares to Blackstone upon conversion of 90,000 Compulsory Convertible Debentures of Kalina Warehousing Private Limited and Panvel Warehousing Private Limited on February 01, 2023. As a result, Blackstone is now holding 90% stake in both the entities.

Pursuant to the Scheme of Arrangement and Demerger between the Company and Allcargo Terminals Limited (Formerly known as Allcargo Terminals Private Limited) and TransIndia Real Estate Limited ("TREL") (Formerly known as TransIndia Realty & Logistics Parks Limited), balance 10% equity stake held in the above mentioned Co's. were transferred TREL.

4. Acquired 90% equity stake held in Madanahatti Logistics and Industrial Parks Private Limited by the Company from Blackstone on February 21, 2023 and subsequently 90% stake was transferred to TREL pursuant to the Scheme.

**Increase in shareholding of the Company in Gati Limited consequent to conversion of Share Warrants**

The Company subscribed 71,61,120 Equity Warrants of Gati Limited at a price of ₹97.75 per equity warrants, which was convertible into equity shares within period of 18 months from the date of allotment of share warrants i.e. June 17, 2021 and upon payment of balance 75% subscription money.

On November 26, 2022, the Board of Directors of Gati Limited allotted 71,61,120 equity shares of ₹2/- each to the Company pursuant to the exercise of the options attached to the warrants. As a result, the shareholding of the Company has increased from 47.30% to 50.20% in Gati Limited.

**CHANGES IN THE NATURE OF BUSINESS**

The Company continued to provide integrated logistics services to its customers and hence, there was no change in the nature of business or operations of the Company, which materially impacted the financial position of the Company during the year under review.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

Except the Scheme, there is no material changes and commitments which may affect the financial position of the Company, subsequent to close of FY2022-23 till the date of this Report.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the year under review, no significant and material orders has been passed by any regulator or court or tribunal which would impact going concern status of the Company and its future operations.

**CREDIT RATING**

The Company continues to have credit rating which denotes high degree of safety regarding timely servicing of financial obligation. The Company has received the following credit

ratings for its long term and short term Bank/Financial Institution Loan facilities and Non-Convertible Debentures from various rating agencies:

Rating Agency	Rating	Instrument / Facility
CRISIL	CRISIL AA/Stable (Reaffirmed)	Long Term Bank Loan
	CRISIL A1+ (Reaffirmed)	Short Term Bank Loan
	CRISIL AA-/ Watch Developing	Long Term Bank Loan
CRISIL	CRISIL AA/Stable	Non- Convertible Debenture

### PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public falling within the meaning of Sections 73 and 76 of the Act and the Rules framed thereunder.

### SHARE CAPITAL

During the year under review, there is no change in the Issued, Subscribed and Paid-up Share Capital of the Company.

As at March 31, 2023, the Authorized Share Capital of the Company is ₹64,40,00,000/- divided into 29,47,25,000 Equity Shares of ₹2/- each and 500 4% Cumulative Redeemable Preference Shares of ₹100/- each and 5,45,000 Redeemable Preference shares of ₹100/- each.

Issued, Subscribed and Paid-up Share Capital of the Company as at March 31, 2023 is ₹49,13,91,048/- divided into 24,56,95,524 equity shares of ₹2/- each.

### CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI").

A separate section on the Corporate Governance together with requisite certificate obtained from the Practicing Company Secretary, confirming compliance with the provisions of Corporate Governance as stipulated in Regulation 34 read along with Schedule V of the Listing Regulations, is included in the Annual Report.

### BOARD OF DIRECTORS

#### Number of meetings of the Board of Directors

During the year under review, 9 (Nine) Board meetings were convened and held, the details of which are provided in the 'Corporate Governance Report'.

#### Committee Position

The details of the composition of the Committees, meetings held, attendance of Committee members at such meetings and other relevant details are provided in the 'Corporate Governance Report'.

#### Recommendation of Audit Committee

During the year under review, there is no instance of non-acceptance of any recommendation of the Audit Committee of the Company by the Board of Directors.

### Directors

#### Appointment of Director

Based on the recommendation of the Governance and Nomination & Remuneration Committee ("GNRC") and in accordance with provisions of the Act and the Listing Regulations;

- Mr Parthasarathy Vankipuram Srinivasa (DIN:00125299) was appointed as a Non-Executive Non-Independent Director of the Company by the Members vide Ordinary Resolution passed through Postal Ballot on April 21, 2022.
- Mr Mahendra Kumar Chouhan (DIN: 00187253) and Radha Ahluwalia (DIN: 00936412) were appointed as Additional Non-Executive Independent Directors of the Company w.e.f. February 11, 2022 and their appointment was approved by the shareholders vide special resolutions passed through Postal Ballot dated April 21, 2022.
- Mr Martin Müller (DIN:09117683) was appointed as an Independent Director of the Company for a tenure of 2 years by the members of the Company at the 28<sup>th</sup> Annual General Meeting (28<sup>th</sup> AGM) held on September 29, 2021. Further, he has been re-appointed as an Independent Director of the Company, for a second term of 3 (Three) consecutive years commencing from March 31, 2023 to March 30, 2026 by the members vide Special Resolution passed through postal ballot on March 25, 2023.
- Mr Sivaraman Narayanaswami (DIN:00001747) was appointed as an Additional Non-Executive Independent Director of the Company for a tenure of 3 (Three) consecutive years commencing from May 04, 2023 to May 03, 2026 by the Board of Directors of the Company, subject to the approval of the members.

Further, the Members vide Special Resolution passed in the AGM held on September 20, 2022, approved the appointment of Mr Nilesh Vikamsey (DIN: 00031213) as an Independent Director of the Company from June 30, 2022 to June 29, 2024 for tenure of 2 years.

In the opinion of the Board, the above Directors appointed during the year have integrity, relevant expertise and experience (including the proficiency) to act as an Independent Directors of the Company.

#### Cessation of Director

Ms Cynthia Dsouza (DIN: 00420046) ceased as an Independent Director from the Board of the Company with effect from June 29, 2022 due to completion of her tenure.

#### Reappointment of Directors

In accordance with the Section 152 of the Act and the Articles of Association of the Company, Mr Shashi Kiran Shetty (DIN: 00012754) and Mr Kaiwan Kalyaniwalla (DIN: 00060776) of the Company, retires by rotation at ensuing AGM and being eligible, offers themselves for re-appointment.

Attention of the members is invited to the relevant items in the Notice of the 30<sup>th</sup> AGM and the explanatory statements thereto.

#### Re-designation of Mr Shashi Kiran Shetty as Founder & Executive Chairman and Mr Adarsh Hegde as Managing Director of the Company

Considering the transformation in Organization Structure of the Company, the Board considered and redesignated Mr Shashi

Kiran Shetty as Founder & Executive Chairman with effect from May 29, 2023. Also, the Board considered and recommended the redesignation of Mr Adarsh Hegde as Managing Director of the Company with effect from June 01, 2023, on such terms and conditions that are to be approved by the shareholders at the 30<sup>th</sup> Annual General Meeting.

#### **Declaration from Independent Directors**

The Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) and (7) of the Act and Regulations 16 and 25 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Company has received confirmation from the Independent Directors regarding their registration in the Independent Directors databank maintained by the Indian Institute of Corporate Affairs.

#### **BOARD EVALUATION**

Pursuant to Sections 134 and 178 of the Companies Act, 2013 and Regulations 17 and 19 of the Listing Regulations, GNRC has set the criteria for performance evaluation of the Board, its Committees, individual Directors including the Chairman of the Company and the same are given in detail in the 'Corporate Governance Report'.

Based on the criteria set by GNRC, the Board has carried out annual evaluation of its own performance, its Committees and individual Directors for FY2022-23. The questionnaires on performance evaluation were prepared in line with the Guidance Note on Board Evaluation dated January 5, 2017, issued by SEBI as amended from time to time. An online platform has been provided to each Director for their feedback and evaluation.

The parameters for performance evaluation of the Board includes the roles and responsibilities of the Board, timeliness for circulating the board papers, content and the quality of information provided to the Board, attention to the Company's long term strategic issues, risk management, overseeing and guiding major plans of action, acquisitions etc.

The performance of the Board and individual Director was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. GNRC reviewed the performance of individual Director and separate meeting of the Independent Directors was also held to review the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman of the Company taking into account the views of Managing Director and Non-Executive Directors. Thereafter, at the Board meeting, the performance of the Board, its Committees and individual Directors was discussed and deliberated. The Board of Directors expressed their satisfaction towards the process followed by the Company for evaluating the performance of the Directors, Board and its Committees.

#### **KEY MANAGERIAL PERSONNEL ("KMP")**

The following are the KMPs of the Company as at March 31, 2023:

- Mr Shashi Kiran Shetty, Founder & Executive Chairman;
- Mr Adarsh Hegde, Managing Director;
- Mr Ravi Jakhar, Chief Strategy Officer & Chief of Staff;
- Mr Deepal Shah, Group Chief Financial Officer;
- Capt. Sandeep R Anand, Chief Executive Officer - Marketing;

- Mr Devanand Mojindra, Company Secretary & Compliance Officer

During the year under review, Mr Suresh Kumar Ramiah, resigned from the position of Chief Executive Officer of the Company with effect from March 31, 2023.

#### **REMUNERATION POLICY**

GNRC has framed a policy on Directors, KMP and other Senior Management Personnel appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other related matters in accordance with Section 178 of the Act and the Rules framed thereunder and Regulation 19 of the Listing Regulations. The criteria as aforesaid is given in the 'Corporate Governance Report'. The Remuneration Policy of the Company has been hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

#### **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Regulation 22 of the Listing Regulations and Section 177 of the Act. According to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters (as defined in the Policy) such as unethical behaviour, breach of Code of Conduct or Ethics Policy, actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements, retaliation against the Directors & Employees and instances of leakage of/suspected leakage of Unpublished Price Sensitive Information of the Company, etc. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee and provides for adequate safeguards against the victimization of Whistle Blower, who avail of such mechanism and provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same.

The Whistle Blower Policy is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

During the year under review, the Company has not received any complaints through Vigil Mechanism. It is affirmed that no personnel of the Company has been denied access to the Chairman of the Audit Committee.

#### **RISK MANAGEMENT**

Our ability to accomplish sustainable business growth, secure the company's assets, protect shareholder investments, ensure compliance with relevant laws and regulations, and prevent significant surprises of risks is made possible by implementing effective and appropriate risk management systems and structures.

As Allcargo Group is a logistics company that provides integrated business solutions for national and international trade, warehousing, transportation, and handles different kinds of cargo, the company is exposed to inherent business risks. To identify, evaluate, monitor, control, manage, minimize, and mitigate these risks, the Board of Directors has formulated and implemented an Enterprise Risk Management Policy. The Enterprise Risk Management Policy is intended to ensure that an effective risk management framework is established and implemented within the Company.

Setting up a robust organisational structure for the implementation of risk management systems and structures

ensures that they are effectively governed. The roles and responsibilities defined for each group identified in the organisational structure are governed in the Enterprise Risk Management Policy, and the Risk Management, Finance, Strategy and Legal Committee oversees potential negative impacts from the risk management process. During the reporting period, the Risk Management, Finance, Strategy, and Legal Committee met four times to discuss and review the Company's risk management practices.

In order to ensure that we have a deep understanding of our risk landscape and are better positioned to mitigate and prevent the same, we work towards making risk management an integral part of the day-to-day operations of our businesses. All our employees are responsible for promoting sound risk management methods in their respective fields and are actively engaged in risk management within their own areas of responsibility.

We have in place a broad risk management framework which is formulated in line with the ISO 31000 Risk Management – Principles and Guidelines. The risks are identified, classified, and managed in a timely and accurate manner, and information about risks is escalated to all management levels so that informed decisions can be made. The below illustration depicts how the ISO 31000 are integrated into both our risk management framework and the process adopted to manage the identified risks.

Under the guidance of the Board, the Risk & Compliance Head facilitates dedicated risk workshops for each business vertical and key support function. In these workshops, risks are identified, assessed, analyzed, and accepted or mitigated to an acceptable level within the organization's risk appetite. The Risk Management Committee monitors the risk management activities of each business vertical and key support function. The Risk Management Committee also ensures that fraud risk assessment is an integral part of the overall risk assessment process.

#### INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has laid down Internal Financial Controls and believes that the same are commensurate with the nature and size of its business. Based on the framework of internal financial controls, work performed by the internal, statutory, and external consultants, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2022-23 for ensuring the orderly and efficient conduct of its business including

#### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, the following companies have become or ceased to be Subsidiaries, Joint Ventures and/or Associates of the Company:

Sr. No.	Name of Company	Relationship	Nature of Change	Effective Date
1.	AGL Warehousing Private Limited	WOS	Ceased	April 01, 2023*
2.	Allcargo Inland Park Private Limited	WOS	Ceased	April 01, 2023*
3.	Allcargo Multimodal Private Limited	WOS	Ceased	April 01, 2023*
4.	Bhiwandi Multimodal Private Limited	WOS	Ceased	April 01, 2023*
5.	Koprolli Warehousing Private Limited	WOS	Ceased	November 09, 2022
6.	Koprolli Warehousing Private Limited	WOS	Ceased	April 01, 2023*
7.	Marasandra Logistics and Industrial Parks Private Limited	WOS	Ceased	April 01, 2023*

adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report on the business outlook and performance review for the year ended March 31, 2023, as stipulated in Regulation 34 read with Schedule V of the Listing Regulations, is available as a separate section which forms part of the Annual Report.

#### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Business responsibility and sustainability initiatives taken on environmental, social and governance perspective, in the prescribed format is available as a separate section which forms part of the Annual Report.

#### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The brief outline of the Corporate Social Responsibility ("CSR") Policy of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure 1** of this Report in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

The CSR Policy is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

#### CONSOLIDATED FINANCIAL STATEMENTS

A statement containing the salient features of the Financial Statements including the performance and financial position of each Subsidiaries, Joint Ventures and Associate Companies as per the provisions of the Act, is provided in the prescribed Form **AOC-1** which is annexed as **Annexure 2**.

Pursuant to Section 129 of the Act and Regulation 33 of the Listing Regulations, the attached Consolidated Financial Statements of the Company and all its Subsidiaries, Joint Ventures and Associate Companies have been prepared in accordance with the applicable Ind AS provisions.

The Company will make available the said Financial Statements and related detailed information of the subsidiary companies upon the request by any Member of the Company. Members seeking inspection to inspect these Financial Statements can send e-mail to [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com).

Sr. No.	Name of Company	Relationship	Nature of Change	Effective Date
8.	Malur Logistics and Industrial Parks Private Limited	WOS	Ceased	February 01, 2023
9.	Venkatapura Logistics and Industrial Parks Private Limited	WOS	Ceased	February 01, 2023
10.	Kalina Warehousing Private Limited	WOS	Ceased	February 01, 2023
11.	Panvel Warehousing Private Limited	WOS	Ceased	February 01, 2023
12.	Jhajjar Warehousing Private Limited	WOS	Ceased	April 01, 2023*
13.	Allcargo Warehousing Management Private Limited	WOS	Ceased	April 01, 2023*
14.	Allcargo Terminals Limited	WOS	Ceased	April 01, 2023*
15.	Avvashya Inland Park Private Limited	WOS	Ceased	April 01, 2023*
16.	Avvashya Projects Private Limited	WOS	Ceased	April 01, 2023*
17.	Dankuni Industrial Parks Private Limited	WOS	Ceased	April 01, 2023*
18.	Hoskote Warehousing Private Limited	WOS	Ceased	April 01, 2023*
19.	Speedy Multimodes Limited	Subsidiary	Ceased	April 01, 2023*
20.	TransIndia Real Estate Limited	WOS	Ceased	April 01, 2023*
21.	Altcargo Oil & Gas Private Limited	WOS	Under process of Strike off	Application for strike off on March 31, 2023
22.	Madanahatti Logistics and Industrial Parks Private Limited	WOS	Acquired	February 21, 2023
23.	Madanahatti Logistics and Industrial Parks Private Limited	WOS	Ceased	April 01, 2023*
24.	Transnepal Freight Station Services	Joint Venture	Ceased	April 01, 2023*
25.	Allcargo Logistics Park Private Limited	Joint Venture	Ceased	April 01, 2023*
26.	Fair Trade GMBH Sheffard handle	Subsidiary	Acquired	December 31, 2022
27.	Asia Express Line GMBH	Subsidiary	Acquired	December 31, 2022
28.	Asiapac Equity Investment Limited	WOS	Acquired	December 31, 2022
29.	Allcargo Tanzania	WOS	Acquired	January 30, 2023
30.	Asiapac Logistics Salvador	WOS	Acquired	February 27, 2023
31.	Asiapac Turkey Tasimacilik Anonim Sirketi	WOS	Acquired	December 31, 2022

WOS-Wholly owned subsidiary

\* Pursuant to the Scheme of Arrangement and Demerger between the Company, Allcargo Terminals Limited and TransIndia Real Estate Limited

The Policy for determining "Material" Subsidiary" as approved by the Board, from time to time, is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions/contracts/arrangements that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There are no material significant related party transactions entered into by the Company with its Promoters, Directors or KMP which may have a potential conflict with the interest of the Company at large.

Certain transactions/contracts/arrangements with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed as **Annexure 3** to this report.

All related party transactions were placed before the Audit Committee for its approval and review on quarterly basis. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and of a repetitive nature. The

transactions entered into with related parties are certified by the Management and the Independent Chartered Accountants stating that the same are in the ordinary course of business and at arm's length basis.

The Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Board, from time to time, is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

The details of related party transactions that were entered during FY2022-23 are given in the notes to the Financial Statements as per Ind AS24, which forms part of the Annual Report.

### PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The Company is engaged in the business of providing integrated logistics services which falls under the infrastructural facilities as categorized under Schedule VI of the Act. Hence, the provisions of Section 186 of the Act are not applicable to the Company to the extent of loans given, guarantees or securities provided



or any investment made. However, as a good governance practice of the Company, the details of loans given, guarantees and securities provided are annexed as **Annexure 4**. Details of investments made are provided in the Notes to the Financial Statements.

## AUDITORS

### Statutory Auditors and their Report

M/s S R Batliboi & Associates LLP, Chartered Accountants ("SRBA"), were re-appointed as Statutory Auditors of the Company by the Members at the 27<sup>th</sup> AGM held on September 09, 2020 to hold office upto the conclusion of 32<sup>nd</sup> AGM of the Company to be held in the year 2025.

SRBA have under Sections 139 and 141 of the Act and Rules framed thereunder confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the Listing Regulations.

Further, the report of the Statutory Auditors along with the notes on the Financial Statements is enclosed to this Report. The Auditors' Reports do not contain any qualification, reservation, adverse remarks, observations or disclaimer on Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2023.

The other observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There was no instance of fraud during the year under review, which was required by the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder

### Secretarial Auditor

Pursuant to Section 204 of the Act and Rules framed thereunder, the Company has appointed M/s Parikh & Associates, Company Secretaries in practice, to undertake the Secretarial Audit of the Company for FY2022-23. The Report of Secretarial Auditor in **Form MR-3** for FY2022-23 is annexed as **Annexure 5**.

The Company has also obtained Secretarial Compliance Report for FY2022-23 from M/s Parikh & Associates, Company Secretaries in Practice in relation to compliance of all applicable SEBI Regulations / circulars / guidelines issued thereunder, pursuant to requirement of Regulation 24A of the Listing Regulations.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer and observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

No instance of fraud has been reported by the Secretarial Auditor.

### Compliance of Secretarial Standards

The Company is in compliance with all mandatory applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## PARTICULARS OF EMPLOYEES

The details of employees remuneration as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure 6**.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Further, in terms of Section 136 of the Act, the Annual Report and the Audited Financial Statements are being sent to the Members and others entitled thereto, excluding the aforesaid statement. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours i.e. 11:00 a.m. to 2:00 p.m. on working days excluding Saturdays, Sundays and public holidays up to the date of the AGM. If any Member is interested in obtaining a copy thereof, such Member can send e-mail to [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com).

None of the employees who are posted and working in a country outside India, not being Directors or their relatives, draw remuneration more than the limits prescribed under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

During the year under review, none of Directors of the Company has received any remuneration from the Subsidiary Companies except as disclosed in the report.

## SAFETY, HEALTH AND ENVIRONMENT

The Company is committed towards bringing Safety, Health and Environment awareness among its employees. It also believes in safety and health enrichment of its employees and committed to provide a healthy and safe workplace for all its employees. Successfully managing Health and Safety risks is an essential component of our business strategy. The Company has identified Health and Safety risk arising from its activities and has put proper systems, processes and controls mechanism to mitigate them.

The Company has been taking various initiatives and participating in programs of safety and welfare measures to protect its employees, equipment and other assets from any possible loss and/or damages.

Also company is monitoring disclosures as per Global Reporting Initiative 403, Occupational Health and Safety.

The following safety related measures are taken at various locations:

- Fire and Safety drills are conducted for all employees and security personnel and all Fire hydrants are monitored strictly as the preparedness for emergency.
- Safety Awareness Campaign like Road Safety Week, National Safety week, Fire Safety Week, Environment Day is held/celebrated at major locations to improve the awareness of Health, Safety & Environment of employees.
- Each equipment is put through comprehensive Quality Audit and Testing to ensure strong compliance to Maintenance, Safety and Reliability aspects as per the specifications by various Original Equipment Manufacturer. All equipment are mandatorily ensured with PUC. Fitness certificates are issued based on the compliance of the safety norms.
- Regular training/skills to staff and contractors to inculcate importance of safety amongst them. Further, handling of Hazardous Material training and Terrorist Threat Awareness Training are provided to all employees.
- Created checks and awareness among drivers about negatives of alcohol and drug consumptions and impact on their families.

- Accident prone routes identified and supervisors allocated to have control over the vehicle movement.
- Occupational Health & Safety audits and Fire & Electrical Safety audits are conducted by competent agencies at regular intervals.
- Fortnightly visit by Doctors to office for medical counselling of employees. Further, Medical Health check-up of all employees are conducted at regular intervals.
- CCTV and Safety alarms are installed at major locations.
- Green initiatives are taken at various locations to protect the environment.
- Oxygen and temperature checks were mandatory for all staff members and visitors at all office locations.
- Operations have been modified and optimized to adhere to social distancing requirements and work with minimal staff on-site.
- All Locations undergo third party surveillance audit annually for Health, Safety and Environment and Biannual Fire & Electrical Safety audits are conducted. All observations, Suggestions for improvements during audit are implemented on priority with target dates.

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

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act and Rules framed thereunder, is annexed as **Annexure 7**.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "POSH Act"). The Internal Complaints Committee ("ICC") redresses the complaint received regarding sexual harassment of women at workplace. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

During the year under review, two complaints with allegation of sexual harassment was filed with ICC, detailed investigation was carried out and same was disposed-off as per the provisions of POSH Act. Twelve Awareness Program about Sexual Harassment Policy were conducted and held at workplace.

The Company has submitted its Annual Report on the cases of sexual harassment at workplace to District Officer, Mumbai, pursuant to Section 21 of the POSH Act and Rules framed thereunder.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) of the Act and Rules framed thereunder, an Annual Return is hosted on the website of the Company <https://www.allcargologistics.com/investors/financials/downloads/annualreports>

#### **MAINTENANCE OF COST RECORDS**

Pursuant to Section 148(1) of the Act and Rules framed thereunder related to maintenance of cost records is not applicable to the Company being in to service industry.

#### **INSOLVENCY AND BANKRUPTCY**

No application made or processing is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under the review.

#### **DISCLOSURE OF ONE TIME SETTLEMENT OF LOAN**

There is no incidence of one-time settlement in respect of any loan taken from Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Board to the best of their knowledge and ability confirm that –

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates 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, 2023 and of the profit for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

The Directors wish to place on record their appreciation for the continued co-operation and support extended to the Company by government authorities, customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges, depositories, auditors, legal advisors, consultants, business associates, members and other stakeholders during the year. The Directors also convey their appreciation to employees at all levels for their contribution, dedicated services and confidence in the management.

**For and on behalf of the Board of Directors**

**Sd/-**

**Shashi Kiran Shetty**

Founder & Executive Chairman

DIN: 00012754

Place: Mumbai

Date: May 30, 2023

# Annexure 1

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES For the financial year ended March 31, 2023

### 1. Brief outline on CSR Policy of the Company

The Company is committed in making a difference in the lives of underprivileged and economically challenged citizens of our country. The Company through its CSR initiatives assists in nurturing, developing and improving the quality of life of this class of the society and endeavours to build a human touch. CSR efforts focus on active participation of the community at all levels including health, education, environment, women empowerment, disasters relief and sports etc. CSR initiatives are undertaken through "Avashya Foundation" a Non-Profit Organization and in collaboration with various NGOs, Trusts, other approved entities or institutions engaged in CSR programs across India.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Arathi Shetty	Chairperson/ Non-Executive Director	1	1
2.	Shashi Kiran Shetty	Member/Executive Director	1	1
3.	Mahendra Kumar Chouhan	Member/Independent Director	1	1

### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

- Composition of CSR Committee: <https://www.allcargologistics.com/nvestors/investorservices/compositionofcommittees>
- CSR Policy: <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>
- CSR projects approved by the Board: <https://www.allcargologistics.com/sustainability>

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable

- Average net profit of the Company as per sub-section (5) of section 135: ₹22,882.09 Lakhs
- Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹457.64 Lakhs
- Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
- Amount required to be set-off for the financial year, if any: Nil\*
- Total CSR obligation for the financial year : ₹457.64 Lakhs

\* During FY2022-23, the Company has spent on CSR in excess of the mandatory requirement under the Companies Act, 2013. Excess CSR amount of ₹86.02 Lakhs spent in the FY2021-22 was carried forward and is available for set-off for next three financial years. The entire set off is now available for FY2023-24 & FY2024-25.

- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹566.85 Lakhs (Refer Annexure A for detail)
- Amount spent in Administrative Overheads: Nil
- Amount spent on Impact Assessment, if applicable: Not Applicable
- Total amount spent for the Financial year (a+b+c): ₹566.85 Lakhs.
- CSR amount spent or unspent for the Financial Year:

(₹ in Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
566.85	NOT APPLICABLE				

**(f) Excess amount for set-off, if any:**

(₹ in Lakhs)

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	457.64
(ii)	Total amount spent for the financial year	566.85
(iii)	Excess amount spent for the financial year [(ii)-(i)]	109.21
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	109.21

**7. Details of Unspent CSR amount for the preceding three financial years: Not applicable**

(₹ in Lakhs)

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub section (6) of section 135	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount spent in the Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Amount	Date of transfer		
NOT APPLICABLE								

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NOT APPLICABLE							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not applicable****For and on behalf of Board of Directors:**

Sd/-  
**Shashi Kiran Shetty**  
 Founder & Executive Chairman  
 DIN: 00012754

Sd/-  
**Arathi Shetty**  
 Chairperson-CSR Committee  
 DIN: 00088374

Place: Mumbai  
 Date: May 30, 2023

**Annexure A**
**(i) Details of CSR amount spent against ongoing projects for the financial year:** (₹ in Lakhs)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project	(8) Amount spent in the current financial Year	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

**(ii) Details of CSR amount spent against other than ongoing projects for the financial year:** (₹ in Lakhs)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1	Jeevan and Jeevan coping with Cancer	Promoting health care including preventive healthcare	Yes	Maharashtra	Mumbai	85.00	No	Avashya Foundation	CSR00009146
2	Drushti	Promoting health care including preventive healthcare	Yes	Tamilnadu	Chennai	15.00	No	Foundation for His Sacred Majesty	CSR00005477
				Maharashtra	Mumbai	15.00	No	Saad Foundation	CSR00006693
				West Bengal	Kolkata	3.00	No	Bengal Service Society	CSR00002077
				Karnataka	Mangalore	4.50	No	Parvathy Mahabala Shetty Charitable Trust	CSR00007074
3	Dhvani	Promoting health care including preventive healthcare	Yes	Maharashtra	Mumbai	25.00	No	Save the Children India	CSR00000158
4	Cleft Surgeries	Promoting health care including preventive healthcare	No	Jammu and Kashmir	Anantnag, Doda, Budgoan, Ramban, Kupwara, Punch	2.00	No	Inga Health Foundation	CSR00001727
5	Medical Camp	Promoting health care including preventive healthcare	Yes	Maharashtra	Mumbai	5.00	No	Saad Foundation	CSR00006693
				Karnataka	Mangalore	1.88	No	Prajna Councelling Center	CSR000010376
				Karnataka	Mangalore	1.00	No	Seon Ashram Trust	CSR00005927
6	Paediatric Health care	Promoting health care including preventive healthcare	Yes	Maharashtra	Mumbai	10.00	No	Sri Satya Sai Health and Education Trust	CSR00001048
						10.00	No	The Society for the Rehabilitation of Crippled	CSR00003225
7	Nutrition and Medical	Promoting health care including preventive healthcare	Yes	Karnataka	Dakshin Kannada	6.00	No	Seon Ashram Trust	CSR00005927
8	LEAP	Promoting health care including preventive healthcare	Yes	Maharashtra	Raigad	2.50	No	Association for Leprosy Education Rehabilitation and Treatment -Alert India	CSR00002077

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency		
				State	District			Name	CSR Registration Number	
9	Healthcare in Model Village	Promoting health care including preventive healthcare	Yes	Maharashtra	Raigad	16.86	No	SAVALI	CSR00003432	
10	Senior Citizen	Promoting health care including preventive healthcare	Yes	Maharashtra	Raigad	2.00	No	Amba Gopal Foundation	CSR00001341	
11	Education promotion in Model Village	Promoting education, including special education and employment enhancing vocational skills	Yes	Maharashtra	Raigad	2.50	No	SAVALI	CSR00003432	
12	Disha	Promoting education, including special education and employment enhancing vocational skills	Yes	Maharashtra	Mumbai Dakshin	107.23	No	Avashya Foundation	CSR00009146	
				Karnataka	Kannada, Udupi					
				Maharashtra	Mumbai	8.49	No	Bombay Bunts Association	CSR00013655	
				Karnataka	Dakshin Kannada	10.00	No	Bunts Sangha Buntwal Taluk	CSR00033532	
				Karnataka	Dakshin Kannada	1.51	No	Ramkrishna Tapovan	CSR00011363	
13	Scholarship	Promoting education, including special education and employment enhancing vocational skills	No	Andhra Pradesh,	Chittur	20.00	No	KREA University	CSR00012893	
				Kerala, Karnataka	Tripunithura, KAlladathur, and Kottayam	3.45	No	Central Cinmaya Mission Trust	CSR00008084	
				Maharashtra	Mumbai	1.50	No	GSB Sabha	CSR00001356	
14	Nipun	Promoting education, including special education and employment enhancing vocational skills	Yes	Maharashtra	Raigad	6.86	Yes	Allcargo Logistics Limited	NA	
				Maharashtra	Raigad	1.89	No	Avashya Foundation	CSR00009146	
				Maharashtra	Raigad	24.15	No	Abhiyan Foundation	CSR00005183	
				Maharashtra	Raigad	2.25	No	Orion Education Society	CSR00000597	
				Karnataka	Udupi	4.00	No	Udipi Grameen Sangha Da Sabhabhavana	CSR00010879	
				Karnataka	Udupi	6.00	No	Sanchalana	CSR00056356	
				Tamilnadu	Chennai	15.00	No	Foundation of His Sacred Majesty	CSR00005477	
15	Capacity Building	Promoting education, including special education and employment enhancing vocational skills	Yes	Maharashtra	Mumbai	0.5	No	Save the Children India	CSR00000158	
16	Library	Promoting education	Yes	Maharashtra	Raigad	8.50	Yes	Allcargo Logistics Limited	NA	

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
17	Special Education	Promoting education, including special education and employment enhancing vocational skills	Yes	Karnataka	Udipi	4.00	No	Shri Gururaghvendra Seva Trust	CSR00006778
18	Maitree	Ensuring environment sustainability	Yes	Maharashtra	Raigad Palghar	29.10	No	Light of Life Trust	CSR00000156
				Maharashtra	Palghar	9.03	No	Swaraj Digant Foundation	CSR00001695
				Maharashtra	Raigad Palghar	18.99	No	SAVALI	CSR00003432
				Maharashtra	Palghar	1.00	No	Global Vikas Trust	CSR00004400
				Uttarakhand	Rushikesh	5.00	No	Vivekanand youth Connect	CSR00004816
19	Women Empowerment	Promoting gender equality	Yes	Maharashtra	Mumbai Raigad	12.00	No	Saad Foundation	CSR00006693
				Karnataka	Mangalore	4.00	No	Prajna Counselling Center	CSR000010376
				Maharashtra	Mumbai	2.50	No	Mahila Bunts Sangha	CSR00013655
20	Sports	Training to promote rural sports, nationally recognised sports, paralympics and Olympics sports	Yes	Maharashtra	Raigad	0.26	Yes	Allcargo Logistics Limited	NA
						3.45	No	Alert India	CSR00001335
						3.45	No	SAVALI,	CSR00003432
						5.00	No	Vivekanand Youth Connect	CSR00004816
						15.50	Yes	Individual Sports person	NA
21	Sports	Training to promote rural sports, nationally recognised sports, paralympics and Olympics sports	No	Chattisgar, Maharashtra, Haryana, Uttarpradesh, Manipur, Tamilnadu, West Bengal, Karnataka, Rajasthan, Uttarakhand, Telangana, Punjab, Delhi, Kerala, Himachal Pradesh, Madhya Pradesh, Gujarat	Bhilai, Pune, Ahmednagar, Satara, Sangali, Kolhapur, Rohtak, Gurugram, Thisar, Jhajjar, Sonipat, Bhiwani, Jind, Ghaziabad, Faridabad, Gohana, Kaithal, Panipath, Lucknow, Bagpat, Meerut, Imphal, Namakkal, Salem, Hosur, Erode, Sivagemgai, Kolkata, Bagalkot, Kota, Churu, Jaipur, Hisar, Udhamsingh Nagar, Almora, Hyderabad, Anantpur Saheb, Fazilka, Delhi, E51 North West Delhi, Kochi, Trivendrum, Una, Gwalior Jabalpur, Ahmedabad	25.00	No	Olympics Quest Gold	CSR00001100
		<b>Total</b>				<b>566.85</b>			

## Annexure 2

### FORM AOC-1

[Pursuant to first proviso to sub-section [3] of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies [Accounts] Rules, 2014]

**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures (Information in respect of each Subsidiary presented with amounts for the Financial Year ended March 31, 2023**

#### “Part A” : Subsidiaries

(₹ in Lakhs)															
Sr. No.	Name of Subsidiary	Financial Period Ended	The date since when subsidiary was acquired	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital*	Reserves & Surplus	Total Assets	Total Other Liabilities	Investments	Turnover/ Operating Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share-holding*
1	Comptech Solutions Private Limited	March 31, 2023	February 5, 2010	N.A.	145	978	1,182	59	-	-	129	33	96	-	48.28%
2	Fair Trade GmbH Schiffahrt, Handel und Logistik	December 31, 2022	November 23, 2022	Note 1, 2 & 3	46	(274)	2,424	2,652	-	5,364	(580)	-	(580)	-	75%
3	Asia Express Line GMBH	December 31, 2022	November 23, 2022	Note 1, 2 & 3	23	8	137	106	-	14	(13)	1	(14)	-	75%
4	Asiapac Equity Investments Ltd	December 31, 2022	December 31, 2022	Note 1, 2 & 3	1	(227)	579	805	-	-	(3)	-	(3)	-	100%
5	Asiapac Turkey Tasimacilik A.S.	December 31, 2022	December 31, 2022	Note 1, 2 & 3	137	2,360	15,008	12,511	-	15,889	223	(13)	236	-	100%
6	Allcargo Tanzania	December 31, 2022	January 30, 2023	Note 1, 2 & 3	-	-	5	5	-	-	-	-	-	-	100%
7	Asiapac Logistics El Salvador	December 31, 2022	January 27, 2023	Note 1, 2 & 3	2	(60)	56	115	-	22	(22)	-	(22)	-	100%
8	Contech Logistics Solutions Private Limited	March 31, 2023	March 31, 2005	N.A.	10	2,498	4,223	1,715	1,610	8,243	290	74	216	-	100%
9	ECU International [Asia] Private Limited	March 31, 2023	June 20, 2006	N.A.	5	731	4,452	3,716	-	3,442	433	104	330	-	100%
10	Transindia Logistic Park Private Limited	March 31, 2023	February 15, 2011	Note 4	1	3,592	3,797	204	-	-	194	54	140	-	100%
11	Gati limited	March 31, 2023	April 8, 2020	N.A.	2,603	66,208	1,28,470	59,659	-	1,72,317	530	1,621	(1,091)	-	50.20%
12	Gati-Kintetsu Express Private Limited	March 31, 2023	April 8, 2020	N.A.	50	24,429	83,754	59,275	-	148,670	160	1,596	(543)	-	65.14%
13	Gati Import Export Trading Limited	March 31, 2023	April 8, 2020	N.A.	230	(183)	197	149	-	12	(6)	-	(6)	-	50.20%
14	Zen Cargo Movers Private Limited	March 31, 2023	April 8, 2020	N.A.	36	(80)	23	67	-	1	(3)	1	(3)	-	50.20%
15	Gati Logistics Parks Private Limited	March 31, 2023	April 8, 2020	Note 4	1	(1,446)	-	1,445	-	-	(1)	-	(1)	-	50.20%
16	Gati Projects Private Limited	March 31, 2023	April 8, 2020	Note 4	1	(4)	-	3	-	-	(1)	-	(1)	-	50.20%
17	ALX Shipping Agencies India Private Limited	March 31, 2023	December 22, 2020	N.A.	1	220	421	200	-	651	246	60	186	-	100%
18	Panvel Industrial Parks Private Limited	March 31, 2023	November 7, 2020	Note 4	1	(1)	1	1	-	-	-	-	-	-	100%
19	Ecu-Line Algeria sarl	December 31, 2022	June 20, 2006	Note 1 & 2	6	483	1,525	1,036	-	1,302	675	196	479	-	100%
20	Ecu Worldwide [Argentina] SA	December 31, 2022	August 29, 2007	Note 1 & 2	0	318	8,122	7,804	-	5,397	(232)	122	(354)	-	100%
21	Ecu Worldwide Australia Pty Ltd	December 31, 2022	June 20, 2006	Note 1 & 2	55	(197)	4,181	4,324	-	27,564	(342)	-	(342)	-	100%
22	Integrity Enterprises Pty Ltd.	December 31, 2022	December 13, 2013	Note 1 & 2	22	0.08	26	4	-	-	-	-	-	-	100%
23	Ecu Worldwide [Belgium] N.V	March 31, 2023	June 20, 2006	Note 1 & 2	3,164	8,235	36,473	25,074	-	1,04,511	6,430	1,672	4,758	1,533	100%
24	FMA-Line Holding N. V.	March 31, 2023	June 20, 2006	Note 1 & 2	70	(235)	5	171	-	0.14	(7)	-	(7)	-	100%
25	Ecuhold N.V.	March 31, 2023	June 20, 2006	Note 1 & 2	2,806	92,557	1,90,547	95,184	2,457	11,924	2,627	(82)	2,710	-	100%
26	Ecu International N.V.	March 31, 2023	June 20, 2006	Note 1 & 2	3,720	(1,197)	6,457	3,934	-	-	1	28	(27)	-	100%



(₹ in Lakhs)

Sr. No.	Name of Subsidiary	Financial Period Ended	The date since when subsidiary was acquired	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital*	Reserves & Surplus	Total Assets	Total Other Liabilities	Investments	Turnover/ Operating Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share-holding*
27	Antwerp Freight Services N.V.	March 31, 2023	June 20, 2006	Note 1 & 2	18,923	6,284	25,494	287	-	-	538	309	230	-	100%
28	HCL Logistics N.V.	March 31, 2023	June 20, 2006	Note 1 & 2	358	(314)	1,287	1,243	-	7,598	(37)	0.41	(37)	-	100%
29	AGL N.V.	March 31, 2023	June 20, 2006	Note 1 & 2	29,317	10,182	39,578	79	-	-	38	(194)	232	-	100%
30	Allcargo Belgium N.V.	March 31, 2023	March 17, 2006	Note 1 & 2	10,280	33,473	144,479	1,00,727	13,107	277	(3,065)	10	(3,075)	-	100%
31	Ecu Worldwide Logistics do Brazil Ltda	December 31, 2022	June 20, 2006	Note 1 & 2	9	(255)	2,833	3,079	-	23,760	2,866	260	2,607	-	100%
32	Ecu Worldwide [Canada] Inc	December 31, 2022	June 20, 2006	Note 1 & 2	0.06	1,499	5,163	3,664	-	30,287	1,513	541	972	-	100%
33	Ecu Worldwide [Chile] S.A	December 31, 2022	June 20, 2006	Note 1 & 2	31	1,105	2,676	1,540	-	11,086	496	131	364	-	100%
34	Flamingo Line Chile S.A.	December 31, 2022	December 31, 2007	Note 1 & 2	10	(1)	10	0.00	-	-	(1)	-	(1)	-	100%
35	Ecu Worldwide [Guangzhou] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	1,265	1,486	19,494	16,742	-	153,436	8,476	2,241	6,235	-	100%
36	China Consolidation Services Ltd	December 31, 2022	October 18, 2010	Note 1 & 2	598	(534)	70	5	-	79	(1,233)	-	(1,233)	-	75%
37	Ecu Worldwide China Ltd.	December 31, 2022	October 18, 2010	Note 1 & 2	637	1,428	4,125	2,059	-	46,514	502	114	387	-	75%
38	Ecu Worldwide [Colombia] S.A.S.	December 31, 2022	June 20, 2006	Note 1 & 2	16	48	3,952	3,889	-	17,477	371	107	264	-	100%
39	Ecu Worldwide [Cyprus] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	8	10	88	71	-	1,549	95	12	83	-	55%
40	Ecu Worldwide [CZ] s.r.o.	December 31, 2022	June 20, 2010	Note 1 & 2	8	180	608	420	-	3,348	78	16	62	-	100%
41	Ecu Worldwide [Ecuador] S.A.	December 31, 2022	June 20, 2006	Note 1 & 2	8	303	1,959	1,648	-	13,411	365	132	233	-	100%
42	Flamingo Line del Ecuador SA	December 31, 2022	December 12, 2008	Note 1 & 2	3	(23)	56	76	-	159	(34)	2	(36)	-	100%
43	Ecu Worldwide Egypt Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	27	366	1,196	803	-	3,084	798	199	598	221	100%
44	Ecu Worldwide [El Salvador] S.P. Z.o.o. S.A. de CV	December 31, 2022	June 20, 2006	Note 1 & 2	2	111	438	325	-	1,755	138	51	87	-	100%
45	Ecu Worldwide [Germany] GmbH	December 31, 2022	June 20, 2006	Note 1 & 2	836	1,805	8,313	5,672	-	47,189	1,006	529	478	-	100%
46	ELWA Ghana Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	0	27	302	274	-	1,757	122	30	92	-	100%
47	Ecu Worldwide [Guatemala] S.A.	December 31, 2022	June 20, 2006	Note 1 & 2	1	148	651	502	-	3,493	32	41	(9)	-	100%
48	Ecu Worldwide [Hong Kong] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	157	118	8,248	7,973	-	20,204	(289)	61	(350)	9,656	100%
49	Ecu International Far East Ltd.	December 31, 2022	December 5, 2006	Note 1 & 2	1	3,860	3,552	(309)	-	1,581	1,103	36	1,067	-	100%
50	CCS Shipping Ltd.	December 31, 2022	November 23, 2010	Note 1 & 2	699	-	699	-	-	-	-	-	-	-	75%
51	PT Ecu Worldwide Indonesia	December 31, 2022	May 11, 2010	Note 1 & 2	736	3,691	6,686	2,259	-	21,177	1,216	355	861	-	100%
52	Ecu Worldwide Italy S.r.l.	December 31, 2022	June 20, 2006	Note 1 & 2	54	1,279	8,531	7,199	-	31,814	1,527	648	879	-	100%
53	Eurocentre Milan srl.	December 31, 2022	May 21, 2009	Note 1 & 2	9	218	1,796	1,568	-	7,076	116	49	67	-	100%
54	Ecu Worldwide (Cote d'Ivoire) sarl	December 31, 2022	June 20, 2006	Note 1 & 2	1	14	350	334	-	1,386	7	21	(14)	-	100%
55	Ecu Worldwide [Japan] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	185	(693)	3,914	4,422	-	31,013	(1,585)	-	(1,585)	-	65%
56	Jordan Gulf for Freight Services and Agencies Co. LLC	December 31, 2022	June 20, 2006	Note 1 & 2	58	(359)	72	373	-	-	-	-	-	-	100%
57	Ecu Worldwide [Kenya] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	25	104	1,282	1,152	-	4,868	314	93	222	-	100%
58	Ecu Shipping Logistics [K] Ltd.	December 31, 2022	December 18, 2007	Note 1 & 2	6	(2)	5	1	-	3	(1)	-	(1)	-	100%

(₹ in Lakhs)

Sr. No.	Name of Subsidiary	Financial Period Ended	The date since when subsidiary was acquired	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital*	Reserves & Surplus	Total Assets	Total Other Liabilities	Investments	Turnover/ Operating Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share-holding*
59	Ecu Worldwide [Malaysia] SDN. BHD.	December 31, 2022	June 20, 2006	Note 1 & 2	112	596	2,513	1,805	-	12,974	1,453	379	1,074	-	100%
60	Ecu Worldwide [Mauritius] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	12	44	224	167	-	1,251	23	8	15	-	100%
61	CELM Logistics SA de CV	December 31, 2022	June 20, 2006	Note 1 & 2	2	(110)	14	122	-	-	(1)	-	(1)	-	100%
62	Ecu Worldwide Mexico SA de CV	December 31, 2022	November 27, 2007	Note 1 & 2	2	2,482	5,534	3,049	-	33,813	2,060	765	1,295	-	100%
63	Ecu Worldwide Morocco S.A.	December 31, 2022	June 20, 2006	Note 1 & 2	162	887	2,400	1,351	-	8,918	928	298	630	-	100%
64	Ecu Worldwide [Netherlands] B.V.	December 31, 2022	June 20, 2006	Note 1 & 2	763	(86)	4,269	3,591	-	15,468	907	17	890	-	100%
65	Rotterdam Freight Station BV	December 31, 2022	December 31, 2007	Note 1 & 2	16	123	231	92	-	2,284	246	-	246	-	100%
66	FCL Marine Agencies B.V.	December 31, 2022	October 13, 2013	Note 1 & 2	16	2,400	12,364	9,948	-	91,253	8,602	2,189	6,413	7,111	100%
67	Ecu Worldwide New Zealand Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	0.05	(57)	880	937	-	2,739	57	18	38	-	100%
68	Ecu Worldwide [Panama] S.A.	December 31, 2022	June 20, 2006	Note 1 & 2	21	200	674	454	-	4,823	190	25	165	-	100%
69	Ecu-Line Paraguay SA	December 31, 2022	June 20, 2006	Note 1 & 2	6	(22)	47	63	-	119	(18)	-	(18)	-	100%
70	Flamingo Line del Peru SA	December 31, 2022	June 20, 2006	Note 1 & 2	8	(8)	-	-	-	-	-	-	-	-	100%
71	Ecu-Line Peru SA	December 31, 2022	June 20, 2006	Note 1 & 2	11	424	435	-	-	-	-	-	-	-	100%
72	Ecu Worldwide [Philippines] Inc.	December 31, 2022	June 20, 2006	Note 1 & 2	151	863	2,115	1,100	-	16,621	113	28	85	-	100%
73	Ecu Worldwide [Poland] Sp zoo	December 31, 2022	June 20, 2006	Note 1 & 2	10	945	1,722	768	-	11,619	745	140	605	-	100%
74	Ecu-Line Doha W.L.L.	December 31, 2022	June 20, 2006	Note 1 & 2	227	464	2,067	1,377	-	6,798	279	9	270	-	100%
75	Ecu-Line Saudi Arabia LLC	December 31, 2022	January 29, 2012	Note 1 & 2	296	2,054	12,553	10,203	-	43,626	1,724	335	1,389	-	70%
76	Ecu Worldwide [Singapore] Pte. Ltd.	March 31, 2023	June 20, 2006	Note 1 & 2	927	2,556	7,479	3,996	-	31,132	2,812	575	2,238	-	100%
77	Ecu Worldwide [South Africa] Pty Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	0.00	468	3,098	2,630	-	13,021	348	114	234	-	100%
78	Ecu-Line Spain S.L.	March 31, 2023	June 20, 2006	Note 1 & 2	109	397	2,411	1,904	-	16,147	794	202	591	201	100%
79	Ecu Worldwide Lanka [Private] Ltd.	December 31, 2022	May 4, 2010	Note 1 & 2	0.00	678	1,883	1,205	-	3,204	334	52	282	-	100%
80	Ecu Worldwide [Thailand] Co. Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	121	192	2,925	2,612	-	32,721	1,353	273	1,081	910	57%
81	Société Ecu-Line Tunisie Sarl	December 31, 2022	June 20, 2006	Note 1 & 2	27	687	1,097	383	-	1,475	244	45	199	-	100%
82	Ecu Worldwide Turkey Taşımacılık Limited Şirketi	December 31, 2022	June 20, 2006	Note 1 & 2	22	(833)	2,902	3,714	-	18,686	(957)	(57)	(899)	-	100%
83	Ecu-Line Middle East LLC	December 31, 2022	June 20, 2006	Note 1 & 2	67	210	9,140	8,863	-	36,494	468	-	468	-	86%
84	Ecu-Line Abu Dhabi LLC	December 31, 2022	June 20, 2006	Note 1 & 2	34	(17)	542	526	-	1,797	(9)	-	(9)	-	75.50%
85	Eurocentre FZCO	December 31, 2022	June 20, 2006	Note 1 & 2	291	286	2,538	1,961	-	2,260	339	-	339	-	86%
86	Star Express Company Ltd.	March 31, 2023	October 21, 2010	Note 1 & 2	82	2,139	6,338	4,117	-	-	(18)	-	(18)	-	100%
87	Ecu Worldwide [UK] Ltd.	December 31, 2022	June 20, 2006	Note 1 & 2	712	2,326	12,342	9,305	-	71,355	7,616	1,454	6,162	4,779	100%
88	Ecu Worldwide [Uruguay] S.A.	December 31, 2022	June 20, 2006	Note 1 & 2	21	68	257	167	-	1,669	43	10	33	-	100%
89	CLD Compania Logistica de Distribucion SA	December 31, 2022	November 21, 2006	Note 1 & 2	1,189	(1,201)	103	114	0.00	0.00	(19)	-	(19)	-	100%
90	Guldary S.A.	December 31, 2022	December 9, 2009	Note 1 & 2	2	382	1,008	624	-	896	928	-	928	-	100%
91	PRISM GLOBAL, LLC	March 31, 2023	April 10, 2013	Note 1 & 2	16,929	(1,656)	13,800	34,024	-	0.01	(2,247)	(1,143)	(1,104)	-	100%

(₹ in Lakhs)

Sr. No.	Name of Subsidiary	Financial Period Ended	The date since when subsidiary was acquired	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital*	Reserves & Surplus	Total Assets	Total Other Liabilities	Investments	Turnover/ Operating Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share-holding*
92	Ecu Worldwide USA (Formerly known as Econocaribe Consolidators, Inc.)	March 31, 2023	September 19, 2013	Note 1 & 2	-	-	46,558	17,533	-	2,82,667	(1,931)	-	(1,931)	-	100%
93	Econoline Storage Corp.	March 31, 2023	September 19, 2013	Note 1 & 2	-	-	1,656	-	-	-	(94)	-	(94)	-	100%
94	ECI Customs Brokerage, Inc.	March 31, 2023	September 19, 2013	Note 1 & 2	-	-	7,066	6,379	-	1,162	(621)	-	(621)	-	100%
95	OTI Cargo, Inc.	March 31, 2023	September 19, 2013	Note 1 & 2	-	-	819	(13)	-	-	(634)	-	(634)	-	100%
96	Ports International, Inc.	December 31, 2022	September 19, 2013	Note 4	-	-	-	-	-	-	-	-	-	-	100%
97	Administradora House Line C.A.	December 31, 2022	December 26, 2006	Note 4	-	-	-	-	-	-	0.00	-	0.00	-	100%
98	Ecu Worldwide Vietnam Joint Stock Company	December 31, 2022	June 20, 2006	Note 1 & 2	56	1,918	4,275	2,301	-	43,057	1,656	458	1,197	-	100%
99	Ecu-Line Zimbabwe [Pvt] Ltd.	December 31, 2022	June 20, 2006	Note 4	-	-	-	-	-	-	-	-	-	-	70%
100	Asia Line Limited	March 31, 2023	May 17, 2008	Note 1 & 2	2,474	(2,373)	728	628	-	-	(51)	-	(51)	-	100%
101	Prism Global Ltd.	March 31, 2023	January 3, 2013	Note 1 & 2	0.00	6,159	28,869	22,710	-	37,401	(558)	468	(1,027)	-	100%
102	Allcargo Logistics LLC	December 31, 2022	October 19, 2014	Note 1 & 2	67	1,088	8,731	7,575	-	41,488	451	-	451	-	49%**
103	Eculine Worldwide Logistics Co. Ltd.	December 31, 2022	January 28, 2016	Note 1 & 2	4	292	451	155	-	1,842	130	43	87	-	100%
104	FMA-LINE Nigeria Ltd.	December 31, 2022	July 27, 2015	Note 1 & 2	18	(7)	19	8	-	8	(0.05)	-	(0.05)	-	100%
105	Ecu Worldwide [Uganda] Limited	December 31, 2022	December 15, 2015	Note 1 & 2	38	(57)	0.05	19	-	-	(0.03)	-	(0.03)	-	100%
106	FMA Line Agencies Do Brasil Ltda	December 31, 2022	March 11, 2016	Note 4	-	-	-	-	-	-	-	-	-	-	100%
107	FCL Marine Agencies Belgium bvba	December 31, 2022	March 19, 2014	Note 1 & 2	18	365	2,647	2,264	-	19,948	1,304	335	969	1,297	100%
108	Allcargo Hongkong Limited	December 31, 2022	December 30, 2016	Note 1 & 2	52	154	1,345	1,138	-	2,729	1,264	203	1,061	-	100%
109	Oconca Container Line S.A. Ltd.	December 31, 2022	December 30, 2016	Note 1 & 2	10	-	10	-	-	-	-	-	-	-	100%
110	Almacen y Maniobras LCL SA de CV	December 31, 2022	February 14, 2017	Note 1 & 2	2	368	1,299	929	-	8,286	1,397	454	943	-	100%
111	ECU WORLDWIDE SERVICIOS SA DE CV	December 31, 2022	December 9, 2016	Note 1 & 2	2	11	23	10	-	-	(9)	-	(9)	-	100%
112	ECU TRUCKING, INC.	March 31, 2023	August 11, 2017	Note 1 & 2	-	-	5,169	1,873	-	884	1,217	-	1,217	-	100%
113	ECU Worldwide CEE SRL	December 31, 2022	January 26, 2018	Note 1 & 2	0.04	194	1,073	879	-	5,949	403	54	348	-	100%
114	Allcargo Logistics Africa (PTY) LTD	December 31, 2022	February 16, 2018	Note 4	-	-	-	-	-	-	-	-	-	-	100%
115	Ecu Worldwide Baltics	December 31, 2022	August 1, 2018	Note 1 & 2	3	(135)	371	503	-	2,784	43	-	43	-	50%
116	AGL Bangladesh Private Limited	December 31, 2022	October 2, 2018	Note 1 & 2	1	(120)	5	124	-	-	(109)	-	(109)	-	100%
117	Ecu Worldwide (Bahrain) Co. W.L.L.	December 31, 2022	September 1, 2016	Note 1 & 2	22	2	177	154	-	795	65	-	65	-	100%
118	East Total Logistics B.V.	December 31, 2022	July 19, 2019	Note 1 & 2	16	887	1,248	345	-	7,239	(20)	(3)	(17)	-	100%
119	PAK DA (HK) LOGISTIC Ltd	December 31, 2022	July 1, 2019	Note 1 & 2	1	26	1,326	1,300	-	3,212	2,763	515	2,248	2,083	75%
120	ECU Worldwide Tianjin Ltd.	December 31, 2022	July 1, 2019	Note 1 & 2	690	378	2,775	1,707	-	19,600	(1,153)	21	(1,174)	-	75%
121	Allcargo Logistics FZE	December 31, 2022	October 17, 2019	Note 1 & 2	448	1,066	4,542	3,028	-	2,178	858	-	858	-	100%
122	SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD	December 31, 2022	October 1, 2019	Note 1 & 2	6	293	786	486	-	350	337	60	278	-	41.25%
123	Allcargo Logistics China Ltd.	December 31, 2022	October 1, 2019	Note 1 & 2	249	371	6,743	6,124	-	31,646	3,361	3	3,359	-	41.25%
124	Asiapac Logistics Mexico SA de CV	December 31, 2022	August 28, 2019	Note 1 & 2	2	(290)	2,390	2,678	-	26,053	637	330	307	-	100%

(₹ in Lakhs)

Sr. No.	Name of Subsidiary	Financial Period Ended	The date since when subsidiary was acquired	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital*	Reserves & Surplus	Total Assets	Total Other Liabilities	Investments	Turnover/ Operating Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share-holding*
125	Gati Asia Pacific Pte Ltd.	March 31, 2023	August 17, 2020	Note 1 & 2	5,482	(5,510)	-	28	-	-	(10)	-	(10)	-	75%
126	Gati Hong Kong Limited	March 31, 2023	August 17, 2020	Note 1 & 2	361	(368)	403	411	-	6	2	-	2	-	75%
127	Gati Cargo Express (Shanghai) Co. Ltd.	December 31, 2022	August 17, 2020	Note 1 & 2	1,120	(970)	436	286	-	3,812	3	-	3	-	75%
128	Ecu Worldwide (BD) Limited	June 30, 2023	August 20, 2021	Note 1 & 2	39	451	2,407	1,916	-	6,410	333	108	225	-	76%
129	Nordicon Terminals AB	December 31, 2022	July 29, 2021	Note 1 & 2	16	177	1,043	850	-	5,168	102	29	73	-	65%
130	Ecnordicon AB	December 31, 2022	July 29, 2021	Note 1 & 2	3	36,015	36,018	-	-	-	(2)	-	(2)	-	65%
131	Nordicon AB	December 31, 2022	July 29, 2021	Note 1 & 2	95	8,170	11,366	3,101	-	49,164	5,479	1,163	4,316	-	65%
132	NORDICON A/S	December 31, 2022	July 29, 2021	Note 1 & 2	60	979	2,900	1,861	-	10,537	208	64	144	-	65%
133	RailGate Nordic AB	December 31, 2022	July 29, 2021	Note 1 & 2	4	6	10	-	-	-	(0.20)	-	(0.20)	-	65%
134	Asia Pac Logistics DE Gautemala S.A.	December 31, 2022	January 12, 2022	Note 1 & 2	0.22	(72)	73	144	-	404	(68)	2	(70)	-	100%
135	European Customs Brokers N.V.	March 31, 2023	March 01, 2012	Note 1 & 2	55	84	420	281	-	892	38	7	32	-	70%
136	ALX Shipping Agency LLC	December 31, 2022	January 12, 2023	Note 1 & 2	67	(69)	530	532	-	164	(66)	-	(66)	-	49%**

\*Representing aggregate % of shares held by the Company and/or its subsidiaries directly and indirectly

\*\* Consolidated entirely based on test of control

#Share Capital rounded off to nearest 1 Lakh

**Notes:****1 Balance Sheet items are translated at closing exchange rate of Euro 01 = ₹89.3891****2 Profit / [Loss] items are translated at average exchange rate of Euro 01 = ₹83.6597****3. Names of subsidiaries which became Subsidiary/Wholly Owned Subsidiary ('WOS') during the year:**

- Fair Trade GmbH Schiffahrt, Handel und Logistik
- Asia Express Line GMBH
- Asiapac Equity Investments Ltd
- Asiapac Turkey Tasimacilik A.S.
- Allcargo Tanzania
- Asiapac Logistics El Salvador

**4 Names of subsidiaries which are yet to commence operations:**

- Gati Logistics Parks Private Limited
- Gati Projects Private Limited
- Panvel Industrial Parks Private Limited
- Ecu-Line Zimbabwe [Pvt] Ltd.
- FMA Line Agencies Do Brasil Ltda
- Ports International, Inc.
- Administradora House Line C.A.
- Allcargo Logistics Africa (PTY) LTD
- TransIndia Logistic Park Private Limited
- AGL Bangladesh Private Limited

**5 Names of subsidiaries which have been liquidated or sold during the year.**

- Ocean House Ltd liquidated on August 10, 2022
- Centro Brasileiro de Armazenagem E Distribuicao Ltda (Bracenter) liquidated on December 21, 2022
- PFC Nordic AB sold on December 30, 2022

**Part "B": Associates and Joint Ventures**

(₹ in Lakhs)

Sr. No.	Name of Associates/ Joint Ventures	Altcargo Oil & Gas Private Limited *	Avvashya CCI Logistics Private Limited (ACCIL) **	Altcargo Logistics Lanka [Pvt] Ltd	FCL Marine Agencies Gmbh [Bermen]	Ecu Worldwide Peru S.A.C.	Fasder S.A.	Ecu Worldwide Korea Co., Ltd.	Altcargo Logistics Korea Co., Ltd.	Aladin Group Holdings Limited	Aladin Express DMCC	RailGate Europe B.V. (Incl. Poland)	Trade Xcelerators LLC	Haryana Orbital Rail Corporation Limited	Altcargo Supply Chain Private Limited
1	Latest audited Balance Sheet Date	March 31, 2023	March 31, 2023	March 31, 2022	December 31, 2021	December 29, 2014	August 5, 2014	-	-	-	-	-	-	March 31, 2023	March 31, 2023
2	Date on which the Associate or Joint Venture was associated or acquired	March 12, 2018	June 29, 2016	March 2, 2015	September 3, 2014	December 29, 2014	August 5, 2014	December 17, 2020	March 3, 2021	March 15, 2021	March 15, 2021	July 29, 2021	February 9, 2022	February 11, 2022	March 01 2023 (Date of Scheme)
3	Shares of Associate/ Joint Ventures held by the Company on the year end														
[i]	Number	7,400	-	4	2	1,50,200	1,00,000	98,000	98,000	10,350 Ordinary Shares 4,000,000 Preference shares	-	-	-	-	65,25,000
[ii]	Amount of Investment in Associates/Joint Venture	74,000	-	-	1,219	38	2	347	334	3,075	-	1	320	7,600	17,345
[iii]	Extend of Holding %*	74.00%	-	40%	50%	50%	50%	49%	49%	20.70%	20.70%	21.7%	20.0%	7.60%	61.13%
4	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Associate	Joint venture	Joint venture	Joint venture	Joint venture	Associate	Associate	Associate	Associate	Associate	Joint Venture
5	Reason why the Associate/Joint Venture is not consolidated	N.A	Classified as held for sale	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
6	Networth attributable to Shareholding as per latest Audited Balance Sheet	-	-	-	-	-	-	-	-	-	-	-	-	9,758	4,223
7	Profit / [Loss] for the year	-	-	-	1,149	671	1,139	1,242	362	-	(3,928)	103	(118)	218.29	1,424
	Considered in Consolidation	-	-	-	574	336	569	608	177	-	(813)	22	(24)	16.59	276
[ii]	Not Considered in Consolidation	-	-	-	574	336	569	633	184	-	(3,115)	81	(94)	201.70	1,148

\*\* The Company is under strike-off

\*\* The Company has been classified as held for sale

# Representing aggregate % of shares held by the Company and/or its subsidiaries directly and indirectly

**1 Names of Associates/Joint Ventures which are yet to commence operations:**

Nil

**For and on behalf of the Board of Directors**
**Sd/-**
**Shashi Kiran Shetty**  
 Founder & Executive  
 Chairman  
 DIN: 00012754

**Sd/-**
**Mohinder Pal Bansal**  
 Independent Director  
 DIN: 01626343

**Sd/-**
**Deepal Shah**  
 Deputy Group Chief  
 Financial Officer  
 M.N.: 101639

**Sd/-**
**Capt. Sandeep Anand**  
 Chief Executive Officer  
 Marketing

**Sd/-**
**Devanand Mojdra**  
 Company Secretary &  
 Compliance Officer  
 M.N.: AI4644

## Annexure 3

### Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

#### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

Sr. No.	Particulars	Related Party Transactions
(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/ transactions	NIL
(c)	Duration of the contracts/ arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	Date(s) of approval by the Board	NIL
(g)	Amount paid as advances, if any:	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

#### 2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

Sr. No.	Particulars	Related Party Transactions
(a)	Name(s) of the related party and nature of relationship	Ms Shloka Shetty, Daughter of Mr Shashi Kiran Shetty and Mrs Arathi Shetty, Directors of the Company
(b)	Nature of contracts/ arrangements/ transactions	Appointment of Ms Shloka Shetty as a Head Innovation of the Company
(c)	Duration of the contracts/ arrangements/transactions	On-going
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Based on the recommendation of the Audit Committee, the Board of Directors, and shareholders of the Company, the Company has approved the appointment of Ms Shloka Shetty as a Head Innovation of the Company with effect from April 1, 2023 on a Salary and Performance Linked Bonus of ₹45 Lakhs per annum which can be extended upto ₹ 1 Crore per annum (including variable pay).
(e)	date(s) of approval by the Board, if any	February 13, 2023
(g)	Amount paid as advances, if any:	NIL

**For and on behalf of the Board of Directors**

**sd/-**  
**Shashi Kiran Shetty**  
 Founder & Executive Chairman  
 DIN:00012754

Place: Mumbai  
 Date: May 30, 2023

## Annexure 4

### DETAILS OF LOANS, GUARANTEES AND SECURITIES

[Pursuant to Sections 134 and 186 of the Companies Act 2013 and Rules framed thereunder]

#### Loans given during FY2022-23

(₹ in Lakhs)

Particulars	In the beginning of the year	Additions	Converted to Debenture	Repayment	At end of the year
Allcargo Supply Chain Private Limited (Formerly known as Avvashya Supply Chain Private Limited)	1,321	237	769	-	789
Allcargo Terminals Limited (Formerly known as Allcargo Terminals Private Limited)	10,217	734	-	10,019	932
Transindia Logistic Park Private Ltd.	82	9	-	-	91
ALX Shipping Agencies Private Limited	7	-	-	7	-
Allcargo Oil & Gas Private Limited	1	-	-	1	-
<b>TOTAL</b>	<b>11,627</b>	<b>980</b>	<b>769</b>	<b>10,027</b>	<b>1,812</b>

#### Debentures outstanding as at March 31, 2023

Particulars	In the beginning of the year	Additions	Redemption	At end of the year
NIL				

#### Corporate Guarantee outstanding as at March 31, 2023

(₹ in Lakhs)

Name of the Company	Name of the Bank	Amount Outstanding
Allcargo Belgium NV	HSBC Continental Europe	37,635
<b>TOTAL</b>		<b>37,635</b>

#### Note:

All loans availed by subsidiary companies from the Banks have been utilised for their business purpose.

All figures rounded off to the nearest decimal.

Loans, Debentures and Corporate Guarantee given by the Company to certain entities and which was outstanding in the beginning of the year have been transferred to TransIndia Real Estate Limited (formerly known as TransIndia Realty & Logistics Park Limited) pursuant to the Scheme of Arrangement and Demerger

For and on behalf of the Board of Directors

sd/-

**Shashi Kiran Shetty**

Founder & Executive Chairman

DIN:00012754

Place: Mumbai

Date: May 30, 2023

## Annexure 5

### **FORM No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

*[Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**Allcargo Logistics Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Allcargo Logistics Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/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 to the extent made available to us and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to continuing Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
  - a. Customs Act, 1962 (with regard to Container Freight Station);
  - b. Handling of Cargo in Customs Areas Regulations, 2009;
  - c. Multimodal Transportation of Goods Act, 1993;
  - d. Warehousing (Development and Regulation) Rules, 2010
  - e. Carriage of Goods by Road Act, 2007
  - f. Carriage of Goods by Air Act, 1972
  - g. The Indian Carriage of Goods by Sea Act, 1925, etc.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc.

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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system generally exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings/ Committee meetings were taken unanimously.

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, as represented by the Company.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") approved the Scheme of Arrangement and Demerger between Allcargo Logistics Limited and Allcargo Terminals Limited and Transindia Realty & Logistics Parks

Limited on January 5, 2023. The Company received the Certified True copy of the order passed by the NCLT on March 10, 2023. The Scheme came into effect on April 01, 2023.

- b. Offer or invite for subscription of Secured/Unsecured Non-Convertible Debentures and/or Bonds aggregating ₹1,000 crores.

**For Parikh & Associates**

Company Secretaries

**Sd/-**

**P.N. Parikh**

Partner

FCS No: 327 CP No: 1228

UDIN: F000327E000340007

PR No.: 1129/2021

Place: Mumbai

Date: May 19, 2023

*This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*

#### 'ANNEXURE A'

To,  
The Members,  
**Allcargo Logistics Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record 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 process 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 process 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.

**For Parikh & Associates**

Company Secretaries

**Sd/-**

**P.N. Parikh**

Partner

FCS No: 327 CP No: 1228

UDIN: F000327E000340007

PR No.: 1129/2021

Place: Mumbai

Date: May 19, 2023

## Annexure 6

### DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The ratio of the remuneration of each Director/Key Managerial Personnel (KMP) to the median remuneration of the employees for FY2022-23 and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the FY2022-23 are as under

Sr. No.	Name of Director and Key Managerial Personnel (KMP)	Designation	Ratio of Remuneration of each Director/KMP to median remuneration of employees	% increase/ (decrease) in Remuneration in FY2022-23
<b>I. Non-Executive Directors</b>				
1.	Arathi Shetty	Non-Executive Director	2:1	(59.54)
2.	Kaiwan Kalyaniwalla	Non-Executive Director	4:1	98.15
3.	Parthasarathy Vankipuram Srinivasa <sup>\$</sup>	Non-Executive Director	42:1	307.71
4.	Mohinder Pal Bansal	Independent Director	4:1	0.00
5.	Cynthia Dsouza <sup>^</sup>	Independent Director	N.A.	0.00
6.	Martin Müller	Independent Director	2:1	(18.18)
7.	Radha Ahluwalia <sup>@</sup>	Independent Director	1:1	N.A.
8.	Mahendra Kumar Chouhan <sup>@</sup>	Independent Director	3:1	N.A.
9.	Nilesh Vikamsey <sup>*</sup>	Independent Director	3:1	N.A.
<b>II. Executive Directors and Key Managerial Personnel</b>				
10.	Shashi Kiran Shetty	Founder & Executive Chairman	346:1	59.36
11.	Adarsh Hegde	Managing Director	186:1	56.10
12.	Capt. Sandeep R Anand	Chief Executive Officer- Marketing	16:1	9.09
13.	Deepal Shah	Deputy Group Chief Financial Officer	23:1	(12.99)
14.	Suresh Kumar Ramiah <sup>#</sup>	Chief Executive Officer	44:1	30.07
15.	Ravi Jakhar	Chief Strategy Officer	32:1	81.43
16.	Devanand Mojindra	Company Secretary & Compliance Officer	5:1	23.87

<sup>\$</sup>Parthasarathy Vankipuram Srinivasa was paid ₹300 Lakhs as consultancy fees.

<sup>^</sup> Cynthia Dsouza ceased to be Director w.e.f. June 30, 2022 on completion of her tenure.

<sup>#</sup> Suresh Kumar Ramiah resigned w.e.f. March 31, 2023.

<sup>@</sup> Radha Ahluwalia and Mahendra Kumar Chouhan appointed w.e.f. February 11, 2022, hence the remuneration is not comparable.

<sup>\*</sup> Nilesh Vikamsey appointed w.e.f. June 29, 2022, hence the remuneration is not comparable.

#### Notes:

- a) Remuneration includes sitting fees, commission and any other payment, if any to all Non-Executive Directors and for Executive Directors, remuneration includes fixed pay, perquisites and commission.
- b) Commission relates to FY2022-23 will be paid during FY2023-24
- ii. The percentage increase in the median remuneration of employees in FY2022-23 is 16.97%
- iii. Median remuneration of employees for FY2022-23 is ₹7.48 Lakhs
- iv. There were 739 permanent employees on the rolls as on March 31, 2023
- v. Average percentage increase made in the salaries of employees, other than managerial personnel in the FY2022-23 was 9.30% whereas there was 8.80% increase in the managerial remuneration during FY2022-23.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees

For and on behalf of the Board of Directors

Sd/-

**Shashi Kiran Shetty**

Founder & Executive Chairman

DIN:00012754

Place: Mumbai

Date: May 30, 2023

## Annexure 7

### PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

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

#### (A) CONSERVATION OF ENERGY

##### (i) The steps taken or impact on conservation of energy

The Company always strives to optimize energy conservation though it is engaged into providing the Integrated Logistics Services. The Company has installed solar panels at major locations for the energy conservations across the organization.

##### (ii) The steps taken by the Company for utilizing alternate sources of energy

###### Solar Power Plant/Systems

Considering benefits of solar and wind energy, the Company had installed the Grid connected Rooftop Solar Power Plants at its Container Freight Stations ("CFS") located at JNPT-I & JNPT Annex at Nhava Sheva, Chennai, Mundra and also its Head Office at Kalina, Mumbai and Operation and Engineering Centre at Panvel.

##### (iii) The capital investment on energy conservation equipment

During the year under review, the Company has not incurred any capital investment on energy conservation equipment.

#### INFORMATION TECHNOLOGY (IT)

In line with its vision, mission, and digital-first approach, backed by valuable guidance from the Chairman, the Company is moving ahead with great speed and efficiency to leverage technology and digital transformation, with a view to increase performance and productivity, while enhancing customer experience. To achieve these objectives, various technology interventions have been undertaken by the IT/Digital team, in conjunction with the respective departments and verticals.

While many projects from the previous financial year have been completed, some new multi-year, high impact initiatives have also been launched to further the digitalization journey of the organization. Finance systems and process transformation, Data analytics and reporting, Data center server upgrade, Information security and risk posture enhancements, IT Disaster Recovery and Business Continuity, ERP platform modernization with upgraded mobile capability, are some of the key projects in this category. With a structured plan, collaborative action, and agile way of working, the efforts in this direction are paving the way for superior IT and business performance in the years to come.

#### (B) TECHNOLOGY ABSORPTION

##### (i) The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution:

In line with the Company's vision, mission and the guiding principles outlined by the Chairman, the Company is aggressively moving forward with technology and digital transformation, with the following IT vision -

- Create Gold Standard IT Infrastructure that is faster, scalable, and sustainable
- Establish best-in-class cyber security

- Build disruptive IT solution with inclusion of business team
- Build new age technology capabilities for better decision making and ease of doing business
- Multiple Global integrations with all external players
- Drive digital culture across organization
- To achieve this vision, management further defined the following priorities for the previous financial year in line with the IT vision:
  - We maintain Information Security Management System (ISMS) - ISO 27001
  - Started a journey towards cloud enabled application / ERP, Complete application rationalizing and optimisation of IT Infra are done
  - Strengthen security posture to rebuild trust with customers
  - Successfully completed building resilient IT (i.e., strong BCP /DR) practices for all Data Centres across the globe covering business critical production workloads including ITDR drills
  - Automate business processes to reduce manual work and faster response
  - Create centralized back-end database to provide single source of truth
  - Leverage data analytics and AI to aid decision making
  - Establish group-wide NOC for real-time operations and exceptions monitoring
  - We maintain a culture of security awareness throughout the organization

Further to overarching program named "Project Eagle Eye" that defined all IT Projects, aligned to above mentioned IT vision. The implementation of this program was initiated in Q2, financial year 2021. While many projects under this program have been completed, some new multi-year, high impact initiatives have also been launched to further the digitalization journey of the organization. Brief overview of key IT and Digital transformation projects is given below.

##### DR (Disaster Recovery) Implementation:

This included implementation of cloud-based Disaster Recovery (DR) solution for ECU Worldwide. This project was completed by end of Feb 2022. There are currently 6 primary data centres (DC) present globally in the following locations: Miami, Antwerp, Hongkong, Shanghai, Johannesburg and Melbourne. These DCs have appropriate back up arrangements.

The objective of this DR implementation project was to implement cloud-based DR solution for enabling backup of current applications, systems and data required to execute business continuity planning (BCP) in case of failure of primary data centres due to any disaster. The disasters

could be cyber-attacks, terrorist attacks, equipment failures, natural disasters etc.

#### **Cybersecurity Uplift:**

The Company deployed Information Security Management System (ISMS) framework that is ISO 27001 certified. A full-scale cyber uplift program based on NIST cybersecurity framework has been implemented. This includes setting up tools such as EDR (endpoint detection & response), 24/7 security operations monitoring (SOC), cyber threat intelligence (brand monitoring, dark web monitoring), third party patch management platform, secure web gateway, web application firewall, multifactor authentication system etc. to mitigate the cyber risks and reduce exposure.

The security operations center (SOC) looks after organization's security posture related to identifying, protecting, detecting, analyzing and enhanced handling of cybersecurity incidents.

The Company also leverages an external security rating platform to evaluate cyber security posture score. This allows continuous monitoring of external IPs from Outside-In perspective on important cyber security pointers.

#### **Setting up of a NOC (Network Operations Center) using a managed services partner:**

A managed services partner was onboarded for 24\*7 support of end-to-end management of IT infrastructure using enterprise management software. This activity was completed in April 2022. This engagement is intended to segregate the roles for maintenance and upkeep of server, network, backup, storage, database setup. This was to take care of availability, performance and capacity of overall IT infrastructure. This helped in documenting, monitoring, managing the incidents, changes, problems, requests to be proactive and be predictive. With this, we achieved root cause analysis (RCA) within 72 hours for any incident.

#### **Project Drone FT:**

It includes upgradation of the core financial ERP system. This project was initiated in Dec 2021 and is planned to be completed by Dec 2023. The objective of this project is to optimize existing finance and controlling operations. This project also aims to implement multiple business critical reports and dashboards that will flow seamlessly from the ERP system. Project Drone FT will also provide seamless data for implementation of various analytics projects discussed ahead.

#### **Project Topaz 2.0:**

It's a complete Business transformation project which includes implementation of upgraded version of operational Transport Management system (our home-grown ERP, called TOPAZ) with a new technology stack. This is an important project for the Company as it aims to transform the existing operational applications, which are the core to the Company's operations. TOPAZ 2.0 will have a microservices based, native cloud-ready and API driven architecture, with enhanced business capabilities. The project will have 3 phases as follows –

- Discovery (Phase 1): Assessment of all existing AS-IS functionalities, code base and integrations with other

applications was completed. As-is functional process flows completed for all functional modules covering 41 clusters.

- Blueprinting (Phase 2): Have done 4 weeks of discovery workshop with a Tier-1 IT Company based in Bengaluru, by running through both Functional and Technical deep-dive sessions. All Process Signed off – LCL Export & Import; FCL Export & Import; CFCL etc.
- Implementation (Phase 3): Onboarding of supplier to be followed by agile based implementation and roll out. (Planned for next FY start)

#### **Project Unnati:**

"UNNATI" the digital transformation project, which was started last year, has been successfully implemented. Under this project the focus was to develop and implement a centralized state of art application which is cloud enabled, micro-services based, highly scalable and redundant. All these requirements were met through the launch of CFSMAG 3.0 under Project Unnati. The implementation was extremely smooth covering all the seven CFS locations along with full-fledged alternate site disaster recovery solution. This application has incorporated newer modules like domestic container, empty transportation, and Bar/QR Code enabled prints in addition to enhancing many features, UI & UX.

In line with the Company's digital focus, the other initiatives which was initiated last year under Project Unnati included launch of two new customer centric portals – [mycfs.allcargologistics.com](http://mycfs.allcargologistics.com) & [mycfs.speedycfs.com](http://mycfs.speedycfs.com) along with mobile application to enable faceless interaction for Track & Trace, Online Service Requests (grounding, placement, priority movement, EIR requests) & Pro-forma Invoices saw significant success.

#### **MDM2.0 and BI Platform:**

Establishing and Deploying MDM Platform (Master Data Management) and Governance practice across the Group and to look at having an enterprise-wide BI reporting platform to allow building of the Business Intelligence engineering pipeline. Once we have this in place, we can scale analytics across the group and look at predictive and prescriptive analytics to drive business growth and revenue. This will allow us to bring efficiency across departments including operation and build a future ready data driven digital enterprise.

Below are few businesses use cases that can be built once we provision this core BI layer and capability:

- Real time C&C (Command and control centre)
- Data driven service management and advanced dashboarding
- Reliable data layer ensuring reliable analytics and prediction
- Proactive SOP/SLA management based on data trends etc.
- Direct accelerator analytics and push insights for sales, operations optimization etc

We have finalized TIBCO EBX Platform for MDM and TIBCO Spotfire for BI & Reporting

**Datalake2.0:**

Establishing and setting up of Enterprise Datalake at the group level as central storage repository that holds a large amount of data in its native, raw format. Data lake stores are optimized for scaling to terabytes and petabytes of data. The data typically comes from multiple heterogeneous sources, and may be structured, semi-structured, or unstructured. The idea with a data lake is to store everything in its original, untransformed state.

The following are key data lake use cases:

- Cloud and IoT data movement
- Big data processing
- Advanced Analytics
- Intelligent Reporting
- On-premises data movement

The following are some of the Datalake 2.0 projects that will be executed in 2023.

- Revenue Assurance Project
- GATI Finance Transformation
- Finance Dashboard Phase 2 – 30+ Reports
- Migration of Datalake1.0 projects
  - Yield Management
  - ECU Sales
  - CFS Dashboard
  - Drone FT Phase-I reports (13)

- Migration of other projects
  - Live Container
  - Direct Cost
  - Direct Revenue
  - QlikView Dashboard

**(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

The Company has not imported any technology during the period of last three years.

**(iii) The expenditure incurred on Research and Development:**

The Company being an integrated logistics service provider, there is no expenditure incurred on research and development during the year under review.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

(₹ In Lakhs)

Sr. No.	Particulars	FY2022-23	FY2021-22
1	Foreign Exchange Earned	<b>13,998</b>	79,197
2	Foreign Exchange Outgo	<b>5,909</b>	95,366

**For and on behalf of the Board of Directors**

**Sd/-**

**Shashi Kiran Shetty**

Founder & Executive Chairman

DIN:00012754

Place: Mumbai  
Date: May 30, 2023

# MANAGEMENT DISCUSSION AND ANALYSIS

## Global Economy Overview

Global economic growth in 2022 slowed down to 3.2 percent after recording a 6.0 percent growth in 2021. The degrowth was marked by high inflation, Russia Ukraine conflict, disruption in food and energy markets, and continued instances of Covid-19 pandemic. In 2022, Central banks around the World raised interest rates in quick succession to tame inflation. US Fed effected the largest cumulative rate hike in any year since 1980. On the positive front, supply chain bottlenecks started easing in 2022 due to reduced backlogs and better delivery times.

The pressure from these shocks is likely to continue in 2023 with IMF predicting the global growth to slow down to 2.7 percent in 2023, though Central banks are likely to ease interest rate tightening. Accordingly, global inflation should decrease, although more slowly than initially anticipated, from 8.7 percent in 2022 to 7.0 percent in 2023 and 4.9 percent in 2024. While expectations of a soft-landing form the base case outlook but overall uncertainty remains high. Stickiness of inflation and impact of high rates are becoming apparent resulting in pressure on the banking sector. In this backdrop, the emerging markets, though not immune to spill over effects, are likely to grow better as developed economies face the direct brunt of a slowdown.

International trade flows are projected to further weaken in 2023. The baseline scenario projects that volume growth of global trade in goods and services will nearly stagnate in 2023, as per United Nations World Economic Situation and Prospects (WESP) 2023. This is further exacerbated by unresolved trade tensions between the US and China. However, China's growth pick-up in 2023, after lifting of lockdowns early in the year, remains a silver lining for the global trade. Global shipping rates have largely normalised after falling significantly from their record highs.

Weakness in global trade will provide greater consolidation opportunities benefitting larger players like Allcargo. Introduction of newer trade lanes, digitalisation initiatives, and better yield management will help Allcargo emerge stronger from the slowdown as we continue our journey to gain market share and explore business opportunities.

(Source: <https://www.imf.org/en/Publications/WEO>, [https://www.un.org/development/desa/dpad/document\\_gem/global-economic-monitoring-unit/world-economic-situation-and-prospects-wesp-report/](https://www.un.org/development/desa/dpad/document_gem/global-economic-monitoring-unit/world-economic-situation-and-prospects-wesp-report/))

## Indian Economy Overview

Amidst uncertain global economic outlook, Indian economy exhibited signs of resilience. Strong economic growth helped India overcome the UK to become the fifth-largest economy after it recovered from COVID-19 pandemic shock. India's real GDP recorded a growth of 7.2 percent in FY 2022-23, stronger than RBI's expectation of 7 percent. Currently available forecasts of India's real GDP growth for 2023-24, including those of the RBI, broadly settle between 6.0 and 6.5 per cent, this contrasts with Global GDP growth projection of 3 percent. India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. In US dollar terms, India's per capita GDP has crossed USD 2,450 which represents a stride towards becoming a middle-income economy. The Government announced Foreign

Trade Policy (FTP) 2023 in March. It aims at reducing transaction costs and encourage ease of doing business through process re-engineering and automation.

Overall aggregate demand conditions remain resilient for the country. Government's thrust on the infrastructure and revival of corporate investments in select sectors augur well for the economy. Investment activity in India is exhibiting buoyancy on the back of strong composite Purchasing Managers Indices (PMI) readings. Merchandise exports have risen by 6 percent in FY 2022-23 to all time high of USD 447.5 billion and services exports remain strong. Overall, merchandise imports also reached an all-time high of USD 714.2 billion in FY23, increasing by 16.5 per cent y-o-y. E-way bill volumes and toll collections remained strong, reaching new highs in March 2023. RBI's monetary policy measures have resulted in headline CPI inflation declining from 7.8 percent in April 2022 to 5.7 percent in March 2023 with further easing expected during the year. However, weak global macroeconomic scenario is impacting India as well with Indian Q1FY24 merchandise exports down 15 percent to USD 103 billion as compared to USD 121 billion in Q1FY23.

The Union Budget 2023-24 aimed at strengthening India's economic status in the 75<sup>th</sup> year of India's independence. Seven priorities adopted in the budget included inclusive development, reaching the last mile, infrastructure & investment, unleashing the potential, green growth, youth power and financial sector. RBI expects India's real GDP to grow at 6.5 percent during the financial year 2023-24, on the back of resilient economic activity and evenly balanced risks. Globally, geopolitical issues, high inflation, and tight monetary policy conditions will continue to have a negative impact on the growth. Despite global challenges, India will continue to grow and remain resilient against external shocks. India is set to benefit from government's thrust on infrastructure, capital expenditure, and increased credit growth. Apart from government expenditure, improving sentiments from private sector and better capacity utilisation also hold the key to India's economic growth. CPI inflation is projected at 5.1 percent for 2023-24.

(Source: IMF World Economic Outlook April 2023, RBI State of the Economy Bulletin - April and June 2023, Union Budget 2023-24, [pib.gov.in](http://pib.gov.in))

## Global Logistics Sector

The global shipping sector remained volatile during the year with significant softening of freight rates. The diminishing tailwinds were driven by supply chain normalisation, geopolitical uncertainty, continued incidents of Covid-19 pandemic, and high inflation. Shipping Lines have witnessed softening demand during the year and will likely see further drop in profitability as contracts are renewed at lower rates. They now expect a bounce back on trade activity in the second half of 2023. Freight rates appear to have normalised paving way for more predictable shipping rates and therefore, more stable supply chains going forward.

Key trends shaping the sector include 1) Need for stable supply chains, 2) Protectionism and Friend-shoring, 3) Rising e-commerce, and 4) Digitalisation. Global geopolitical tensions have led to an emerging trend of 'friend-shoring' wherein investments, manufacturing links and facilities are moved to countries that are deemed to be 'friendly'. Higher base and

inventory levels saw a muted H2FY23 for global logistics industry. However, e-commerce activity remained strong compared to pre-pandemic levels, despite elevated inflation. Global e-commerce logistics market is expected to grow by 7.9% in 2023.

Global freight forwarding industry is fragmented with top 15-20 players occupying 35-40% market share followed by lot of small regional players with insignificant market share. High competitive intensity leads to a competitive pricing landscape. Players with established networks, digitalisation, operational expertise, and vendor relationships stand to gain in the current backdrop.

(Source: <https://www.ajot.com/news/global-e-commerce-logistics-market-to-grow-7.9-in-2023>, <https://www.ajot.com/news/article/supply-chain-professionals-sound-alarm-on-recession-ggeopolitical-tensions-and-cost-pressures-in-h2-2023>)

## Indian Logistics Sector

India, a favoured investment destination and among fastest growing economies, is poised to be one of the top three economies and a global manufacturing hub in this decade. Logistics play a pivotal role in powering the growth in EXIM and domestic trade. The Indian logistics sector is pegged to grow at a rate of 10-12 percent, to USD 380 billion by financial year 2025. India's logistics cost is in the range of 12- 14 percent of GDP which is high as compared to developed economies that typically range 7-8 percent. The Government has taken initiatives that will help reduce the logistics cost to below 10 percent of GDP. These initiatives are in the areas of improving infrastructure, helping boost manufacturing, providing a digital landscape, and effective policymaking. India improved its logistics ranking of the World Bank to Rank 38, moving up by six places.

In September 2022, the Prime Minister launched the National Logistics Policy (NLP) which acts as a guiding document for States / UTs seeking to formulate logistics policy (19 States / UTs have notified their logistics policy). The National Logistics Policy has outlined the ambition and roadmap for the Indian logistics sector. The policy is centred around upgradation and digitisation of logistics infrastructure & services. Further, with focus on bringing efficiency in services (processes, digital systems, regulatory framework) and human resources, the policy puts marked emphasis on streamlining processes for seamless coordination, and reduction in overall logistics cost, besides incentivising employment generation and skilling of the workforce. NLP also lays emphasis on the shift towards more energy-efficient modes of transportation and greener fuels to reduce the carbon footprint.

Government's thrust on achieving best-in-class logistics costs and improving trade flows is led by flagship programmes like Make in India, PM Gati Shakti, Dedicated Freight Corridors (DFC), and Production Linked Incentive (PLI) schemes. Additionally, emergence of e-commerce provides a strong growth outlook for the sector. Significant opportunities emerge in the logistics value chain – Container trade, Transportation, Express Delivery, Warehousing, Processing, and Distribution.

Recognising the logistics sector as one of the seven engines of growth in the Indian economy, latest Budget allocated ₹1.4 lakh crore for the development of the railway infrastructure, while ₹20,000 crore were granted to expand the national highway network by 25,000 km. This focus on implementation of infrastructure development initiatives will strengthen the multimodal supply chain network and enable the logistics industry to operate at its optimum efficiency.

Industry preferences are shifting towards integrated supply-chain services and other sophisticated solutions such as inventory optimisation and data analytics from isolated offerings such as transportation or warehousing. The logistics outlook remains robust with government-led reforms, changing industry preferences and newer business segments (e-commerce, network services) with some softness expected in H1FY24, reflecting weak global macroeconomic scenario and related impact on demand.

(Source: [pib.gov.in](http://pib.gov.in), Union Budget 2023-24, IBEF, [pmindia.gov.in](http://pmindia.gov.in), Niti Ayog, World Bank)

## About Allcargo Logistics

Having commenced operations in 1994, Allcargo Logistics takes pride in being among the leading Indian Multinational Companies today. The organisation has been providing seamless, end-to-end logistics solutions to its customers, for over two and a half decades. The mission is to create a sustainable, well governed, and market-leading logistics business worldwide, with digitalisation at its core. Allcargo, along with its subsidiaries, offers a wide range of services like International Supply Chain which includes Less than Container Load (LCL) and Full Container Load (FCL), air freight, trucking, and door-to-door services, globally. On the domestic front, the organisation offers services across express logistics, contract logistics, and supply chain management. Through this gamut of offerings, Allcargo has laid out a single window to offer customised logistical solutions to its Indian and Global customers.

The organisational strategy is focused on creating market leadership in respective business segments. Through ECU Worldwide, its wholly owned global subsidiary, Allcargo operates one of the world's largest and most complex LCL consolidation network, with more than 300 offices across 180 countries. Within this niche segment, ECU Worldwide commands the largest market share of 15%. The strategic acquisition and turnaround of Gati has resulted into the organisation maintaining its market leadership in the B2B surface express distribution space. Gati manages one of the industry's widest supply chain networks, covering 99 per cent of Government of India approved PIN Codes. Allcargo Supply Chain, wholly owned subsidiary, helps spearhead efforts in the Contract Logistics space with leadership in solutions for the chemicals sector and increasing focus in other sectors.

The Company has de-merged into three entities through a mirror demerger:

- Allcargo Logistics Limited – focusing on International Supply Chain (LCL and FCL operations), Express Logistics through its subsidiary Gati, and Contract Logistics through its subsidiary Allcargo Supply Chain.
- Allcargo Terminals Limited – focusing on the CFS and ICD business of the Group.
- TransIndia Real Estate Limited – housing a portfolio of high yielding rental assets including the Logistics Park. Recently, the business has also initiated plans to diversify the crane rental business which was non-core to its operations.

The rationale behind the demerger is to help the company accelerate growth by creating independent business undertakings. The demerger leads to strategic independence for each entity and allows operational and financial flexibility to drive growth. The Company also refreshed its visual identity to showcase the organisation's transformation and progress in shaping the future of global and domestic supply chains.

In June 2023, the Company bought 30% stake in Gati KWE from KWE (Kintetsu World Express) for an aggregate consideration of ₹406 cr. The Company also bought the remaining 38.87% stake in the JV ACCI for a consideration of ₹145 cr, with this development, the contract logistics business is now completely owned under the subsidiary Allcargo Supply Chain Private Limited. At the same time, Allcargo sold its 61.13% stake in the custom clearance business thereby fully exiting this non-core business.

In December 2022, Allcargo subsidiary ECU Worldwide acquired 75 percent stake in Fair Trade GmbH, for a consideration of EUR 12 million, with existing promoters holding the remaining 25 percent of the stake. The acquisition expands and strengthens the service network of ECU Worldwide in strategically important market of Germany with sizeable volumes.

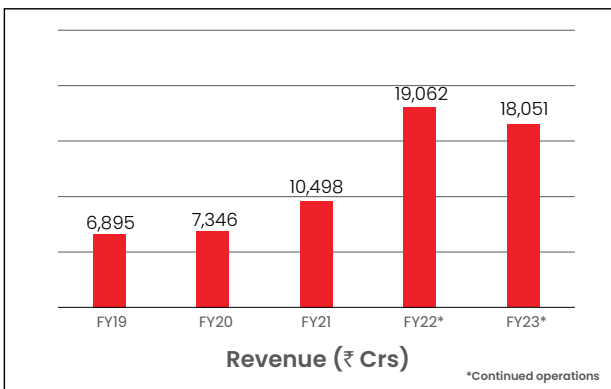
**ESG Overview**

Our ESG initiatives are driven by our purpose of Helping global supply chains, while caring for sustainability and prioritising our efforts to reduce carbon emissions. The Company aims to be carbon neutral by 2040. In its endeavours, the Company planted more than 8,60,000 trees and aims to plant a million by 2023. Allcargo also supports inclusive social welfare programmes in Health, Education, Environment, Women’s Empowerment, Sports, and Disaster Relief. The Company adheres to high standards of corporate governance, creating an enabling business environment and ecosystem. It has ISO 31000 certified framework for risk management and ISO 27001 for information security.

**Consolidated Financial Overview**

Allcargo delivered a strong financial performance despite macroeconomic headwinds. The year was marked with supply chain normalisation, softening of freight rates, geopolitical uncertainty, high interest rate environment on the international front while the domestic scenario remained healthy. Resilient business performance over the last year has enabled the Company to reduce debt and reach a net cash position of ₹604 Cr in financial year 2023.

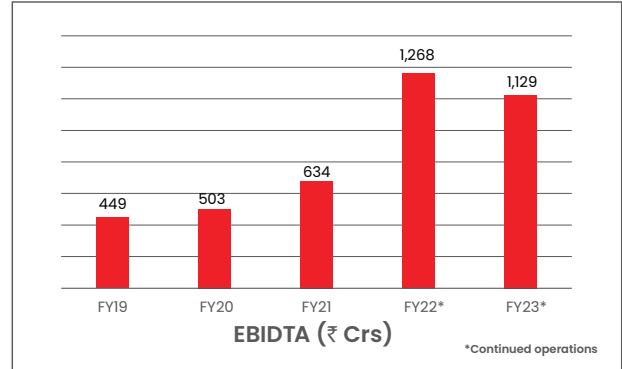
Revenue for the year declined 5.3% YoY from ₹19,062 Cr in financial year 2022 to ₹18,051 Cr in financial year 2023. However, the Gross Profit over same period increased 7.7% from ₹3,476 Cr to ₹3,744 Cr. Decline in revenue is largely on account of ocean freight rate decline, which is mostly a pass through in LCL business and hence a similar decline in operating expenses is also visible, barring impact on FCL business and investments in new trade lanes, which would be loss making initially. LCL yield has remained almost same from April 2022 to March 2023, despite significant reduction in Ocean Freight during the period.



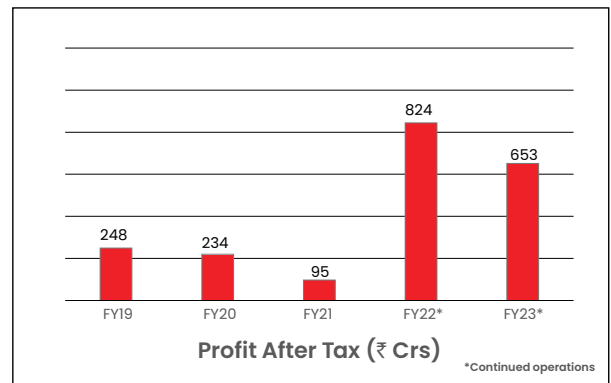
The total (FCL + LCL) business volumes stood at 9,665 TEUs for the year ended March 31, 2023, as against 9,520 TEUs for the

corresponding previous period, registering an increase of 1.5 percent. Express business volumes increased from 966 kt in financial year 2022 to 1,133 kt in financial year 2023, an increase of 17%.

EBITDA for the financial year 2023 was ₹1,129 Cr as compared to ₹1,268 cr in the previous year.



Reported profit was ₹653 Cr as compared to ₹824 Cr (continued operations) in the previous year.



The company intends to revive profitability in international supply chain business by increasing volumes and reducing SG&A. Yields are expected to remain rangebound with short term decline driven by competitive pressure and bounce back with improved operating parameters including utilisation and share of 40 feet containers. Company will aim to offset Gross Profit impact on account of FCL, which contributes to 30% of the total, by way of volume growth once trade environment is normalised. The express business operations are now best in industry and with mega hubs in place, the management expects revenue and margins to gradually expand.

**Allcargo Logistics Limited**

**Global Container Trade Overview**

Ocean freight rates oscillated dramatically between January 2019 and March 2023. The year 2021 saw an especially steep increase in global freight rates, with World Container Composite Index reaching a record of 10,000+ in September 2021. Driven by post Covid normalisation of the supply chains and associated inventory levels, notwithstanding the weakness in overall demand, the freight rate index has dropped by ~80% from the peak (September 2021) to March 2023, subsequently reaching pre-Covid levels. Global exports saw an increase of 2.6% in 2022 over 2021, this was impacted by health restrictions in China in the wake of frequent Covid breakouts.



Shipping Lines have witnessed softening demand during the year and will likely see further drop in profitability as contracts are renewed at lower rates. However, freight rates appear to have normalised paving way for more predictable shipping rates and therefore, more stable supply chains going forward. As a result of falling spot rates, container lines have started actively managing capacity by slow-steaming and bringing in blank sailings (cancelling a scheduled port call or voyage). The average fleet speed for both large and medium containerhips has decreased by about 10 percent compared with previous highs in 2021. Reducing speed virtually adjusts the supply of containerhips to decrease while also reducing bunker fuel costs.

(Source: <https://www.statista.com/statistics/1250636/global-container-freight-index/>,

<https://www.refinitiv.com/perspectives/market-insights/why-has-the-container-shipping-boom-waned/>, Industry Reports)

### International Supply Chain Business Overview

International Supply Chain includes the movement of cargo, domestically or internationally through multiple modes of transportation like air, ocean, road, and rail. This service includes Non-Vessel Owning Common Carrier (NVOCC) operations related to Less than Container Load (LCL) consolidation, Full Container Load (FCL) forwarding and related services. International Supply Chain business is aggregation/consolidation of cargo in shipping vessels. LCL players like Allcargo book the container berths with the shipping companies on a regular basis and in turn resell the space in smaller quantity (less than container load) to the consumers at better rates. This is a win-win for both as consumers save the cost of hiring the full container and LCL player can resell the space at favourable rates.

Allcargo is a global leader in LCL consolidation and operates the largest global LCL network with 15% market share. The Company operates across 2,500 direct trade lanes and 4,000 Port pairing.

LCL business accounts for ~6-8 percent of the overall global shipping trade volumes. The balance ~92% is FCL, which is addressed by large freight forwarders. Global cargo traffic volumes have been growing at an average rate of ~3 percent for the past decade. However, Allcargo has been growing at rate which is higher by 2-3x of the global cargo growth rate. This significant outperformance was driven by strong growth in the LCL segment led by organic and inorganic initiatives.

The Company has been at forefront of digital developments and offers a unique combination of traditional strengths with excellent network and modern technology through ECU 360 platform. Close to 60 percent of ECU worldwide bookings are being done through the ECU 360 platform. Complementing digitalisation are company's efforts towards yield management and trade lane management.

### International Supply Chain Financial Overview

The consolidated (FCL + LCL) business volumes stood at 9,665 TEUs for the year ended March 31, 2023, as against 9,520 TEUs for the corresponding previous period, registering an increase of 1.5 percent. Within this, LCL volumes remained flat YoY at 9.05 mn cbm and FCL volumes grew by 1.8 percent YoY to 604.5 thousand TEUs.

Total revenue for the year ended March 31, 2023, was ₹16,333 crore, as against ₹17,642 crore for the corresponding previous

period. EBIT was ₹875 crore for the year ended March 31, 2023, as against ₹1,187 crore for the corresponding previous period.

### Express Distribution Business Overview

Allcargo operates its express distribution division through its wholly owned subsidiary Gati Ltd. Gati, incorporated in 1989, is one of India's oldest and leading express logistics players. The company boasts of a strong network and reach that covers about 99% of government of India approved pin codes. Gati is predominantly a multimodal express logistics player that provides end-to-end solutions to its clients. Services provided by Gati include express distribution, air freight and supply chain management. Gati also provides special services like student express, bike express, art express and Laabh. Gati, being one of the oldest express logistics players, has a strong and longstanding relationship with marquee clients.

Post its acquisition by Allcargo Logistics in 2020, Gati embarked on a road to transformation where the company restructured its balance sheet, improved its governance structure, reduced its debt, and moved on to the next phase of transformational growth Gati 2.0. Under Gati 2.0 the company laid down five pillars of growth that are a) digitisation, b) sales acceleration, c) infrastructure, d) streamlining operations and e) talent pool. The company has carved out a path to profitable growth based on these pillars and is well on its way to achieving the same.

During the year, Allcargo Logistics announced its plan to acquire a 30% stake from KWE in GKEPL, a subsidiary housing the express business. The acquisition is a part of a well-planned strategy by Allcargo that involves further investment in the express business. Allcargo acquired the 30% stake from KWE in June 2023 for a consideration of ₹406 crores. The agreement was mutually agreed upon by both Allcargo and KWE. The strategic collaboration with Allcargo allows Gati to leverage its global network and allows opportunities to cross sell its products.

With Gati 2.0 the management continues its path to achieve sustainable profitability. The management continues to walk on the pillars of growth it had laid out with more vigor. Out of the mentioned pillars, Talent Acquisition of top management, which is a key differentiator between organisations, has been undertaken and the Company is now being driven by seasoned professionals. Significant reinforcement has been made at mid-level as well. Right talent enables a right approach, well directed strategy execution, and ensure future readiness.

### Express Distribution Financial Overview

The total revenue for the year ended March 31, 2023, was ₹1,723 crore as against ₹1,490 crore for the corresponding previous period, an increase of 16%. Express business volumes increased from 966 kt in financial year 2022 to 1,133 kt in financial year 2023, an increase of 17%.

EBIT losses narrowed to ₹24 crore for the year ended March 31, 2023, compared to ₹32 crore for the corresponding previous period.

### Allcargo Supply Chain (Contract Logistics) Overview

For financial year 2023, the contract logistics business appears as a Joint Venture of the Company with CCI; however, effective 17 May 2023, it is now a wholly owned subsidiary of the Company. Allcargo Logistics provided contract logistics services through its

Group Company Avvashya CCI (ACCI-CL). Avvashya CCI was a joint venture between Allcargo and CCI Logistics, where Allcargo held 61% and CCI held 38%.

In May 2023, the Company bought the remaining 38.87% stake in the JV ACCI for a consideration of ₹163 cr, with this development, the contract logistics business is now completely owned under the subsidiary Allcargo Supply Chain Private Limited. At the same time, Allcargo sold its 61.13% stake in the custom clearance business under ACCI for ₹39 crores, thereby fully exiting this non-core business.

Post the successful execution of the transaction, the contract logistics business is housed under a wholly owned subsidiary Allcargo Supply Chain Private Limited. This strategic decision would provide greater control over the operations with a well-

focussed strategy. This will also create room to explore potential synergies between the contract logistics and express distribution business going forward.

The contract logistics business includes end- to-end logistics services – warehousing, transportation, payments and inventory management. Allcargo Supply Chain offers 3-PL and warehousing solutions enabled with customised services for its customers spread across diverse industries. Through its extensive and wide network, the organisation can provide unmatched reach backed by its expertise to cater to customised and specific requirements. The contract logistics business is market leader in chemical warehousing and is rapidly growing in other segments like pharma, auto, retail and e-commerce. It has over 50 warehouses across 45 locations in India and manages over 5 million sqft. of built-up warehousing space.

## Key Financial Ratios

Ratios	Consolidated		
	March 31, 2023	March 31, 2022*	Variation (%)
Net Debt - Equity ratio (Refer Note a)	<b>(0.28)</b>	0.32	-186%
Net Debt / EBIDTA (Refer Note a)	<b>(0.63)</b>	0.74	-185%
Debtors Turnover ratio (in days)	<b>52</b>	49	6%
Interest Coverage ratio	<b>12.51</b>	11.04	13%
Current ratio	<b>1.33</b>	1.14	17%
Operating Profit Margin (Refer Note b)	<b>6.62%</b>	7.55%	-12%
Net profit ratio (Refer Note b)	<b>3.40%</b>	4.48%	-24%
Return on Average Net Worth (Refer Note b)	<b>19%</b>	29%	-37%

\* March 31, 2022 is including Continuing and Discontinuing business as reported in previous year annual report

- a) Reduction in Net Debt during the year ended March 31, 2023, due to increase in cash, bank balances and current investments. Net debt has become negative on March 31, 2023
- b) Consequent to demerger, there is a reduction in profitability due to CFS, Equipment hiring & Logistics Park business moving out of Allcargo Ltd. and reduction in profitability of International Supply Chain business.

# CORPORATE GOVERNANCE REPORT

## PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's aim is to set new benchmarks and be the leader in all the segments of the business in which it operates. The Company has standardized its vision and mission across to reflect the ethos for which the Company stands for i.e. to become a global leader in the business and be known for pioneering solutions in logistics, worldwide by demonstrating world class expertise and customer centricity services through our ingenuity and technology.

With the objective to achieve this mission, the Company has been consistently following good governance practices with emphasis on business ethics and values. Trust, Integrity, Accountability, Team-spirit, Leadership, Passion for Excellence, Respect for Individual & Environment, Transparency and Openness are the core values and cornerstones on which the Company's Corporate Governance philosophy rests. Good Corporate Governance is imperative for enhancing and retaining investors trust. The Company always seeks to ensure that its performance objectives meet the Company's Governance standards.

The Company is of the view that good governance goes beyond good working results and financial propriety and is a pre-requisite to the attainment of excellent performance in terms of stakeholders value creation. The Company believes that Corporate Governance is an ethically driven business process which is committed to values, aimed at enhancing an organization's brand and reputation. Hence, it is imperative to establish, adopt and follow best corporate governance practices, thereby facilitating effective management and carrying out our business by setting principles, benchmarks and systems to be followed by the Board of Directors (the "**Board**"), Management and all Employees in their dealings with Customers, Stakeholders and Society at large.

The Company always endeavours to be proactive in voluntarily adopting good governance practices and laying down ethical business standards, both internally as well as externally. The objective of the Company is not only to achieve excellence in Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance but also to improve on these aspects on an ongoing basis with a continuous attempt to innovate in adoption of best business practices.

The Company is compliant with the provisions of the Corporate Governance, as applicable and principles set out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended from time to time.

## BOARD

It is well-recognized that an effective Board is a pre-requisite for strong and effective Corporate Governance. With the belief

that an active, well informed, truly diverse and independent Board is necessary to ensure the highest standards of Corporate Governance. The Company has a fundamentally strong Board with an optimum mix of Executive and Non-Executive Directors including Women Directors. More than 50% (fifty percent) of the Board are Non-Executive Directors and half of the Board comprises of the Independent Directors in the Company.

The Board consists of eminent individuals with considerable professional expertise and experience in finance, legal, compliance, commercial, strategy & planning, business administration, corporate sustainability and other related fields, who not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board. The Board's roles, functions, responsibilities and accountability are clearly defined. The day-to-day management of the Company is entrusted with the Senior Management Personnel of the Company and is headed by the Founder & Executive Chairman and the Managing Director, who are functioning under the overall supervision, direction and control of the Board.

As on March 31, 2023, the Board comprised of 10 (Ten) Directors, of which 5 (Five) are Non-Executive Independent Directors, including 1 (One) Woman Independent Director, 3 (Three) Non-Executive Non-Independent Director including 1 (One) Woman Non-Executive Non-Independent Director and 2 (Two) Executive Directors. Nine Directors of the Company are resident Directors and one Non-Executive Independent Director is a Foreign national. The Board believes that its current composition is appropriate to maintain independence at the Board level and separate its functions of governance with the management.

The composition of the Board is in conformity with the provisions of the Companies Act, 2013 (the "Act") as amended from time to time and the Listing Regulations.

None of the Directors on the Board is a Director including Independent Director in more than 7 (seven) listed companies. None of the Directors on the Board of the Company hold directorship in more than 20 (twenty) companies, including 10 (ten) public companies pursuant to the provisions of the Act. All the Directors have confirmed that they do not hold membership of more than 10 (ten) and do not act as Chairman/ Chairperson of more than 5 (five) Audit and Stakeholders Relationship Committees across all public companies in which they are Directors, pursuant to the Regulation 26 of the Listing Regulations.

The maximum tenure of the Independent Directors is in compliance with the provisions of the Act. The terms and conditions of the appointment of the Independent Directors are hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

The composition of the Board, the number of directorship(s) (including the Company) and the committee chairmanship(s)/ membership(s) held by them in all public companies, their attendance at 29<sup>th</sup> Annual General Meeting (the “AGM”) and at the Board meetings held during the year under review and their shareholding as on March 31, 2023 are as given below:

Name of the Director and Director Identification Number (DIN)	Category of the Director	No. of Board Meetings Attended	Attendance at the 29 <sup>th</sup> AGM held on September 20, 2022	Directorship(s) <sup>(a)</sup>	Committee positions <sup>(b)</sup>		No. of Equity Shares held in the Company as on March 31, 2023 <sup>(c)</sup>
					Chairman	Member	
Shashi Kiran Shetty (DIN: 00012754)	Promoter, Executive Director (Founder & Executive Chairman)	9	Yes	14	-	1	15,22,41,341
Adarsh Hegde (DIN:00035040)	Promoter, Executive Director (Managing Director)	8	Yes	12	-	1	45,45,500
Arathi Shetty (DIN:00088374)	Promoter, Non-Executive Director	8	Yes	16	-	-	73,51,353
Kaiwan Kalyaniwalla (DIN: 00060776)	Non-Executive Non-Independent Director	9	Yes	8	-	3	1,49,250
Parthasarathy Vankipuram Srinivasa <sup>(d)</sup> (DIN: 00125299)	Non-Executive, Non-Independent Director	9	Yes	7	2	4	-
Mohinder Pal Bansal (DIN: 01626343)	Non-Executive Independent Director	8	Yes	7	1	1	-
Cynthia Dsouza <sup>(e)</sup> (DIN:00420046)	Non-Executive, Independent Director	1	NA	3	NA	NA	-
Martin Müller <sup>(f)</sup> (DIN:09117683)	Non-Executive Independent Director	8	Yes	2	-	1	-
Mahendra Kumar Chouhan <sup>(g)</sup> (DIN:00187253)	Non-Executive Independent Director	9	Yes	4	1	-	-
Radha Ahluwalia <sup>(g)</sup> (DIN:00936412)	Non-Executive Independent Director	7	Yes	3	1	1	-
Nilesh Vikamsey <sup>(h)</sup> (DIN:00031213)	Non-Executive Independent Director	4	Yes	10	5	5	-

**Notes:**

(a) Excludes directorships in foreign companies, Section 8 companies and alternate directorships. In respect of Directors, the Company has relied on the disclosures received from the respective Directors under Section 184 of the Act, for classification of companies as private or public.

(b) Includes only Audit and Stakeholders Relationship Committees in accordance with Regulation 26 of the Listing Regulations.

(c) Holding jointly as first holder with spouse

(d) Appointed as a Non-Executive Director w.e.f. April 21, 2022

(e) Ceased to be a Non-Executive Independent Director w.e.f. June 29, 2022.

(f) Re-appointed as a Non-Executive Independent Director of the Company w.e.f. March 31, 2023 vide special resolution passed through postal ballot on March 25, 2023

(g) Appointed as Non-Executive Independent Directors w.e.f. February 11, 2022 vide special resolutions through postal ballot on April 21, 2022.

(h) Appointed as an Additional Non-Executive Independent Director of the Company w.e.f. June 30, 2022 and his appointment was approved by the Members vide special resolution passed at the 29th AGM of the Company held on September 20, 2022.

During the year under review, 9 (nine) meetings of the Board were held on May 20, 2022; May 26, 2022; June 23, 2022; August 02, 2022; August 10, 2022; November 09, 2022; February 13, 2023; March 06, 2023 and March 31, 2023. The requisite quorum was present at all the meetings.

**As on March 31, 2023, Directors of the Company were also holding position in other listed entities as per following details:**

Name of the Director	Name of Listed entity(ies) in which he/she is a Director	Category of the Director
Shashi Kiran Shetty	Gati Limited	Chairman & Managing Director
Kaiwan Kalyaniwalla	Gati Limited	Non-Executive Independent Director
Mahendra Kumar Chouhan	Nesco Limited	Non-Executive Independent Director
Nilesh Vikamsey	1. PNB Housing Finance Limited 2. 360 One WAM Limited 3. Thejo Engineering Limited 4. IIFL Finance Limited 5. GATI Limited 6. Thomas Cook (India) Limited	Non-Executive Independent Director
Parthasarathy Vankipuram Srinivasa	Life Insurance Corporation of India	Non-Executive Non- Independent Director

Except Mr Shashi Kiran Shetty, Mrs Arathi Shetty and Mr Adarsh Hegde, no other Directors are related to each other.

The Board meets at least once in every calendar quarter and 4 (four) times in a year with a maximum time gap of not more than one hundred and twenty days between two consecutive meetings. Dates for the Board meetings are decided well in advance and communicated to the Directors. In case of exigencies or urgency of matters, resolutions are passed by circulation, for such matters as permitted by law. The Board takes note of the resolutions passed by circulation at its subsequent meeting. Additional meetings of the Board are held as and when deemed necessary.

The Founder & Executive Chairman and the Managing Director apprise the Board at the meeting about the overall performance of the Company, followed by presentations on business operations on a regular basis. Chief Executive Officers and Heads of Department of Finance and Business units are normally invited at the Board/ Committee meetings to provide necessary insights into the performance of the Company and for discussing corporate strategies.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board *inter-alia* reviews the strategies, business plans, annual operating and capital expenditure budgets, investments and exposure limits, compliance report of all laws applicable to the Company, investors relations, review of major legal matters, minutes of the meetings of the Board of the subsidiary companies, significant transactions and arrangements of unlisted subsidiary companies, adoption of quarterly/half yearly/annual results of the Company, its operating divisions and business segment, major accounting provisions and write offs, corporate structuring, minutes of the committees, details of any acquisition, joint venture or collaboration agreements, sale of material nature of investments, subsidiaries, assets, transactions that involves substantial payments towards goodwill, brand equity or intellectual property, developments in Human Resources/Industrial Relations. The important decisions taken at the Board/Committee meetings are communicated to the concerned business verticals/departments promptly for their immediate action. Action Taken Report on the decisions taken/suggestions made at previous meetings are placed at the subsequent meeting of the Board/ Committee for its review. The Board and Committees are responsible for corporate strategy, planning, external contracts and related matters. The Senior Management Personnel heading respective divisions are responsible for day-to-day operations of their divisions.

For optimal utilization of the time of the Directors, the Company provides the video conferencing facility as permitted under Section 173(2) of the Act read with Rules framed thereunder.

#### **BOARD EFFECTIVENESS EVALUATION:**

Pursuant to the provisions of the Act and the Listing Regulations, performance evaluation of the Board, its Committees and individual Directors, including the role of the Chairman of the Board was conducted during the year. For details pertaining to the same, kindly refer to the Board's Report.

#### **APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS:**

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standards-2, brief profile and other details of the Director seeking appointment/re-appointment are given in the Notice convening the 30<sup>th</sup> AGM of the Company.

#### **FAMILIARISATION PROGRAMME:**

The Independent Directors of the Company are apprised about the Company through formal and informal ways, from time to time and as and when a new Independent Director is appointed on the Board. Periodic presentations are being made to them at the Board and its various Committee meetings to update on the Budget, Capital Expenditure, Business Plan (including that of Subsidiaries), Long term strategy and strategic priorities, Hedging operations & Forex, Presentation on the Goods and Services Tax, the Amendments in Company Law, Listing Regulations and SEBI Regulations, Corporate Governance and Business Responsibility Statement, Related Party Transactions, Transfer Pricing, Internal Control over Financial Reporting, Risk Assessment and Minimization Procedures and Internal Audit Plans, Update on Terms of Reference of Committees, Role of Audit Committee and Initiatives taken on Safety, Quality, CSR, Sustainability & HR etc. The vertical heads are invited at the meetings to update the Board/Committee about the Company's business and performance at regular intervals. Besides that the Independent Directors interact with the Company's senior management to get insight on the business developments, competition in the market, regulatory changes. Pursuant to Regulation 46 of the Listing Regulations, the details of the familiarization programme for the Directors are available on the Company's website <https://www.allcargologistics.com/investors/investorservices/>.

#### **SKILLS, EXPERTISE & COMPETENCIES OF THE BOARD OF DIRECTORS**

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The Board of Directors have identified the following core skills/ expertise/competencies of Directors as required in the context of the businesses and sectors of the Company for its effective functioning:

**TABLE OF SKILLS****1** Shashi Kiran Shetty**2** Arathi Shetty**3** Adarsh Hegde**4** Mohinder Pal Bansal**5** Nilesh Vikamsey\***6** Martin Müller**7** Parthasarathy Vankipuram Srinivasa<sup>§</sup>**8** Kaiwan Kalyaniwalla**9** Radha Ahluwalia**10** Mahendra Kumar Chouhan

\* Appointed w.e.f. June 30, 2022

§ Resigned w.e.f. June 30, 2023

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Detailed profile of the Directors is available on the Company's website at <https://www.allcargologistics.com/team>.**INDEPENDENT DIRECTORS:****Separate meeting of Independent Directors:**

During the year under review, Independent Directors meetings were held in accordance with the provisions of Section 149(8) read with Schedule IV of the Act, Regulations 25(3) and (4) of the Listing Regulations and Secretarial Standards, was convened on May 26, 2022, wherein all Independent Directors were present.

At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Founder & Executive Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- Such other regulatory matters etc.

The Non-Independent Directors and members of the management did not take part in the meeting.

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence

as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board based on the declarations received from the Independent Directors have verified the veracity of such disclosures. In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Listing Regulations and they are independent of the management.

In accordance with the provisions of Section 150 the Act read with the applicable Rules framed thereunder, the Independent Directors of the Company have registered themselves in the Independent Directors data bank maintained by the Indian Institute of Corporate Affairs ("IICA"). The Independent Directors, unless exempted, are required to pass an online proficiency self-assessment test conducted by IICA within two years from the date of their registration on IICA databank.

**CHANGES IN DIRECTORS DURING THE YEAR**

During the year under review, the below changes in Directors was carried out and the appointments made were based on the recommendations of the Governance and Nomination & Remuneration Committee:

- (i) Cynthia Dsouza (DIN: 00420046) ceased to be a Non-Executive Independent Director w.e.f. June 29, 2022 on account of completion of her tenure.
- (ii) Nilesh Vikamsey (DIN: 00031213), was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. June 30, 2022 and his appointment was approved by the Shareholder vide special resolutions passed at the 29<sup>th</sup> AGM of the Company held on September 20, 2022.
- (iii) Mahendra Kumar Chouhan (DIN: 00187253) and Radha Ahluwalia (DIN: 00936412) were appointed as Additional Non-Executive Independent Directors of the Company w.e.f. February 11, 2022 and their appointment was approved by the shareholders vide special resolutions passed through Postal Ballot dated April 21, 2022.
- (iv) Martin Müller was re-appointed as Non-Executive Independent Director of the Company for second term of 3 (Three) years vide Special Resolution passed through postal ballot on March 25, 2023.
- (v) Parthasarathy Vankipuram Srinivasa (DIN:00125299) was appointed as a Non-Executive Non-Independent Director of the Company by the Members vide Ordinary Resolution passed through Postal Ballot on April 21, 2022..

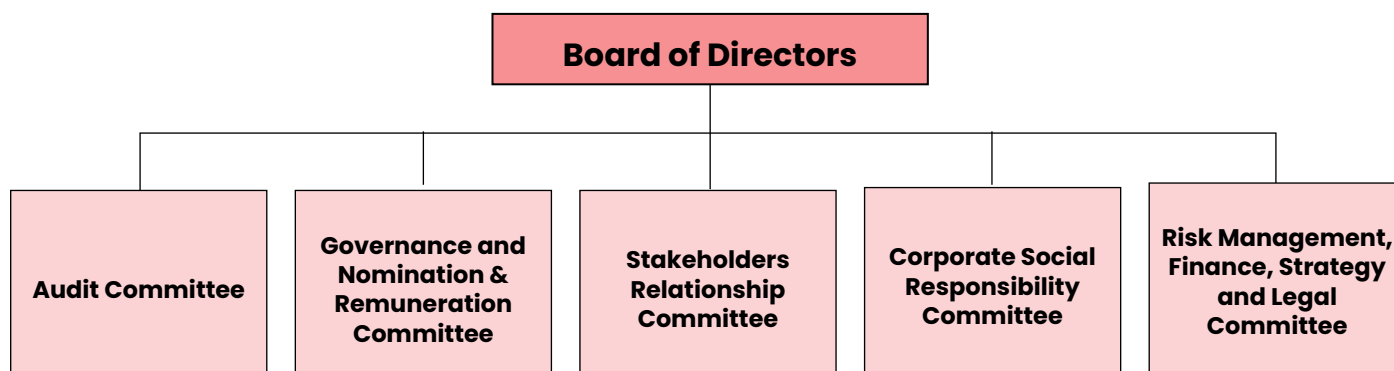
The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Act read with the Rules framed thereunder.

#### COMMITTEES OF THE BOARD

The Board has constituted various statutory and non-statutory committees comprising Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the various laws, statutes, rules and regulations applicable to the Company from time to time. The Committees also focuses on critical functions of the Company in order to ensure smooth and efficient business operations. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of these committees in line with the extant regulatory requirements. The Committee meets at regular intervals for deciding various matters and providing recommendation and authorizations to the management for its implementation. The draft minutes of the proceedings of each Committee meetings are circulated to the members of the respective Committees for their comments, if any, and thereafter confirmed and signed by the Chairperson of the respective Committees. The Board also takes note of the minutes of the meetings of the Committees and material recommendations/decisions of the Committees are placed before the Board for their approval and information.

The following Committees have been constituted by the Board from time to time and were in force during the year under review:.

The composition of the Committees is in accordance with the provisions of the Listing Regulations and the Companies Act, 2013.



#### AUDIT COMMITTEE:

As on March 31, 2023, the Audit Committee comprised of 5 (five) Directors of which 4 (four) are Independent Directors and 1 (one) Non-Executive Director of the Company. All the members are well versed with finance, accounts, corporate laws and general business practices. Mr Mohinder Pal Bansal, a Non-Executive Independent Director is the Chairman of the Committee. He is a qualified Chartered Accountant, possesses expertise in finance, administration and management. The composition, terms of reference, role and power of the Audit Committee are in line with Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act and Rules framed thereunder. The Committee acts as a link between the Statutory and Internal Auditors and the Board of the Company. The Company Secretary of the Company acts as Secretary to the Committee.

#### TERMS OF REFERENCE:

- i. Recommend the appointment, remuneration and terms of appointment of auditors of the Company.

- ii. Review and monitor the auditors' independence and performance and effectiveness of the audit process with the management.
- iii. Examine the financial statement and the auditors' report thereon.
- iv. Approve transactions of the Company with related parties (including omnibus approval) and any subsequent modification thereof.
- v. Review and approve the related party transactions referred to in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
- vi. Make recommendation to the Board, in case of transactions, other than transactions referred to in Section 188 of the Act entered with, other than Wholly Owned Subsidiary Company and where Committee does not approve the same.
- vii. Ratify the transactions for an amount as specified in Section 177 of the Act, entered into by a Director or Officer of the Company, if not, approved by the Audit Committee within three months from the date of the transaction.

- viii. Scrutinize inter-corporate loans and investments.
- ix. Valuation of undertakings or assets of the company, wherever it is necessary.
- x. Evaluate internal financial controls and risk management systems.
- xi. Review/monitor 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.
- xii. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of the financial statements before their submission to the Board and discuss any related issues with internal and statutory auditors and management of the Company.
- xiii. Act in accordance with the terms of reference specified in writing by the Board.
- xiv. Review with the management, the quarterly, half yearly and annual financial statements/results and Limited review report/auditor's report thereon (both standalone and consolidated) before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement under Section 134(3)(c) of the Act;
  - 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; and
  - g. Modified Opinion/Qualifications in the draft audit report.
- xv. Review 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.
- xvi. Discuss with internal auditors any significant findings and follow up there on.
- xvii. Review 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.
- xviii. Discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.
- xix. 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.
- xx. Review the functioning of the Whistle Blower mechanism/Vigil Mechanism.
- xxi. Approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xxii. Have 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.
- xxiii. Review of internal controls for financial reporting and review of significant changes in internal control over financial reporting.
- xxiv. Approve payment to statutory auditors for any other services rendered by the statutory auditors.
- xxv. Review utilization of loans and/or advances from/investment by the Company in the Subsidiary Company exceeding ₹100 crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/advance/investments.
- xxvi. Consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.
- xxvii. The Audit Committee shall mandatorily review:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - c. Internal audit reports relating to internal control weaknesses;
  - d. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and
  - e. Statement of Deviations: Quarterly, Annually including report of monitoring agency.
- xxviii. Review and note the Compliance Certificate furnished by CEO and CFO on annual and quarterly financial statements and cash flow statements on standalone and consolidated basis.
- xxix. Carry out any other function as is mentioned in the terms of reference of the Audit Committee.
- xxx. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
- xxxi. Review, investigate and recommend to the Board the complaints received under the Policy and Procedure for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.
- xxxii. Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- xxxiii. Review the Company's Financial Policies.



- xxxiv. Consider requests from Treasury for deviations from Investment Policy and amendments thereto.
- xxxv. Select, engage and approve fees for professional advisors/consultants that the Committee may require to carry out their duties.

**The composition of the Audit Committee and attendance at the meetings held during the year are as follows:**

During the year under review, 6 (six) meetings of the Committee were held on May 26, 2022; June 23, 2022; August 10, 2022; November 09, 2022; February 13, 2023 and March 06, 2023. The gap between two consecutive meetings of the Committee did not exceed one hundred and twenty days.

Name of the Member	Category	No. of Meetings attended
Mohinder Pal Bansal (Chairperson)	Non-Executive Independent Director	6
Martin Müller	Non-Executive Independent Director	5
Parthasarathy Vankipuram Srinivasa	Non- Executive Non-Independent Director	6
Radha Ahluwalia	Non- Executive Independent Director	4
Nilesh Vikamsey*	Non- Executive Independent Director	2

\* Appointed as a member w.e.f. December 05, 2022

Chief Executive Officers, representatives of the Statutory and Internal auditors are generally invited to attend the Meetings of the Committee. Chief Financial Officer (“CFO”) of the Company is a permanent invitee to the Committee Meetings. The Chief Assurance & Risk Executive (Internal Auditor) reports directly to the Audit Committee to ensure independence of the Internal Audit function. Mohinder Pal Bansal, the Chairperson of the Committee was present at the 29<sup>th</sup> AGM of the Company held on September 20, 2022.

M/s S R Batliboi & Associates LLP (“SRBA”), Chartered Accountants have carried out the Statutory Audit for FY2022-23.

Pursuant to the Code of Conduct for prevention of Insider Trading, the details of the dealing in the Company’s securities by the Designated Persons are placed before the Audit Committee on a quarterly basis.

**GOVERNANCE AND NOMINATION & REMUNERATION COMMITTEE:**

As on March 31, 2023, the Governance and Nomination & Remuneration Committee (“GNRC”) comprised of 3 (three) members of which 2 (two) are Non-Executive Independent Directors and 1 (one) Executive Director (Chairman) of the Company. The composition and role of the GNRC are in line with the Regulation 19 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act. The Company Secretary of the Company acts as a Secretary to the Committee.

**TERMS OF REFERENCE:**

**Governance:**

- i. Evaluate the composition of the Board’ Committee and identify the current and future needs of the organization to ensure that the Committee has the necessary diversity, perspectives, experience, skills, maturity and judgment to effectively pursue their duties in planning and oversight. Also, to make recommendation to the Board for electing chairman and members of the Committee, while constituting/reconstituting the Committee.

- ii. Develop charters for any new committees established by the Board and review the charters of each existing committee and recommend any amendments to the Board.
- iii. Advise the Board about operational strategies including relevant amendments to the organization’s bylaws to strengthen the organization and empower the Board in meeting its obligations related to good governance principles and abide by the organization’s mission.
- iv. Advise the Board about strategies that strive to increase individual Director’s effectiveness and their abilities to work collaboratively with their peers.
- v. Review, recommend and ensure the Implementation of structures and procedures to facilitate the Board’s Independence from management and to avoid actual and Potential conflict of interest between the Board, Key Managerial Personnel, Senior Managements and the Company, to reflect best practices for overall good governance.
- vi. To act as a forum for addressing the concern of Individual Directors, Key Managerial Personnel and Senior Management.
- vii. Ensure that the mechanism is in place for comprehensive orientation for newly appointed Board Directors and provide ongoing board training and development.
- viii. Recommend continuing orientation programs for on-going development/exposures to Independent Director(s) for best practices related to good governance.
- ix. To foster a healthy corporate governance culture within the organization

**Nomination & Remuneration**

- i. Identify persons who are qualified to become Directors of the Company and who may be appointed in senior management (one level below the Board), key managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- ii. Formulate criteria for evaluation of Independent Directors in the Board, recommend to the Board the process of Board Evaluation either (a) through in-house anonymous peer-to-peer evaluation process by the Board members or (b) through an external expert. In addition thereto, the performance evaluation of Independent Directors will be required to be done by the entire Board excluding the Director being evaluated.
- iii. While appointing an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The Person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
- iv. Recommend to the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

- v. Devise a policy on Board Diversity.
- vi. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- vii. Assist the Board in formulating succession plan for the Board and Senior Management and provide an effective oversight in respect of succession planning.
- viii. Assist the Board in setting process for Board evaluation.
- ix. Recommending to the Board, remuneration payable to senior management.
- x. Select, engage and approve fees for professional advisors that the Committee may require to carry out their duties.
- xi. Review the functioning of Nomination and Remuneration Policy
- xii. Oversee various aspects, compliances as mentioned in the term of references and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

**The criteria for determining key board qualifications, expertise, positive attributes and independence of the Directors are as follows:**

**The below criteria summarizes the board qualifications, expertise, positive attributes and independence which are taken into consideration while nominating candidates to serve on the Board.**

➤ **Personal Characteristics**

- Integrity and Accountability;
- Informed Judgments;
- Financial Literacy;
- Confidence;
- High Standards of achievements.

➤ **Core Competencies**

- Experience in Accounting and Finance;
- Record of making good business decisions and judgments;
- Experience in corporate management;
- Ability and time to perform during periods of both short term and prolonged crisis;
- Unique experience and skills in the areas of business of the Company;
- Leadership and Motivation;
- Skills and capacity to provide strategic insight and direction.
- Familiarity with general laws of the country.

➤ **Commitment to the Company**

- Willingness to commit the time and energy necessary to satisfy the requirement of the Board and Board Committee membership;
- Awareness and knowledge of critical issues affecting the Company;
- Ability to perform adequately as a director, including preparation for and attendance at the Board meeting and willingness to do so.

➤ **Team and Company considerations**

- Balancing the Board by contributing his/her talent, skills and experience to the Board;
- Contributions that can enhance perspectives and experience through diversity in gender, geographic origin and professional experience (public, private and non-profit sectors).

The criteria for performance evaluation of the Board, its Committees and Individual Directors including the Chairman, laid down by the Committee are as follows:

**a. The Board:**

- Provides effective direction on key decisions impacting the performance of the Company;
- Discusses and clarifies its role vis-à-vis the management, i.e. it has defined the respective boundaries of the Board and management powers;
- Reviewing effectively the financial performance of the Company and suggest corrective actions;
- Reviews and adopts an Annual Operating Plan, effectively monitors the Company's performance against plan throughout the year and ensure corrective action if deviation occurs. Comparison done with peer companies/ benchmarks;
- Contributes in terms of know-how and experience of its members;
- Maintain an appropriate balance in its discussions, between reviewing the past, addressing current issues, planning for tomorrow and anticipating the future;
- Apprising the Senior Management about new development/risks/opportunities.

**b. The Committees:**

- Discharge of its functions and duties as per its terms of reference;
- Process and procedure followed for discharging its functions;
- Effectiveness of suggestions and recommendation received;
- Size, structure and expertise of the Committee;
- Conduct of its meeting and procedure followed in this regards.

**c. Independent Directors:**

- Exercise of objective independent judgment in the best interest of the Company;
- Ability to contribute to and monitor corporate governance practices;
- Adherence to the code of conduct for Independent Directors.

**d. Chairperson:**

- Managing relationship with the members of the Board and management;
- Demonstration of leadership qualities;
- Relationship and communication with the Board and senior management;
- Providing ease of raising of issues and concerns at the Board;
- Relationship and effectiveness of communication with shareholders and other stakeholders;

- Promoting shareholders confidence in the Board;
- Personal attributes i.e. Integrity, Honesty, Knowledge, etc.

#### e. Executive Directors:

- Achievement of Financial/Business Targets prescribed by the Board;
- Developing and managing/executive business plans, operation plans, risk management and financial affairs of organizations;
- Display of leadership qualities i.e. correctly anticipating business trends, opportunities and priorities affecting the Company's prosperity and operations;
- Development of policies and strategic plans aligned with vision and mission of the Company and which harmoniously balance the needs of shareholders, clients, employees and other stakeholders;
- Establishment of an effective organization structure to ensure that there is management focus on key functions necessary for the organization to align with its mission;
- Managing relationship with the Board, management team, regulators, bankers, industry representatives and other stakeholder.

#### Remuneration Policy:

The Company has in place a Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel, in accordance with the provisions of the Act and the Listing Regulations. For details on Remuneration Policy, including the criteria for making payments to the Executive Directors, Non-Executive Directors and Senior Management Personnel, a link to access to same has been provided in the Board's Report.

#### Remuneration of Directors:

##### Non-Executive Directors

A sitting fee of ₹75,000/- (Rupees Seventy Five Thousand Only) is paid to the Directors (excluding Managing Directors) for attending each meeting of the Board; Audit Committee; Governance and Nomination & Remuneration Committee; Stakeholders Relationship Committee; Corporate Social Responsibility Committee; Risk Management, Finance, Strategy & Legal Committee and Independent Directors meeting. The sitting fees paid/payable to the Non-Executive Directors is excluded whilst calculating the limits of remuneration in accordance with Section 197 of the Act. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings..

##### Criteria for making payment to Non-Executive Director

The Members at the 26<sup>th</sup> AGM held on August 07, 2019, approved the payment of commission to the Non-Executive Directors up to 1% of the net profits of the Company as computed under the applicable provisions of the Act for each Financial Year commencing from April 01, 2019.

The remuneration by way of commission to the Non-Executive Directors is decided by the Board based on their participation and contribution at the Board and Committee meetings as well as time spent on matters other than at meetings.

Disclosures of all the pecuniary relationships/transactions of the Non-Executive Directors with the Company have been made under the head "Related Party Disclosures" forming part of Notes to the Audited Financial Statements contained in the Annual Report. Any services availed from the Non-Executive Directors

are at Arm's length and in ordinary course of Business. The GNRC and the Board reviews the performance of the Non-Executive Directors on an annual basis.

#### Managing Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowances being fixed component and commission being variable component to its Founder & Executive Chairman and the Managing Director. Increments are recommended by the GNRC, on yearly basis within the salary scale approved by the Members of the Company and are generally effective from April 01 each year. The GNRC also recommends the commission payable to the Founder & Executive Chairman and the Managing Director out of the profits for the Financial Year, as calculated in accordance with Sections 197 and 198 of the Act read with Rules framed thereunder, based on the performance of the Company as well as that of the Founder & Executive Chairman and the Managing Director.

The terms of appointment and remuneration of the Founder & Executive Chairman and the Managing Director are contractual in nature. As per the provisions of the service contracts entered by the Company with the Founder & Executive Chairman and the Managing Director, the validity period of service contract is for 5 (five) years from the date of appointment by the Board subject to the approval by the Members. The notice period for the Founder & Executive Chairman and the Managing Director is 12 (twelve) months and 6 (six) months respectively. There is no provision for payment of severance fees. The Company has not issued any stock options to its Directors. The GNRC and the Board reviews the performance of the Executive Directors on an annual basis.

#### Details of remuneration paid to the Directors are as given below:

##### Managing Directors:

(₹ in Lakhs)

Name of Director	Salary, Allow, Bonus and Perquisites	Commission*
Shashi Kiran Shetty	1,236.83	1,350.00
Adarsh Hegde	740.85	650.00

\* Commission of FY2022-23 will be paid in FY2023-24

##### Non- Executive Directors:

(₹ in Lakhs)

Name of Director	Sitting Fees	Commission*
Arathi Shetty	7.50	10.00
Mohinder Pal Bansal	12.75	17.25
Kaiwan Kalyaniwalla	6.75	20.00
Cynthia D'souza <sup>§</sup>	1.50	0.00
Martin Müller	13.50	0.00
Parthasarathy Vankipuram Srinivasa <sup>^</sup>	14.25	0.00
Mahendra Kumar Chouhan	10.50	14.50
Radha Ahluwalia	9.00	0.00
Nilesh Vikamsey <sup>#</sup>	6.00	12.75

\* Commission of FY2022-23 will be paid in FY2023-24

<sup>§</sup> Ceased to be a Non-Executive Independent Director w.e.f. June 29, 2022

<sup>^</sup> Paid ₹300 Lakhs as a consultancy fees.

<sup>#</sup> Appointed as an Additional Non-Executive Independent Director of the Company w.e.f. June 30, 2022 and his appointment was approved by the shareholders vide special resolution passed at the 29<sup>th</sup> AGM of the Company held on September 20, 2022.

**The composition of the Governance and Nomination & Remuneration Committee and attendance at the meetings held during the year are as follows:**

During the year under review, 3 (three) meetings of the Committee were held on May 26, 2022; November 09, 2022 and February 13, 2023.

Name of the Member	Category	No. of Meetings attended
Mahendra Kumar Chouhan (Chairperson) <sup>§</sup>	Non-Executive Independent Director	3
Cynthia Dsouza <sup>*</sup>	Non-Executive Independent Director	1
Nilesh Vikamsey <sup>@</sup>	Non-Executive Independent Director	2
Arathi Shetty <sup>#</sup>	Non-Executive Independent Director	1
Shashi Kiran Shetty <sup>@</sup>	Founder & Executive Chairman	2

<sup>§</sup> Appointed as a Chairperson w.e.f. July 8, 2022

<sup>\*</sup> Ceased to be member w.e.f. June 29, 2022

<sup>#</sup> Ceased to be a member w.e.f. July 8, 2022

<sup>@</sup> Appointed as a member w.e.f. July 8, 2022

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

As on March 31, 2023, the Stakeholders Relationship Committee comprised of 3 (three) Directors of which 1 (one) Independent Director and 2 (two) Executive Directors. The composition and role of the Stakeholders Relationship Committee are in line with the Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act. The Company Secretary of the Company acts as a Secretary to the Committee.

**TERMS OF REFERENCE:**

- Consider and approve request received for transfers/transmissions of securities of the Company, issue of duplicate certificates, re-mat/demat of securities, issue of shares lying in the Unclaimed Suspense Account etc.
- Consider and redress grievances of the shareholders/investors relating to transfer/transmission/demat/ re-mat of securities, Notice of general meetings, non- receipt of Annual Report, security certificates, dividend, interest, refund orders and any other corporate benefits etc.
- Review and monitor compliances under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its amendment from time to time, pertaining to Investor grievance and transfer & transmission and shareholding pattern.
- Select, engage and approve fees for professional advisors that the Committee may require to carry out their duties.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed

dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

- Oversee various aspects of interest of shareholders, debenture holders and other security holders and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

**The composition of the Stakeholders Relationship Committee and attendance at the meeting held during the year are as follows:**

During the year under review, 1 (One) meeting of the Committee was held on May 24, 2022.

Name of the Member	Category	No. of Meeting attended
Radha Ahluwalia (Chairperson)	Non-Executive Independent Director	1
Shashi Kiran Shetty	Founder & Executive Chairman	1
Adarsh Hegde	Managing Director	NIL

Radha Ahluwalia, the Chairperson of the Committee was present at the 29<sup>th</sup> AGM of the Company held on September 20, 2022.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtains yearly Certificate of Compliance, from a Company Secretary in Practice, with regard to issue of certificates within prescribed time limit and submits the same to the Stock Exchanges within prescribed timeline. Further, the Company submits the Compliance Certificate duly signed by the Compliance Officer and authorised representative of Registrar and Share Transfer Agent of the Company with regard to the share transfer formalities on yearly basis to the Stock Exchanges pursuant to Regulation 7 of the Listing Regulations.

**Company Secretary and Compliance Officer:**

The Compliance Officer can be contacted at:

**Address:** Allcargo Logistics Limited, 6<sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai - 400098;

**E-mail:** [investor.relations@allcargologistics.com](mailto:investor.relations@allcargologistics.com).

The status on the total number of investor complaints received and redressed during FY 2022-23 is as follows:

Type of Complaint(s)	No. of Complaint(s)
Non- receipt of Annual Report of the Company	01
Other such Complaint	NIL
<b>Total Complaints received</b>	<b>01</b>
<b>Total Complaints redressed</b>	<b>01</b>
<b>Total Complaints pending as on March 31, 2023</b>	<b>NIL</b>

Further, the Company has not received any complaint during the year under review through SEBI Complaints Redress System (SCORES). The Company submits statement of Investor Complaints under Regulation 13 of the Listing Regulations with the Stock Exchanges on quarterly basis..

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

As on March 31, 2023, the Corporate Social Responsibility ("CSR") Committee comprised of 3 (three) Directors, of which 1 (one) Executive Director, 1 (one) Non-Executive Director and 1(one) Independent Director of the Company. The composition and role of the Corporate Social Responsibility Committee are in line with Section 135 of the Act and Rules framed thereunder. The Company Secretary of the Company acts as Secretary to the Committee.

**TERMS OF REFERENCE:**

- i. Formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- ii. Formulate and recommend to the Board, an annual action plan which shall include the list of CSR Projects or Programmes that are approved to be undertaken in the areas or subjects as specified in Schedule VII of the Act, the manner of execution of such projects or programmes, the modalities of utilisation of funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes, details of need and impact assessment, if any, for the projects undertaken by the company and recommend any alteration in such annual action plan.
- iii. Recommend the amount of expenditure to be incurred on the CSR activities as per limits prescribed under the Act
- iv. Review the CSR projects and program or activities undertaken by the Company and recommend suitable changes as deem fit or necessary.
- v. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- vi. Carry out such other functions as may be entrusted by the Board or which may be required to be undertaken pursuant to any regulatory or statutory requirements/ stipulations prescribed from time to time.
- vii. Select, engage and approve fees for professional advisors/ consultants that the Committee may require to carry out their duties.
- viii. Oversee various aspects, compliances in respect of CSR expenditure and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
- ix. To review the impact of the assessment study of the CSR Projects every 2-3 years.

CSR policy is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices>.

For details of the CSR activities undertaken by the Company and amount spent thereon during the year under review, kindly refer to the Annexure - I to the Board's Report.

**The composition of Corporate Social Responsibility Committee and attendance at the meeting held during the year are as follows:**

During the year under review, 1 (one) meeting of the Committee was held on May 26, 2022.

Name of the Member	Category	No. of Meeting attended
Arathi Shetty (Chairperson)	Non-Executive Non-Independent Director	1
Shashi Kiran Shetty	Founder & Executive Chairman	1
Mahendra Kumar Chouhan	Non-Executive Independent Director	1

**RISK MANAGEMENT, FINANCE, STRATEGY AND LEGAL COMMITTEE:**

Regulation 21 of the Listing Regulations mandates top 1000 listed entities based on market capitalisation as at the end of the immediate previous financial year to constitute a Risk Management Committee.

As on March 31, 2023, the Committee comprised of 5 (Five) members of which 1 (one) Executive Director, 1 (one) Non-Executive Director, 2 (Two) Independent Director and 1 (one) Key Managerial Personnel of the Company. Further Mr Suresh Kumar Ramiah resigned as Chief Executive Officer w.e.f. March 31, 2023 of the Company and consequently ceased to exist as the member of the Committee. The composition and role of the Risk Management, Finance, Strategy and Legal Committee are in line with the Regulation 21 read with Part D of Schedule II of the Listing Regulations. The Company Secretary of the Company acts as Secretary to the Committee.

**TERMS OF REFERENCE:**
**Risk:**

- i. To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - vi. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
  - vii. Frame, Monitor and Implement the Risk Management Plan and Policy of the Company and review the Company's risk governance structure, risk assessment and risk management practices and guidelines, procedures for risk assessment and risk management;
  - viii. Adopting policies, systems for maintaining information/ cyber security of the Company from preventing of global hacking incidents, losing of sensitive, confidential data etc;
  - ix. Identify, Review and Monitor risks of each business vertical and functions of the Company including strategic, financial, operational, currency, work place environment, safety & information security, regulatory and reputational risk periodically;
  - x. Continually obtaining reasonable assurance from management heads of each business vertical that all known and emerging risks have been identified and mitigated or managed;
  - xi. Framing guidelines, policies and processes for monitoring and mitigating risks;
  - xii. Setting strategic plans and objectives for risk management and risk minimization;
  - xiii. Overseeing the risk management process, controls, fraud risk assessment, risk tolerance, capital liquidity and funding;
  - xiv. Review compliance with risk policies, monitor breach/trigger trips of risk tolerance limits and direct action;
  - xv. Development and deployment of risk mitigation plans to reduce the vulnerability to the prioritized risks and provide oversight of risk across organisation;
  - xvi. Maintain, Update and Review Risk Registers from time to time;
  - xvii. Delegate authorities from time to time to the Committee Members, Executives, Authorized persons to implement the decisions of the Committee and execution of necessary documents;
  - xviii. To achieve sustainable business growth, protect the Company's assets, safeguard Members investment, ensure compliance with applicable laws and regulations and avoid major surprises of risks;
  - xix. To obtain advice and assistance from internal or external legal, accounting or other advisors;
  - xx. Periodically reporting to the Board; Performing such other functions as may be necessary or directed by the Board.
- Finance, Strategy and Legal:**
- i. Review the Company's cash/fund flow management at consolidated level treasury management, investment plan, capital structure, working capital and its allocations and advise the management to prepare and present such reports as it may deemed advisable and recommend it to the Board.
  - ii. Due diligence on acquisitions (proposals to review ROI, ROCE and IRR computations) and divestments including proposals which may have a material impact on Company's capital position at standalone and consolidated level.
  - iii. Review, assess, evaluate and advise on the Company's medium and long term business strategy and Company's Strategy having regard to the interests of its shareholders, customers, employees and other stakeholders before its submission to the Company's Board for approval and monitoring of the Board approved plan and strategy;
  - iv. Review Company's annual business plan and budgets before its submission to the Company's Board for approval;
  - v. Assist in identifying and advising management on new business opportunities by way of expansion and/or diversification of activities;
  - vi. Review any proposed acquisitions opportunities and disposals of companies, assets and businesses (including by way of joint venture or partnership, liquidation, mergers, demergers, spin off etc. in any legal form) before submission to the Company's Board for approval;
  - vii. Study and give advice on significant decisions on operational issues and other significant matters on development of the Company and recommend to the Board;
  - viii. Review and advise on off-shoring and outsourcing arrangements;
  - ix. Work closely with and provide advice to the Company's Chairman and CEOs on matters of corporate activity relating to the Company or its competitors as and when required by them or on such matters pertaining to Executive committee on need basis;
  - x. Obtain independent professional advice and to secure the assistance of outsiders with relevant expertise to carry out duties, the cost of providing such advice and assistance to the Committee shall be borne by the Company;
  - xi. The final determination of the Company's strategy shall remain with the exclusive competence of the Board of Directors of the Company;
  - xii. Review status of various statutory and legal compliances and the status of litigation including litigations filed by and against the Company and to give its recommendation to the Board;

- xiii. Delegate authorities from time to time to the Executives, Authorized persons to implement the decisions of the Committee and execution of necessary documents;
- xiv. Authorise to affix the common seal of the Company on the documents executed under the approval of the Committee and in accordance with the provisions of the Articles of Association of the Company;
- xv. Consider and approve investment proposal of more than ₹600 crores per transaction or above 10% of the revenue on consolidated basis, of the immediate preceding financial year or of the current financial year, whichever is more, and to review the investments made by the Company from time to time and to recommend to the Board about divestment, further investment, or its restructuring in the best interest of the Company and its stakeholders however, the same be subject to Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any;
- xvi. Monitoring the acquisition in light of proposals made;
- xvii. Ensure all statutory and regulatory compliances relating to the above; and
- xviii. Carry out any other function as may be entrusted by the Board from time to time.

**The composition of the Risk Management, Finance, Strategy and Legal Committee and attendance at the meeting held during the year are as follows:**

During the year under review, 4 (four) meetings of the Committee were held on June 10, 2022; September 07, 2022; December 06, 2022 and March 10, 2023, the gap between any two consecutive meetings of the Committee did not exceed 180 (one hundred and eighty) days.

Name of the Member	Category	No. of Meetings attended
Parthasarathy Vankipuram Srinivasa (Chairperson)	Non-Executive Non-Independent Director	4
Mohinder Pal Bansal <sup>#</sup>	Non-Executive Independent Director	2
Adarsh Hedge	Executive Director	2
Martin Müller	Non-Executive Independent Director	4
Suresh Kumar Ramiah <sup>§</sup>	Chief Executive Officer	1

<sup>#</sup> Appointed as a member w.e.f. December 02, 2022

<sup>§</sup> Ceased to be member w.e.f. March 31, 2023

**SUBSIDIARY COMPANIES**

Regulation 16 of the Listing Regulations defines material subsidiary as a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. As per this definition, the Company has the following unlisted material subsidiary companies for FY2022-23:

Sr. No.	Name of Material Subsidiaries	Place of Incorporation	Date of Incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
1.	Ecu Worldwide [Guangzhou] Ltd.	China	September 1, 2005	Guangdong ZhongHaiYue Certified Public Accountants	February 08, 2023
2.	Ecuhold N.V.	Belgium	June 3, 1997	EY Bedrijfsrevisoren BV Ömer Turna*	August 31, 2020
3.	Ecu Worldwide USA Inc	USA	January 10, 1972	Statutory Audit is not applicable	Not Applicable
4.	Gati Limited	Hyderabad, India	April 25, 1995	S R Batliboi & Associates	September 15, 2022

Further, as per the Listing Regulations, at least one independent director of the listed entity shall be a director on the Board of an unlisted material subsidiary, whether incorporated in India or not, whose income or net worth exceeds 20% of the consolidated income or net worth respectively of the listed entity and its subsidiaries in the immediately preceding accounting year. Further, Gati Limited, being a listed entity, the provision related to appointment of Independent Director on the Board of Material Subsidiary is not applicable. Out of the above three material unlisted subsidiary companies, Ecuhold N.V. company falls in the above criteria and Martin Müller is appointed as Directors on the Board of Ecuhold N.V.

The Board and Audit Committee reviews the investments made by the unlisted subsidiary companies every quarter. The minutes of the meetings of the Board of unlisted subsidiary companies are placed before the Board on half yearly basis thereby bringing to their attention all significant transactions and arrangements entered into by the unlisted subsidiary companies.

Pursuant to Regulation 16(1)(c) read with Regulation 24 of the Listing Regulations, the Company has adopted the policy

for determining material subsidiary, which has been suitably amended from time to time in line with the amendments in the Listing Regulations. The Policy is hosted on the Company's website: <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

**CODE OF CONDUCT**

In terms of Regulation 17 of the Listing Regulations, the Company has laid down and adopted a Code of Conduct for its Directors and Senior Management Personnel, which is also hosted on the Company's website: <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

The Company has received confirmation from all Directors as well as Senior Management Personnel regarding compliance with the Code of Conduct during the year under review as required under Regulation 26(3) of the Listing Regulations. Pursuant to Schedule V(D) of the Listing Regulations, a declaration signed by the Founder & Executive Chairman of the Company to this effect is enclosed as **Annexure I** at the end of this Report.

**GENERAL BODY MEETINGS****ANNUAL GENERAL MEETINGS:**

Location, date and time of the Annual General Meetings held during the preceding 3 (three) years and the Special Resolutions passed thereat are as follows:

Meeting	Date and Time	Venue	Special Resolutions passed
29 <sup>th</sup> Annual General Meeting	September 20, 2022 at 02:30 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai 400098 (Deemed Venue)	<ul style="list-style-type: none"> <li>- Revision in terms of Remuneration of Mr Shashi Kiran Shetty (DIN:00012754) as the Chairman &amp; Managing Director</li> <li>- Revision in terms of Remuneration of Mr Adarsh Hegde (DIN:00035040) as the Joint Managing Director</li> <li>- Payment of remuneration to Mr. Parthasarathy Vankipuram Srinivasa (DIN:00125299), Non-Executive Non Independent Director in excess of the limits prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</li> <li>- Appointment of Mr Nilesh Vikamsey (DIN:00031213) as a Non-Executive Independent Director of the Company</li> <li>- Offer or invite for subscription of Secured/Unsecured Non-Convertible Debentures and/or Bonds on private placement basis.</li> </ul>
28 <sup>th</sup> Annual General Meeting	September 29, 2021 at 3.00 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	Avashya House, CST Road, Kalina, Santacruz (East), Mumbai 400098 (Deemed Venue)	<ul style="list-style-type: none"> <li>- Re-appointment of Mr Adarsh Hegde (DIN: 00035040) as the Joint Managing Director of the Company and payment of remuneration in excess of threshold limits as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.</li> <li>- To Offer or invite for subscription of Secured/ Unsecured Non-Convertible Debentures and/or Bonds on private placement basis</li> </ul>
27 <sup>th</sup> Annual General Meeting	September 09, 2020 at 2.00 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	Avashya House, CST Road, Kalina, Santacruz (East), Mumbai 400098 (Deemed Venue)	<ul style="list-style-type: none"> <li>- Re-appointment of Mr Shashi Kiran Shetty (DIN:00012754) as the Chairman &amp; Managing Director of the Company and payment of remuneration in excess of threshold limits as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.</li> <li>- Offer or invite for subscription of Secured/ Unsecured Non-Convertible Debentures and/or Bonds on private placement basis</li> </ul>

**POSTAL BALLOT:**

During the FY2022-23, the Company had passed the following resolutions through Postal Ballot Notice:

**A) Approval for (i) Re-Appointment of Mr Martin Müller (DIN: 09117683) as an Independent Director of the Company; and (ii) Appointment of Ms Shloka Shetty as a Head Innovation of the Company.**

The Company had sought the approval of the shareholders on March 25, 2023 by way of a Special and Ordinary Resolutions for (i) Re-Appointment of Mr Martin Müller (DIN: 09117683) as an Independent Director of the Company; and (ii) Appointment of Ms Shloka Shetty as a Head Innovation of the Company, respectively which were duly approved and the results of which were announced on March 27, 2023. Mr Dhruvil Shah (Membership No. FCS 8021 and CP No. 8978) of M/s Dhruvil M Shah & Co. LLP, Practicing Company Secretaries, Mumbai, was appointed to act as a scrutinizer to conduct the process of the abovementioned e-voting process in a fair and transparent manner.

**Procedure for postal ballot:** The postal ballot was carried out as per the provisions of Sections 108, 110 and other applicable

provisions of the Act and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs ("MCA") for conducting postal ballot process through e-voting vide General Circular Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 3/2022 and 11/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022 and December 28, 2022 respectively, (collectively termed as "MCA Circulars") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") the Company had sent the Notice dated February 13, 2023 along with the Explanatory Statement in the permitted mode as per MCA Circulars. Voting rights were reckoned based on the equity shareholding as on the cut-off date i.e. February 17, 2023. The voting period for remote e-voting as well as postal ballot commenced on February 24, 2023 at 9:00 a.m. (IST) and concluded on March 25, 2023 at 5:00 p.m. (IST) and the e-voting platform was disabled thereafter. The Scrutinizer's Report on the results of the Postal Ballot through electronic voting process was published on March 27, 2023. The details of voting on the above Resolutions passed with requisite Majority are as under:



**(i) Re-Appointment of Martin Müller (DIN: 09117683) as an Independent Director of the Company**

Category	No. of shares held	No. of votes Polled	% of votes Polled on outstanding Shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
Promoter & Promoter Group	17,17,86,209	17,17,86,209	100.00	17,17,86,209	0	100.00	0.00
Public Institutions	3,10,31,587	2,73,41,823	88.11	2,71,08,011	2,33,812	99.14	0.85
Public Non-Institutions	4,28,77,728	5,09,135	1.18	5,07,438	1,697	99.66	0.33
<b>Total</b>	<b>24,56,95,524</b>	<b>19,96,37,167</b>	<b>81.25</b>	<b>19,94,01,658</b>	<b>2,35,509</b>	<b>99.88</b>	<b>0.12</b>

**(ii) Appointment of Shloka Shetty as a Head Innovation of the Company**

Category	No. of shares held	No. of votes polled	% of votes polled on outstanding Shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
Promoter & Promoter Group	17,17,86,209	17,17,86,209	100.00	17,17,86,209	0	100.00	0.00
Public Institutions	3,10,31,587	2,73,41,823	88.11	2,15,38,877	58,02,946	78.78	21.22
Public Non-Institutions	4,28,77,728	5,08,990	1.19	5,04,841	4,149	99.18	0.82
<b>Total</b>	<b>24,56,95,524</b>	<b>19,96,37,022</b>	<b>81.25</b>	<b>19,38,29,927</b>	<b>58,07,095</b>	<b>97.09</b>	<b>2.91</b>

None of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through Postal Ballot.

**B) Approval of (i) Appointment of Mr Mahendra Kumar Chouhan (DIN: 00187253) as an Independent Director of the Company (ii) Appointment of Mrs Radha Ahluwalia (DIN: 00936412) as an Independent Director of the Company (iii) Appointment of Mr Parthasarathy Vankipuram Srinivasa (DIN: 00125299) as a Non-Executive Non-Independent Director of the Company**

The Company had sought the approval of the shareholders by way of Special and Ordinary Resolutions through postal ballot notice dated March 16, 2022, for approval of (i) Appointment of Mr Mahendra Kumar Chouhan (DIN:00187253) as an Independent Director of the Company; (ii) Appointment of Mrs. Radha Ahluwalia (DIN:00936412) as an Independent Director of the Company and (iii) Appointment of Mr Parthasarathy Vankipuram Srinivasa (DIN:00125299) as a Non-Executive Non-Independent Director of the Company, which were duly approved and the results of which were announced on April 22, 2022. Mr P. N. Parikh, (FCS:327; CP:1228), or failing him, Mr Mitesh Dhaliwala (FCS:8331; CP:9511), or failing him, Ms. Sarvari Shah (FCS:9697; CP:11717) of M/s Parikh & Associates, Practicing Company Secretaries, Mumbai was appointed to act as a scrutinizer to conduct the process of the abovementioned e-voting process in a fair and transparent manner.

**Procedure for postal ballot:** The postal ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions of the Act and Rules framed thereunder, in accordance with the guidelines prescribed by the Ministry of Corporate Affairs ("MCA") for conducting postal ballot process through e-voting vide General Circular Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021 and 20/2021 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021 and December 8, 2021, respectively, (collectively termed as "MCA Circulars") and Listing Regulations, the Company had sent the Notice dated March 16, 2022 along with the Explanatory Statement in the permitted mode as per MCA Circulars. Voting rights were reckoned based on the equity shareholding as on the cut-off date i.e. March 18, 2022. The voting period commenced on March 23, 2022, at 9:00 a.m. (IST) and ended on April 21, 2022 at 5:00 p.m. (IST) and the e-voting platform was disabled thereafter. The consolidated report on the results of the Postal Ballot through electronic voting process was published on April 22, 2022. The details of voting on the above Resolutions passed with requisite majority are as under:

**(i) Appointment of Mr Mahendra Kumar Chouhan (DIN: 00187253) as an Independent Director of the Company**

Category	No. of shares held	No. of votes Polled	% of votes Polled on outstanding Shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
Promoter & Promoter Group	17,17,86,209	17,17,86,209	100.00	17,17,86,209	0	100.00	0.00
Public Institutions	2,73,64,749	2,34,73,845	85.78	2,34,57,679	1,61,66	99.93	0.07
Public Non-Institutions	4,65,44,566	13,49,397	2.90	13,45,996	3,401	99.75	0.25
<b>Total</b>	<b>24,56,95,524</b>	<b>19,66,09,451</b>	<b>80.02</b>	<b>19,65,89,884</b>	<b>19,567</b>	<b>99.99</b>	<b>0.01</b>

**(ii) Appointment of Mrs Radha Ahluwalia (DIN: 00936412) as an Independent Director of the Company**

Category	No. of shares held	No. of votes polled	% of votes polled on outstanding Shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
Promoter & Promoter Group	17,17,86,209	17,17,86,209	100.00	17,17,86,209	0	100.00	0.00
Public Institutions	2,73,64,749	2,34,73,845	85.78	2,34,57,679	1,61,66	99.93	0.07
Public Non-Institutions	4,65,44,566	13,49,275	2.90	13,46,628	2,647	99.80	0.20
<b>Total</b>	<b>24,56,95,524</b>	<b>19,66,09,329</b>	<b>80.02</b>	<b>19,65,90,516</b>	<b>18,813</b>	<b>99.99</b>	<b>0.01</b>

**(iii) Appointment of Mr Parthasarathy Vankipuram Srinivasa (DIN:00125299) as a Non-Executive Non-Independent Director of the Company**

Category	No. of shares held	No. of votes polled	% of votes polled on outstanding Shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
Promoter & Promoter Group	17,17,86,209	17,17,86,209	100.00	17,17,86,209	0	100.00	0.00
Public Institutions	2,73,64,749	2,34,73,845	85.78	2,01,70,270	33,03,575	85.93	14.07
Public Non-Institutions	4,65,44,566	13,49,275	2.90	13,46,324	2,951	99.78	0.21
<b>Total</b>	<b>24,56,95,524</b>	<b>19,66,09,329</b>	<b>80.02</b>	<b>19,33,02,803</b>	<b>33,06,526</b>	<b>98.32</b>	<b>1.68</b>

None of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through Postal Ballot.

**MEANS OF COMMUNICATION**

The Company has promptly reported all material information as required under the Policy for determination of material events and archival of disclosures and Regulation 30 of the Listing Regulations including press releases, schedule of analyst or institutional investor meet and presentation made to them, quarterly financial results etc. to the Stock Exchanges. Such information and other material information which are relevant to the shareholders are also simultaneously hosted under a separate section on the Company's website [www.allcargologistics.com](http://www.allcargologistics.com).

The Annual Report, Quarterly Results, Shareholding Pattern, Press Releases, Intimation/Outcome of the Board meetings and other relevant information of the Company are submitted to the Stock Exchanges through BSE Listing Centre and NSE Electronic Application Processing System; NSE Digital Exchange portal for investors' information in compliance with the Listing Regulations.

The financial results, quarterly/annually, and other statutory information were communicated to the Members by way of publication in English daily, 'The Free Press Journal' and in a vernacular language newspaper 'Navshakti' as per the Listing Regulations.

**GENERAL SHAREHOLDER INFORMATION****a. 30<sup>th</sup> Annual General Meeting ('AGM'):**

<b>Day and Date</b>	Thursday, September 21, 2023
<b>Venue</b>	In accordance with the General Circular issued by the MCA on December 28, 2022 and other circulars in this regard, the AGM will be held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"). Deemed venue shall be the Registered Office of the Company.
<b>Time</b>	02:30 p.m. (IST)

**b. Financial Year and Calendar:**

The Company's accounting year comprises 12 months period from April 01 to March 31.

The tentative dates for the Meetings of the Board of Directors of the Company for consideration of financial results for the FY2023-24 are as follows:

First Quarter ended June 30, 2023	On or before August 14, 2023
Second Quarter and Half Year ended September 30, 2023	On or before November 14, 2023
Third Quarter and Nine Months ended December 31, 2023	On or before February 14, 2024
Fourth Quarter and Year ended March 31, 2024	On or before May 30, 2024

*Note: Submission of result will be decided as per SEBI Circular, if any, for extension of time.*

**c. Dividend Payment Date:**

The Board of Directors has declared interim dividend of ₹3.25 per Equity Share of ₹2/- for the Financial Year ended March 31, 2023 and the same was paid to the shareholders on March 23, 2023.

**d. Listing on Stock Exchanges:**

The Equity Shares of the Company are listed and traded on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

In terms of Regulation 14 of the Listing Regulations, the Company has paid annual listing fees for the FY2023-24 to both the Stock Exchanges, where the Company's securities are listed.

In terms of Regulation 14 of the Listing Regulations, the Company has paid annual listing fees for the FY2023-24 to both the Stock Exchanges, where the Company's securities are listed. ("CDSL") and National Securities Depository Limited ("NSDL").

**e. Stock Code/Symbol/ISIN:**

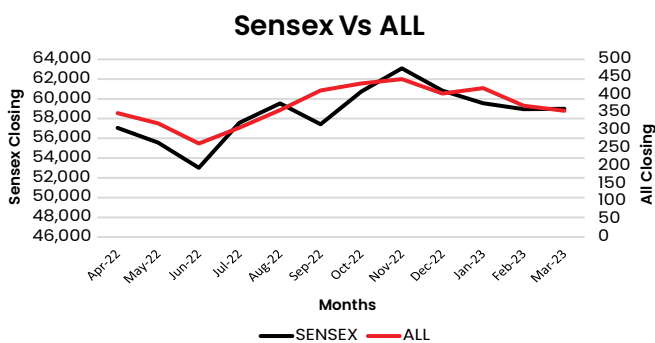
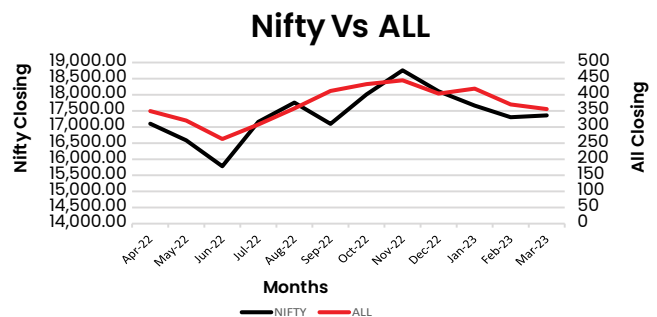
Name of Stock Exchange	Stock Code/Symbol	Address
BSE Limited	532749	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001
National Stock Exchange of India	ALLCARGO	Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
ISIN	INE418H01029	
Corporate Identification Number	L63010MH2004PLC073508	

**f. Market price data:**

Details of high and low price and total traded quantity during each month of the year under review on BSE and NSE, are as under:

Months	BSE			NSE		
	High (₹)	Low (₹)	Total Shares Traded	High (₹)	Low (₹)	Total Shares Traded
Apr-22	385.70	347.10	6,00,755	385.10	347.05	65,45,602
May-22	349.95	284.40	5,70,767	349.30	283.25	78,68,880
Jun-22	355.40	249.50	6,99,249	353.70	249.20	83,26,754
Jul-22	309.90	255.45	7,66,927	310.00	256.00	1,10,02,898
Aug-22	364.00	289.55	9,72,835	364.00	290.95	1,44,28,593
Sep-22	452.00	327.65	30,76,929	452.00	328.00	4,21,92,024
Oct-22	443.15	382.70	14,34,446	444.00	382.50	1,60,48,786
Nov-22	494.85	400.05	17,70,786	495.00	403.00	2,69,84,502
Dec-22	453.25	356.30	10,33,855	453.50	358.15	1,20,99,678
Jan-23	442.40	386.30	5,97,055	441.20	386.25	81,62,461
Feb-23	440.00	328.00	10,43,490	440.60	327.10	1,97,72,185
Mar-23	385.00	343.60	4,81,209	385.00	343.40	97,12,340

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**g. Performance of share price of the Company ('ALL') in comparison with the BSE Sensex & NSE Nifty:**
**Comparison with SENSEX**

**Comparison with NIFTY**


Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**h. The Equity Shares of the Company have not been suspended from trading by the SEBI and/or Stock Exchanges.**
**i. Share transfer system**

The Company's equity shares which are in dematerialized (demat) form are transferable through the depository system.

As per Regulation 40 of the Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from 1<sup>st</sup> April 2019. Members holding shares in physical form are requested to consider

converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Any Director of the Company or the Company Secretary is empowered to approve transfers.

Pursuant to SEBI circular dated 25<sup>th</sup> January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

**j. Dematerialization of shares and liquidity**

Equity shares of the Company are compulsorily traded in dematerialized form and are available for trading under NSDL and CDSL from June 23, 2006 onwards. The International Security Identification Number allotted to the Company, post sub-division of shares, under Depository System is INE418H01029. As on March 31, 2023, 24,56,28,254 equity shares of ₹2/- each, representing 99.97% of the Company's total paid up equity share capital, have been held in dematerialized form.

Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, a Company Secretary in Practice carries out Reconciliation of Share Capital Audit to reconcile the total

share capital admitted with NSDL, CDSL and held in physical form, with the issued and listed equity share capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total listed and paid up/ issued equity share capital is in agreement with the aggregate of the total number of shares in dematerialized form (held by NSDL and CDSL) and in physical form.

**k. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

During the year under review, the Company has not issued any ADR/GDR/Warrants or any other convertible instruments.

**i. Investor helpdesk & Registrar and Share Transfer Agent**

For any grievances/ complaints/ correspondence, the Members/ Investors may contact at the following addresses

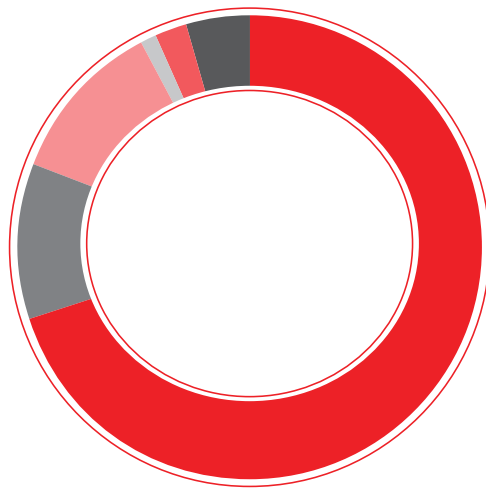
<b>Link Intime India Private Limited</b>	<b>Allcargo Logistics Limited</b>
<b>CIN:</b> U67190MH1999PTC118368	<b>CIN:</b> L63010MH2004PLC073508
<b>Registrar and Share Transfer Agent unit:</b> Allcargo Logistics Limited	<b>Company Secretary &amp; Compliance Officer:</b> Mr Devanand Mojindra
Mr Mahesh Masurkar	<b>Nodal Officer (IEPF Rules):</b> Mr Devanand Mojindra
<b>Address:</b> C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400083	<b>Address:</b> 6 <sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai – 400098
<b>Tel:</b> 022 – 49186270 <b>Fax:</b> 022 49186060	<b>Tel:</b> 022 – 66798100
<b>E-mail:</b> rnt.helpdesk@linkintime.co.in	<b>E-mail:</b> investor.relations@allcargologistics.com
<b>Website:</b> www.linkintime.co.in	<b>Website:</b> www.allcargologistics.com

**m. Distribution of Shareholding as on March 31, 2023**

<b>Range of Holdings</b>	<b>Number of shareholders</b>	<b>% of shareholders</b>	<b>Number of shares</b>	<b>% to Share Capital</b>
1 – 500	65,197	89.80	54,04,091	2.120
501 – 1000	3,978	5.48	30,36,444	1.24
1001 – 2000	1,698	2.34	24,87,111	1.01
2001 – 3000	515	0.71	13,10,974	0.53
3001 – 4000	238	0.33	8,54,278	0.35
4001 – 5000	169	0.23	7,99,422	0.33
5001 – 10000	317	0.44	23,54,011	0.96
10001 and above	489	0.67	22,94,49,193	93.39
<b>Total</b>	<b>72,601</b>	<b>100.00</b>	<b>24,56,95,524</b>	<b>100.00</b>

**n. Shareholding Pattern as on March 31, 2023**

<b>Category of Shareholders</b>	<b>No. of Shares</b>	<b>% to Share Capital</b>
Promoter and Promoter Group	17,17,86,209	69.92
Foreign Portfolio Investors	2,67,19,960	10.88
Public	2,76,77,692	11.27
Mutual Fund	33,07,539	1.35
Financial Institutions	411	0.00
Clearing Member	12,761	0.01
Trust	2,49,021	0.10
NBFCs registered with RBI	0	0.00
Non Resident Indians – (Repatriation and Non Repatriation)	20,49,017	0.83
IEPF Authority	2,415	0.00
Hindu Undivided Family	10,12,220	0.41
Alternate Investment Fund	20,65,908	0.84
Central Government	450	0.00
Other Body Corporate	1,08,11,921	4.40
<b>Total</b>	<b>24,56,95,524</b>	<b>100.00</b>



- Promoter and Promoter Group (69.92 %)
- Foreign Portfolio Investors (10.88%)
- Public (11.26%)
- Mutual Fund (1.35%)
- Others (1.99%)
- Other Bodies Corporate (4.40%)

**o. Office Locations:**

**(i) Branches in East region:**

- No.7A/1A, Gooptu Court, 3<sup>rd</sup> Floor, Middleton Street, Bose Road, Kolkata 700 071

**(ii) Branches in West region:**

□ 5 <sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Mumbai - 400 098	□ Wakefield House, 1 <sup>st</sup> Floor, Sprott Road, Ballard Estate, Mumbai - 400 038	□ 12A, 1 <sup>st</sup> Floor Space House, Opp Cross word, Near Mithakhali Six Road, Navrangpura Ahmedabad - 380 009
□ 214, Sahar Cargo Estate, Off J B Nagar Circle Andheri (East), Mumbai 400 099	□ A 404, 4 <sup>th</sup> Floor, Western Edge - 2, Off Western Express Highway, Behind Metro Mall, Borivali East, Mumbai	□ 203-204, 2 <sup>nd</sup> Floor, V Times Square Building, Plot No. - 3, Sector-15, CBD Belapur, Navi Mumbai - 400 614
□ 520, Siddharth Complex, near Express Hotel, R C Dutt Road, Alkapuri, Baroda - 390 005	□ Office No. 113, Ratnakar Arcade, Opp Patidar Bhavan, Plot No. 62, Sector 8, Gandhidham, Kutch - 370201	□ Plot No. 82, Vidya Nagar, Wathoda Layout, Near Kalimata Temple, Opp Prabha Tower, Nagpur - 440009
□ Office No 137/136 Akshay Complex, Off. Dhole Patil Road, Pune 411 001	□ Survey No.: 123/12 (4) / A Village Kolkhe, Opp. T. I. Auto., Old Mumbai Pune Road, Phalspa Pata, Panvel - 410 206	□ 601, 6 <sup>th</sup> Floor Shree Gurukripa Tower, Moti Tanki Chowk, Opp. Tata Docomo, Subhash Road, Rajkot - 360 001
□ 201, Gandhi Tower, Next To KC Gandhi English School, Opp D Mart, Next To Joker Plaza, Kalyan West 421301	□ 414, B wing, 4 <sup>th</sup> Floor, Bhaweshwar Arcade, Near Shreyas Signal, Ghatkopar West, Mumbai 400086	

**(iii) Branches in North region:**

□ Plot No.111, 2 <sup>nd</sup> Floor, Sector 44, Next to Ramada Hotel, Next. to Shopclues, Gurgaon 122 003.	□ Off. No. 247, 2 <sup>nd</sup> Floor, Ganpati Plaza, M.I. Road, Jaipur 302 001.	□ 56-57, Bindra Complex, C-145A, Phase V Focal Point, Ludhiana 141 010
□ 2 <sup>nd</sup> Floor, Plot No 232A. Okhla Phase -III, New Delhi - 110 020		

**(iv) Branches in South region:**

□ No. 21, IV Floor, S. K. Vista Rustum Baugh, Main Road, Kodihalli, Off. Old Airport Road, Near Manipal Hospital, Bengaluru 560 017	□ SBL House, Door No. 54/28, Montieth Road, Egmore, Next to Ambassador Pallava Hotel, Chennai 600 008	□ 113, Sri Nagar, 2 <sup>nd</sup> Floor, Hopes Bus Stop, Avinashi Road, Coimbatore - 641 004
□ Door No. 27/3601 G1, Church Road, Kunnath Towers, Lurdh Matha, Perumanoor P O Thevara, Kochi - 682 015	□ 1 <sup>st</sup> Floor Rani Meyyammal building, KPK Memon Road, Wellington Island, Cochin 682003 Kerala	□ Ashoka My Home Chambers, Flat No. 201, 2 <sup>nd</sup> Floor, D.No.1-8-271,272 and 273 / 1-8-301 to 303, Begumpet, Hyderabad- 500 016
□ 25/3, Kumarananthapuram, 60 Feet Road, Near LG Showroom, Tirupur - 641 602	□ 51/15A, Muniasampuram, 2 <sup>nd</sup> Street, Kamraj Salai, Tuticorin 628 003	□ House No. 628, Khamini Krupa, Adarsh Nagar, Chicalim, Goa - 403 711

**(v) Overseas Principal Office:**

<input type="checkbox"/> Schomhoeveweg 15, 2030 Antwerp, Belgium	<input type="checkbox"/> 1526, Madan Bhandari Path IV, New Baneshwor, Kathmandu - Nepal	<input type="checkbox"/> 2401 N.W. 69 <sup>th</sup> street Miami FL 33147, USA
<input type="checkbox"/> Nieuwesluisweg 240, 3197 KV Rotterdam Netherlands		

**p. Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:**

The Company has not issued debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2023. The Company continues to have credit rating which denotes high degree of safety regarding timely servicing of financial obligation. The Company has received the following credit ratings for its long term and short term credit Bank Loan facilities & Commercial Papers from various credit rating agencies:

Rating Agency	Rating	Instrument / Facility
CRISIL	CRISIL AA/Stable (Reaffirmed)	Long Term Bank Loan
	CRISIL A1+(Reaffirmed)	Short Term Bank Loan
	CRISIL AA-/ Watch Developing	Long Term Bank Loan
CRISIL	CRISIL AA/Stable	Non- Convertible Debenture

**DISCLOSURES****a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

During the year under review, there were no significant material related party transactions ("RPT's") that had potential conflict with the interest of the Company at large and all RPT's were in compliance with the provisions of the Act read with the Rules framed thereunder and the Listing Regulations. Pursuant to the omnibus approval granted by the Audit Committee, the RPT's entered into by the Company is reviewed by them at least on a quarterly basis.

The details of the transactions with the related parties are placed before the Audit Committee on a quarterly basis in compliance with the provisions of Section 177 of the Act and Rules framed thereunder and Regulation 23 of the Listing Regulations. Details of RPT's are disclosed in the notes to the Financial Statements as per the applicable Indian Accounting Standards.

During the year under review, the Company has filed disclosure of Related Party Transactions on a consolidated basis under Regulation 23(9) of the Listing Regulations.

Pursuant to the Regulation 23 of the Listing Regulations, the Company has adopted a Policy on materiality of the Related Party Transactions and on dealing with Related Party Transactions The Policy is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

[com/investors/investorservices/corporatepolicies](https://www.allcargologistics.com/investors/investorservices/corporatepolicies).

**b. Compliance with regard to capital market:**

The Company has complied with all the Rules, Regulations and Guidelines prescribed by SEBI and Stock Exchange(s) as applicable to the Company from time to time.

During the last three years, there were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI and/or any other statutory authorities on matters relating to capital market.

**c. Whistle Blower Policy/Vigil Mechanism:**

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Regulation 22 of the Listing Regulations and Section 177 of the Act. Pursuant to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters (as defined in the Policy) such as unethical behaviour, breach of Code of Conduct or Ethics Policy, actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements and retaliation against the Directors and Employees and instances of leakages of/suspected leakage of Unpublished Price Sensitive Information of the Company.

Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee and provides for adequate safeguards against victimization of Whistle Blower, who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same. The Whistle Blower Policy is hosted on the Company's website:

<https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

During the year under review, the Company has not received any complaint through Vigil Mechanism. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

**d. Disclosure of Accounting Treatment:**

Pursuant to the provisions of the Act, the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

**e. Risk Management:**

Our ability to accomplish sustainable business growth, secure the company's assets, protect shareholder investments, ensure compliance with relevant laws and regulations, and prevent significant surprises of risks is made possible by implementing effective and appropriate risk management systems and structures.

As Allcargo Group is a logistics company that provides integrated business solutions for national and international trade, warehousing, transportation, and handles different kinds of cargo, the company is exposed to inherent business risks. To identify, evaluate, monitor, control, manage, minimize, and mitigate these risks, the Board of Directors has formulated and implemented an Enterprise Risk Management Policy. The Enterprise Risk Management Policy is intended to ensure that an effective risk management framework is established and implemented within the Company.

Setting up a robust organisational structure for the implementation of risk management systems and structures ensures that they are effectively governed. The roles and responsibilities defined for each group identified in the organisational structure are governed in the Enterprise Risk Management Policy and the Risk Management, Finance, Strategy and Legal Committee oversees potential negative impacts from the risk management process. During the reporting period, the Risk Management, Finance, Strategy, and Legal Committee met four times to discuss and review the Company's risk management practices.

In order to ensure that we have a deep understanding of our risk landscape and are better positioned to mitigate and prevent the same, we work towards making risk management an integral part of the day-to-day operations of our businesses. All our employees are responsible for promoting sound risk management methods in their respective fields and are actively engaged in risk management within their own areas of responsibility.

We have in place a broad risk management framework which is formulated in line with the ISO 31000 Risk Management – Principles and Guidelines. The risks are identified, classified, and managed in a timely and accurate manner and information about risks is escalated to all management levels so that informed decisions can be made. The below illustration depicts how the ISO 31000 are integrated into both our risk management framework and the process adopted to manage the identified risks.

Under the guidance of the Board, the Risk & Compliance Head facilitates dedicated risk workshops for each business vertical and key support function. In these workshops, risks are identified, assessed, analyzed, and accepted or mitigated to an acceptable level within the organization's risk appetite. The Risk Management Committee monitors the risk management activities of each business vertical and key support function. The Risk Management Committee also ensures that fraud risk assessment is an integral part of the overall risk assessment process.

#### f. Certification from MD and CFO:

The requisite certification from the Chairman & Managing Director and Dy Group Chief Financial Officer (CFO) in accordance with Regulation 17(8) read with Part B of Schedule II and Regulation 33 of the Listing Regulations certifying that the Financial Statements represents true and fair view of the Company's affairs and do not contain any untrue/misleading statement are placed before the Board of the Company, on quarterly and annual basis.

#### g. Transfer of Unpaid/Unclaimed Dividend/Shares to Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

During the year under review, the Company has transferred ₹82,869/- to IEPF. In addition, 1,542 equity share of face value of ₹2/- each in respect of which dividend had not been paid or claimed for seven consecutive years or more were transferred by the Company to demat account of the IEPF Authority as required under Sections 124 and 125 of the Act read with Rules framed thereunder.

Pursuant to the provisions of IEPF Rules, the Company has uploaded the details of unpaid/unclaimed amounts lying with the Company as on March 31, 2023 on the Company's website [www.allcargologistics.com](http://www.allcargologistics.com) and on the IEPF Authority's website [www.iepf.gov.in](http://www.iepf.gov.in).

#### h. Details of unclaimed shares:

In terms of Regulation 34(3) and Part F of Schedule V of the Listing Regulations, an Unclaimed Suspense Demat Account was opened and the shares allotted during the Initial Public Offer in June, 2006, remained unclaimed were credited in the said account. Further, the Company has allotted 90 equity shares as Bonus shares on said unclaimed shares and credited in the Unclaimed Suspense Demat Account.

Pursuant to IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred original 90 equity shares to IEPF Authority, the details of the balance shares are as given below:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	01 shareholder entitled for 90 equity shares of ₹2/- each allotted as Bonus shares on January 01, 2016
Number of shareholders who approached the company for transfer of shares from suspense account during the year	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account during the year	01 shareholders entitled for 90 equity shares of ₹2/- each
Voting Rights on these shares	The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the same

**i. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Listing Regulations:**

The Company has complied with all the mandatory requirements as prescribed under the Listing Regulations, including Corporate Governance requirements as specified under Regulations 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations as applicable to the Company.

A certificate from M/s Parikh and Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as specified under Schedule V(E) of the Listing Regulations is enclosed as **Annexure II** to this Report.

Further, the Company has also complied with all requirements about disclosures in the Corporate Governance Report, as specified in sub paras (2) to (10) of Clause C of Schedule V of the Listing Regulations.

Pursuant to the SEBI Circular No. CIR/CFD/ CMD1/27/2019 dated February 08, 2019 and Regulation 24(A) of the Listing Regulations, the Company has obtained annual secretarial compliance report for the FY2022-23 received from M/s Parikh and Associates, Practicing Company Secretaries.

**j. Status of adoption/compliance of Non mandatory/ discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:**

**The Board**

The Chairman of the Company is an Executive Director (Managing Director).

**Shareholder Rights**

Details are given under heading 'Means of Communication'.

**Un-Modified opinion(s) in audit report**

There was no audit qualification in the Auditors' Report on Company's Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2023.

**Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee.

**k. Disclosure of Commodity price risks and commodity hedging activities or foreign exchange:**

The Company is not involved into any activities relating to Commodity price risks and hedging thereof. The Company is managing the foreign currency risk to limit the risks of adverse exchange rate movement by hedging the same as per the Forex Risk Management Policy of the Company.

**l. Details of utilization of funds raised through preferential allotment or qualified institutions placement:**

During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement or utilized such funds as specified under Regulation 32(7A) of the Listing Regulations.

**m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.**

During the year under the review the Company has given loan to its wholly owned subsidiaries, which is exempted under section 185 of Act.

**n. Certificate from Practicing Company Secretary:**

A certificate from Mr P N Parikh (Membership No FCS:327 & CP No.: 1228) of M/s Parikh & Associates, Practicing Company Secretaries has been obtained certifying that none of the Directors on the Board of the Company are 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 and the same is enclosed as **Annexure – IV** to this Report.

**o. Non acceptance of any recommendation of any Committee of the Board which was mandatorily required:**

During the year, the Board has accepted all recommendations received from all its Committees.

**p. Fees paid to M/s S R Batliboi and Associates LLP, Statutory Auditors and all entities in the network firm of the Statutory Auditors:**

The total fees paid by the Company and its subsidiaries to M/s S R Batliboi and Associates LLP, Statutory Auditors of the Company and all other entities forming part of the same network aggregating to ₹913 Lakhs.

**q. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Complaints Committee redresses the complaint received regarding sexual harassment of women at workplace. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as follows:

- a. Number of complaints filed during the financial year – 02
- b. Number of complaints disposed off during the financial year – 02
- c. Number of complaints pending as on end of the financial year – Nil

During the year under review, 12 (Twelve) Awareness Programs about Sexual Harassment Policy were conducted and held at workplace.

The Company has submitted its Annual Report on the cases of sexual harassment at workplace to District Officer, Mumbai, pursuant to Section 21 of the aforesaid Act and Rules framed thereunder.



## **CODES AS PER THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 AND POLICIES AS PER THE LISTING REGULATIONS**

### **CODES:**

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations"), the Board has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI") and the Code of Conduct to regulate, monitor and report trading in the securities of the Company (the "Share Dealing Code"), formulated based on the principles set out in the PIT Regulations.

Deepal Shah, Dy Group Chief Financial Officer of the Company has been designated as Chief Investor Relations Officer, for dealing with dissemination of information and disclosure of UPSI.

Devanand Mojidra, Company Secretary and Compliance Officer of the Company has been designated as Compliance Officer for regulating, monitoring, trading and report on trading by the Insiders as required under the PIT Regulations and Share Dealing Code of the Company.

## **POLICIES AS PER THE LISTING REGULATIONS**

Pursuant to Regulation 9 of the Listing Regulations, the Company has adopted Policy on Preservation, Maintenance and Disposal of Documents.

Pursuant to Regulation 30 of the Listing Regulations, the Company has adopted Policy for determination of material events and archival of disclosures, which is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

Further, as required under the Listing Regulations, the Board has authorised Devanand Mojidra, Company Secretary and Compliance Officer and Deepal Shah, Dy Group Chief Financial Officer of the Company to determine materiality of an event/information in consultation with the Founder & Executive Chairman and the Managing Director of the Company and accordingly make appropriate disclosures to the Stock Exchanges as required under the Listing Regulations.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report forms part of the Annual Report.

## **Annexure I**

### **DECLARATION**

To,  
The Members of  
**ALLCARGO LOGISTICS LIMITED**

I, Shashi Kiran Shetty, Founder & Executive Chairman of Allcargo Logistics Limited ("the Company"), hereby declare that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, laid down and adopted by the Company, during the year ended March 31, 2023.

**For Allcargo Logistics Limited**

**Sd/-**  
**Shashi Kiran Shetty**  
**Founder & Executive Chairman**  
**DIN: 00012754**

Place : Mumbai  
Date : May 30, 2023

**PRACTISING COMPANY SECRETARIES' CERTIFICATE  
ON CORPORATE GOVERNANCE**

To,  
The Members of  
**ALLCARGO LOGISTICS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Allcargo Logistics Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & 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. Our 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 our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we 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, 2023.

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 Parikh & Associates**

Company Secretaries

**Sd/-**

**P.N. Parikh**

Partner

FCS No: 327 CP No: 1228

UDIN: F000327E000321098

PR No.: 1129/2021

Place: Mumbai

Date: May 17, 2023

**Annexure III**
**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  
**ALLCARGO LOGISTICS LIMITED**  
6<sup>th</sup> Floor, Allcargo House, CST Road,  
Kalina, Santacruz (East),  
Mumbai 400098

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Allcargo Logistics Limited having CIN: L63010MH2004PLC073508 and having registered office at 6<sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai - 400098** (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2023 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.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Shashi Kiran Janardhan Shetty	00012754	01/04/2010
2.	Adarsh Sudhakar Hegde	00035040	21/08/2006
3.	Kaiwan Dossabhoy Kalyaniwalla	00060776	06/08/2021
4.	Arathi Shetty	00088374	18/08/1993
5.	Parthasarathy Vankipuram Srinivasa	00125299	11/05/2021
6.	Mahendrakumar Chouhan	00187253	11/02/2022
7.	Radha Ahluwalia	00936412	11/02/2022
8.	Mohinder Pal Bansal	01626343	18/10/2010
9.	Martin Max Müller	09117683	31/03/2021
10.	Nilesh Shivji Vikamsey	00031213	30/06/2022

\* the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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 **Parikh & Associates**  
Company Secretaries

Sd/-

**P.N. Parikh**

Partner

FCS No: 327 CP No: 1228

UDIN: F000327E000321221

PR No.: 1129/2021

Place: Mumbai

Date: May 17, 2023

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Company	L63010MH2004PLC073508
2	Name of the Company	Allcargo Logistics Limited
3	Year of incorporation	1993
4	Registered office address	6 <sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai- 400098
5	Corporate address	
6	E-mail	<a href="mailto:investor.relations@allcargologistics.com">investor.relations@allcargologistics.com</a>
7	Telephone	022-66798110
8	Website	<a href="http://www.allcargologistics.com">www.allcargologistics.com</a>
9	Financial year for which reporting is being done	Financial year ended March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹49,13,91,048
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Rani Mihir Shah Contact: +91 22 66797600 Email Id: <a href="mailto:esg@allcargologistics.com">esg@allcargologistics.com</a>
13	Reporting boundary	Standalone basis

### II. Products/services

#### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	NVOCC: LCL (Less than container load) FCL (full container load)	LCL: aggregated shipping of cargo from different customers  FCL: shipping an entire container of cargo for a single customer	100

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	International Supply Chain	492, 501, 502	100

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	27	27
International	-	-	-

**17. Markets served by the entity:**

- a. Number of locations

Locations	Number
National (No. of States)	35
International (No. of Countries)	179

- b. What is the contribution of exports as a percentage of the total turnover of the entity? – 60%
- 
- c. A brief on types of customers

Allcargo caters to corporates, individuals and government entities.

**IV. Employees**
**18. Details as of the end of Financial Year:**

- a.
- Employees and workers (including differently abled):**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	739	594	80.38%	145	19.62%
2.	Other than Permanent (E)*	NA	NA	NA	NA	NA
3.	<b>Total employees (D + E)</b>	<b>739</b>	<b>594</b>	<b>80.38%</b>	<b>145</b>	<b>19.62%</b>
<b>WORKERS</b>						
4.	Permanent (F)*	-	-	-	-	-
5.	Other than Permanent (G)*	-	-	-	-	-
6.	<b>Total workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Allcargo is in the process of setting up systems to capture data for Other than Permanent Employees and Permanent and Other than Permanent Workers.

NA = Not Available

- b.
- Differently abled Employees and workers:**

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)*	-	-	-	-	-
3.	<b>Total differently abled employees (D + E)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)*	-	-	-	-	-
5.	Other than Permanent (G)*	-	-	-	-	-
6.	<b>Total differently abled workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**19. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	7	-	-

**20. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	12%	10%	15%	21%	12%	11%	14%	16%
Permanent Workers*	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: \*Allcargo is in the process of setting up systems to capture data for Other than Permanent Employees and Permanent and Other than Permanent Workers

NA = Not Available

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****21. (a) Names of holding / subsidiary / associate companies / joint ventures**

Sr. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
<b>List of Indian Subsidiaries (Direct)</b>				
1	Contech Logistics Solutions Pvt. Ltd	Subsidiary	100.00	Yes
2	Ecu International (Asia) Pvt. Ltd.	Subsidiary	100.00	Yes
3	TransIndia Logistic Park Pvt Ltd.	Subsidiary	100.00	Yes
4	Gati Limited	Subsidiary	50.20	Yes
<b>List of Indian Subsidiaries (Indirect)</b>				
5	Gati-Kintetsu Express Private Limited	Subsidiary	65.14	Yes
6	Zen Cargo Movers Private Limited	Subsidiary	50.20	Yes
7	Gati Logistics Parks Private Limited	Subsidiary	50.20	Yes
8	Gati Projects Private Limited	Subsidiary	50.20	Yes
9	Gati Import Export Trading Limited	Subsidiary	50.20	Yes
10	ALX Shipping Agencies India Private Limited	Subsidiary	100.00	Yes
11	Comptech Solutions Pvt.Ltd.	Subsidiary	48.28	Yes
12	Panvel Industrial Parks Private Limited	Subsidiary	100.00	Yes
<b>List of Overseas Subsidiaries (Bodies Corporate) (Direct)</b>				
13	AGL Bangladesh Private Limited	Subsidiary	100.00	No
14	Allcargo Belgium N.V.	Subsidiary	100.00	No
<b>List of Overseas Subsidiaries (Bodies Corporate) (Indirect)</b>				
15	Ecu-Line Algeria sarl	Subsidiary	100.00	No
16	Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)	Subsidiary	100.00	No
17	Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.)	Subsidiary	100.00	No
18	Integrity Enterprises Pty Ltd.	Subsidiary	100.00	No
19	FMA-Line Holding N.V. (formerly known as Ecubro N.V.)	Subsidiary	100.00	No
20	Ecuhold N.V.	Subsidiary	100.00	No
21	Ecu International N.V.	Subsidiary	100.00	No
22	Antwerp Freight Services N.V. (Formerly known as Ecu Global Services N.V.)	Subsidiary	100.00	No
23	HCL Logistics N.V.	Subsidiary	100.00	No

Sr. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
24	AGL N.V.	Subsidiary	100.00	No
25	Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)	Subsidiary	100.00	No
26	Ecu Worldwide (Canada) Inc (formerly known as Ecu-Line Canada Inc).	Subsidiary	100.00	No
27	Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)	Subsidiary	100.00	No
28	Flamingo Line Chile S.A.	Subsidiary	100.00	No
29	Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)	Subsidiary	100.00	No
30	China Consolidation Services Ltd	Subsidiary	75.00	No
31	Ecu Worldwide China Ltd. (formerly known as China Consolidation Services Shipping Ltd.)	Subsidiary	75.00	No
32	Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S)	Subsidiary	100.00	No
33	Ecu Worldwide (Cyprus) Ltd.(formerly known as Ecu-Line Mediterranean Ltd.)	Subsidiary	55.00	No
34	Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o).	Subsidiary	100.00	No
35	Ecu Worldwide (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.)	Subsidiary	100.00	No
36	Flamingo Line del Ecuador SA	Subsidiary	100.00	No
37	Ecu World Wide Egypt Ltd. (formerly known as Ecu Line Egypt Ltd.)	Subsidiary	100.00	No
38	Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV)	Subsidiary	100.00	No
39	Ecu Worldwide (Germany) GmbH (formerly known as Ecu-Line Germany GmbH)	Subsidiary	100.00	No
40	ELWA Ghana Ltd.	Subsidiary	100.00	No
41	Ecu Worldwide (Guatemala) S.A.(formerly known as Flamingo Line de Guatemala S.A.)	Subsidiary	100.00	No
42	Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.)	Subsidiary	100.00	No
43	Ecu International Far East Ltd.	Subsidiary	100.00	No
44	CCS Shipping Ltd.	Subsidiary	75.00	No
45	PT Ecu Worldwide Indonesia	Subsidiary	100.00	No
46	Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.)	Subsidiary	100.00	No
47	Eurocentre Milan srl.	Subsidiary	100.00	No
48	Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl)	Subsidiary	100.00	No
49	Ecu Worldwide (Japan) Ltd.(formerly known as Ecu-Line Japan Ltd.)	Subsidiary	65.00	No
50	Jordan Gulf for Freight Services and Agencies Co. LLC	Subsidiary	100.00	No
51	Ecu Worldwide (Kenya) Ltd. (formerly known as Ecu-Line Kenya Ltd.)	Subsidiary	100.00	No

<b>Sr. No.</b>	<b>Name of the holding / subsidiary/associate companies/joint ventures (A)</b>	<b>Indicate whether Holding/ Subsidiary / Associate/ Joint Venture</b>	<b>% of shares held by listed entity</b>	<b>Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)</b>
52	Ecu Shipping Logistics (k) Ltd.	Subsidiary	100.00	No
53	Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia SDN. BHD)	Subsidiary	100.00	No
54	Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.)	Subsidiary	100.00	No
55	CELM Logistics SA de CV	Subsidiary	100.00	No
56	Ecu Worldwide Mexico SA de CV (formerly known as Ecu Logistics de Mexico SA de CV)	Subsidiary	100.00	No
57	Ecu Worldwide Morocco S.A. (formerly known as Ecu-Line Maroc S.A.)	Subsidiary	100.00	No
58	Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV)	Subsidiary	100.00	No
59	Rotterdam Freight Station BV	Subsidiary	100.00	No
60	FCL Marine Agencies B.V.	Subsidiary	100.00	No
61	Ecu Worldwide New Zealand Ltd. (formerly known as Ecu-Line NZ Ltd.)	Subsidiary	100.00	No
62	Ecu Worldwide (Panama) S.A. (formerly known as Ecu-Line de Panama SA)	Subsidiary	100.00	No
63	Ecu-Line Paraguay SA	Subsidiary	100.00	No
64	Flamingo Line del Peru SA	Subsidiary	100.00	No
65	Ecu-Line Peru SA	Subsidiary	100.00	No
66	Ecu Worldwide (Philippines) Inc.(formerly known as Ecu-Line Philippines Inc.)	Subsidiary	100.00	No
67	Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.)	Subsidiary	100.00	No
68	Ecu-Line Doha W.L.L.	Subsidiary	100.00	No
69	Ecu-Line Saudi Arabia LLC	Subsidiary	70.00	No
70	Ecu - Worldwide (Singapore) Pte. Ltd. (formerly known as Ecu-Line Singapore Pte. Ltd.)	Subsidiary	100.00	No
71	Ecu Worldwide (South Africa) Pty Ltd. (formerly known as Ecu-Line South Africa (Pty.) Ltd.)	Subsidiary	100.00	No
72	Ecu-Line Spain S.L.	Subsidiary	100.00	No
73	ECU Worldwide Lanka (Private) Ltd. (formerly known as Ecu Line Lanka (Pvt) Ltd.)	Subsidiary	100.00	No
74	Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)	Subsidiary	57.00	No
75	Société Ecu-Line Tunisie Sarl	Subsidiary	100.00	No
76	Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	Subsidiary	100.00	No
77	Ecu-Line Middle East LLC	Subsidiary	86.00	No
78	Ecu-Line Abu Dhabi LLC	Subsidiary	75.50	No
79	Eurocentre FZCO	Subsidiary	86.00	No
80	Star Express Company Ltd.	Subsidiary	100.00	No
81	Ecu Worldwide (UK) Ltd. (formerly known as Ecu-Line UK Ltd)	Subsidiary	100.00	No



Sr. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
82	Ecu Worldwide (Uruguay) S.A. (formerly known as DEOLIX S.A.)	Subsidiary	100.00	No
83	CLD Compania Logistica de Distribution SA	Subsidiary	100.00	No
84	Guldary S.A.	Subsidiary	100.00	No
85	PRISM GLOBAL, LLC	Subsidiary	100.00	No
86	Ecu Worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.]	Subsidiary	100.00	No
87	Econoline Storage Corp.	Subsidiary	100.00	No
88	ECl Customs Brokerage, Inc.	Subsidiary	100.00	No
89	OTI Cargo, Inc.	Subsidiary	100.00	No
90	Ports International, Inc.	Subsidiary	100.00	No
91	Administradora House Line C.A.	Subsidiary	100.00	No
92	Ecu Worldwide Vietnam Joint Stock Company (Formerly known as Ecu Worldwide Vietnam Co. Ltd and Ecu-Line Vietnam Co.Ltd)	Subsidiary	100.00	No
93	Ecu-Line Zimbabwe (Pvt) Ltd.	Subsidiary	70.00	No
94	Asia Line Ltd	Subsidiary	100.00	No
95	Prism Global Ltd.	Subsidiary	100.00	No
96	Eculine Worldwide Logistics Co. Ltd.	Subsidiary	100.00	No
97	FMA-LINE Nigeria Ltd.	Subsidiary	100.00	No
98	Ecu Worldwide (Uganda) Limited	Subsidiary	100.00	No
99	FMA Line Agencies Do Brasil Ltda	Subsidiary	100.00	No
100	FCL Marine Agencies Belgium bvba	Subsidiary	100.00	No
101	Allcargo Hong kong Limited (formerly known as Oconca Shipping (HK) Ltd.)	Subsidiary	100.00	No
102	Oconca Container Line S.A. Ltd.	Subsidiary	100.00	No
103	Almacen y Maniobras LCL SA de CV	Subsidiary	100.00	No
104	ECU WORLDWIDE SERVICIOS SA DE CV	Subsidiary	100.00	No
105	ECU TRUCKING, INC.	Subsidiary	100.00	No
106	ECU Worldwide CEE SRL	Subsidiary	100.00	No
107	Allcargo Logistics Africa (PTY) LTD (formerly known as FMA Line SA (PTY) LTD)	Subsidiary	100.00	No
108	Ecu Worldwide Baltics	Subsidiary	50.00	No
109	Ecu Worldwide (Belgium) N.V. (formerly known as Ecu-Line N.V)	Subsidiary	100.00	No
110	Ecu Worldwide (Bahrain) Co. W.L.L.	Subsidiary	100.00	No
111	East Total Logistics B.V.	Subsidiary	100.00	No
112	PAK DA (HK) LOGISTIC Ltd	Subsidiary	75.00	No
113	ECU Worldwide Tianjin Ltd.	Subsidiary	75.00	No
114	Allcargo Logistics FZE	Subsidiary	100.00	No
115	SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD	Subsidiary	41.25	No
116	Allcargo Logistics China Ltd.	Subsidiary	41.25	No

Sr. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
117	Asiapac Logistics Mexico SA de CV	Subsidiary	100.00	No
118	Gati Asia Pacific Pte Ltd.	Subsidiary	75.00	No
119	Gati HongKong Limited	Subsidiary	75.00	No
120	Gati Cargo Express (Shanghai) Co. Ltd.	Subsidiary	75.00	No
121	Ecu Worldwide (BD) Limited	Subsidiary	76.00	No
122	ECUNORDICON AB (Formerly known as Ecu Worldwide (Nordicon) AB)	Subsidiary	65.00	No
123	Nordicon AB	Subsidiary	65.00	No
124	NORDICON A/S	Subsidiary	65.00	No
125	Nordicon Terminals AB	Subsidiary	65.00	No
126	RailGate Nordic AB	Subsidiary	65.00	No
127	ASIA PAC LOGISTICS DE GUATEMALA S.A.	Subsidiary	100.00	No
128	Fair Trade Gmbh Schiffhart, handel und Logistik	Subsidiary	75.00	No
129	Asia Express Line GmbH	Subsidiary	75.00	No
130	Asiapac Equity Investment Limited	Subsidiary	100.00	No
131	ASIAPAC TURKEY TASIMACILIK ANONIM SIRKETI	Subsidiary	100.00	No
132	Allcargo Tanzania	Subsidiary	100.00	No
133	Asiapac Logistics El Salvador	Subsidiary	100.00	No
134	European Costoms Brokers N.V.	Subsidiary	70.00	No
135	ALX Shipping Agency LLC	Subsidiary	49.00*	No
136	Allcargo Logistics LLC	Subsidiary	49.00*	No
* Consolidated entirely based on test of control				
<b>Indian JV Companies (Direct)</b>				
137	Altcargo Oil & Gas Private Limited*	Joint Venture	74.00	No
138	Allcargo Supply Chain Private Limited	Joint Venture	61.13	Yes
* Altcargo Oil & Gas Private Limited is under process of strike off				
<b>Foreign JV Companies (Direct)</b>				
139	Allcargo Logistics Lanka (Private) Limited	Joint Venture	40.00	No
<b>Foreign JV Companies (Indirect)</b>				
140	Ecu Worldwide Peru S.A.C. (formerly known as Ecu Logistics Peru SAC)	Joint Venture	50.00	No
141	Ecu Worldwide Korea Co., Ltd.	Joint Venture	49.00	No
142	Allcargo Logistics Korea Co., Ltd.	Joint Venture	49.00	No
143	Fasder S.A.	Joint Venture	50.00	No
<b>Foreign Associate (Indirect)</b>				
144	FCL Marine Agencies GmbH (Bermen)	Associate	50.00	No
145	Trade Xcelerators LLC	Associate	20.00	No
146	RailGate Europe B.V	Associate	21.66	No
147	Aladin Group Holdings Limited	Associate	20.70	No
148	Aladin Express DMCC	Associate	20.70	No
<b>Indian Associate (Direct)</b>				
149	Haryana Orbital Rail Corporation Limited	Associate	7.60	No

**VI. CSR Details**
**22.**

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
(ii) Turnover (₹ in Lakhs):	2,81,764.00
(iii) Net worth (₹ in Lakhs):	1,03,054.35

**VII. Transparency and Disclosures Compliances**
**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Local Communities	Yes, Stakeholder Engagement Policy	-	-	NA	-	-	NA
Shareholders		1	-	All complaints raised during the year were successfully resolved within the stipulated time.	2	-	All complaints raised during the year were successfully resolved within the stipulated time.
Employees and Workers		-	-	NA	-	-	NA
Customers		-	9	Out of 9 complaints, 3 are original complaints and 6 are under appeal	-	9	Out of 9 complaints, 3 are original complaints and 6 are under appeal.
Suppliers		-	-	NA	-	-	NA

**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1.	Sustainable Supply Chain	Opportunity	Implementing a sustainable supply chain can decrease supply chain disruption and concurrently help stay ahead of emerging regulatory risks. Guiding suppliers to meet Allcargo's ESG requirements will thereby reduce environmental impacts, encourage business with local suppliers, and endorse good governance.	-	Positive implications

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
2.	Sustainable Supply Chain	Risk	Supply chain disruptions can impede processes and create obstacles throughout Allcargo's value chain. Human right violations and poor environmental performance of our vendors can lead to an impaired brand reputation are a few of the disruptions that can occur which subsequently lead to financial losses.	Allcargo's Supplier Code of Conduct establishes its stance over issues such as human rights, community development, business ethics and transparency, environmental performance, and whistle-blowing.  Allcargo has also formulated a Sustainable Procurement Policy for its suppliers with guidance to acquire from sustainable and local sources.	Negative implications
3.	Community Development	Opportunity	Engaging in community development is imperative to build long lasting relations with our associated communities, given our nation-wide presence. Furthermore, corporate social responsibility also providing a social license to operate, increase in investor interest and improved brand value recognition.	-	Positive implications
4.	Energy	Opportunity	Being in the logistics sector, efficiently managing our energy usage is important to ensure that our dependency on non-renewable energy sources is reduced and the transition to options such as Solar Energy and Green fuels is optimized. Although adopting better technology to reduce our energy consumption may incur a significant initial investment, it will ensure seamless transition to cleaner fuels. Additionally, this will reduce emissions in the process.	-	Positive implications
5.	Energy	Risk	We are largely dependent on our business vendors such as shipping liners for being able to transition towards green energy fuel in our operations of ocean freight, air freight, and road freight. However, the financial implications of the same would be limited to the short term.	Allcargo has formulated an Environmental Policy to monitor its performance on reducing GHG emissions over a period of time.	Negative implications
6.	Emissions	Risk	A prime source of emissions for Allcargo is ocean freight, air freight, and road freight. Therefore, non-management of emissions can lead to environmental deterioration.	Allcargo has formulated an Environmental Policy to monitor its performance on reducing GHG emissions over a period of time.	Negative Implications

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
7.	Diversity, Equity and Inclusion	Opportunity	Diversity, equity and inclusion serves as key pillar to facilitate a thriving working environment and access to an expanded talent pool. Healthy workplace relationship enables growth and career advancement. Additionally, well-connected facilities can encourage participation of women in the workforce.	-	Positive implications
8.	Customer Satisfaction	Opportunity	Actively making use of green logistics solutions at the company could aid in both attracting and retaining customers as numerous customers are aiming to make their supply chains more sustainable in nature. Redressal of customer grievances and obtaining timely feedbacks can work towards improving customer loyalty and increase the rate of customer retention.	-	Positive Implication
9.	Corporate Governance	Opportunity	It is imperative to ensure good governance and transparent practices as they can together help in securing stakeholder interest, lead to an improved reputation, reduce the company's vulnerability to risks and improve financial performance of the company.	-	Positive Implications
10.	Cybersecurity	Risk	Maintaining the privacy of customers and employee data is vital at Allcargo holds its service online. Data breaches and cyber security threats have risen over the past decade, and this has a negative impact on the functioning of the organisation leading to penalties and reputational damage.	Allcargo has a Cyber security policy. Allcargo is also ISO 27001:2013 certified to ensure utmost compliance and better customer data privacy.  In doing so, we have achieved a score of 750 in our third-party audit through BitSight ratings.	Negative Implications
11.	Labour Practice and Human Rights	Risk	Violation of human rights principles can adversely impact the workforce at larger and bear a risk of litigation against the company. Further, the violations could also lead to severe reputational damage to the company.	Allcargo has in place a Human Rights Policy with commitments such as zero tolerance towards human trafficking, child labour, and forced labour, freedom of association, discrimination among others. A formal grievance redressal mechanism is set for all employees and contractual workers to report any grievances to the Human Resource head of the company on <a href="mailto:vasant.shetty@allcargologistics.com">vasant.shetty@allcargologistics.com</a>	Negative Implications

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
12.	Occupational Health and Safety	Risk	As a multimodal transport operator, OHS-risks are predominantly at our offices.	Allcargo is in the process of implementing Health and Safety Policy across all its business operations.	Negative implications

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	P1 – Sustainable Procurement Policy P2 – Anti-trust and Anti-competitive Policy Code of Conduct Corporate Tax Governance Policy P3 – Human Rights Policy Health and Safety Policy Anti-Harassment and Anti-Discrimination Policy Board Diversity Policy P4 – Stakeholder Engagement Policy Supplier Code of Conduct P5 – Human Rights Policy Anti-Harassment and Anti-Discrimination Policy P6 – Environment Policy Supplier Code of Conduct P7 – Corporate Tax Governance Policy P8 – Stakeholder Engagement Policy CSR Policy P9 – Information Security and Cybersecurity Policy All the policies can be accessed through the below link: <a href="https://www.allcargologistics.com/investors/investorservices/corporatepolicies">https://www.allcargologistics.com/investors/investorservices/corporatepolicies</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Policies are compiled keeping in mind the different global standards including that of the United Nations and International Labour Organisation and various ISO standards.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Allcargo is in the process of formulating goals and targets and will begin tracking performance on the said policies in the coming year.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
<b>Governance, leadership and oversight</b>																		
<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>  The Board of Directors and CEO accesses various ESG initiatives and reviews the same regularly. The Company is in process of developing a detailed ESG roadmap which will be implemented specifying the categories wise targets. Please refer to page 18 for the Chairman's speech.																		
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Adarsh Hegde, Managing Director																	
<b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	The Company is working on establishing a Sustainability Committee in the coming years that will drive ESG initiatives																	
<b>10. Details of Review of NGRBCs by the Company:</b>																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Board of Directors									Annually								
<b>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency</b>	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
No										No								

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### Essential Indicators

##### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	P1 to P9	100%
Key Managerial Personnel	1	P1 to P9	100%
Employees other than BoD and KMPs	57	Trainings have been covered for Principle 3, Principle 6, Principle 9 while covering topics such as employee skill development on aspects such as managerial skills, conflict management and negotiation skills and customer centricity.	81%
Workers	Not Applicable	Not Applicable	Not Applicable

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (₹ in Lakhs)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	Competition Commission of India (CCI)	20.00	Note*	No
Settlement	-	-	-	-	No
Compounding	-	-	-	-	No
fee	-	-	-	-	No

#### Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA	No
Punishment	NA	NA	NA	NA	No

Note: NA = Not Applicable

Note\*: CCI levied a penalty of ₹ 20 Lakhs under section 43A of The Competition Act alleging violation of section 6(2A) of the said Act as CCI was of the view that Allcargo Logistics Ltd. failed to file a notice with CCI for acquisition of shares of Gati Ltd. The Company has paid the penalty amount levied and the matter stands closed.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Allcargo does not have any cases of monetary or non-monetary fines or penalties for the reporting year.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, anti-corruption and anti-bribery aspects are covered as a part of Allcargo's Code of Conduct Ethics Transparency and Accountability Policy.

Allcargo holds zero tolerance against any cases as well as instances of corruption, bribery, extortion or malpractices of financial statements. All of Allcargo's employees, in their individual capacity or while representing the Company, are strictly prohibited from engaging in any form of corruption or giving or accepting any kind of bribe, kickbacks or facilitation payments, directly or indirectly. It is to be noted that none of Allcargo's employees shall indulge in giving or receiving extravagant, lavish or uncustomary gifts to government or public authorities, during or after business hours. In the event that the acceptance of a bribe bears a direct threat to the employee's/employees' life/lives, the employee/employees should immediately inform their immediate manager or write to Chief Assurance & Risk Executive of the Company at [whistleblower@allcargologistics.com](mailto:whistleblower@allcargologistics.com).

The web link to the policy is as follows: <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	None	-	None
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	None	-	None



**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Since there were zero cases and complaints relating to corruption, bribery and conflicts of interest, no corrective actions were undertaken on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
0	None	0

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes. The Company has a policy on management of conflict of interest to identify actual or potential conflict of interest of the Company with its directors, which may arise during the course of its business activities. The Company has implemented organisational processes to mitigate and prevent conflicts of interest that may arise. The Company has approval mechanism in place for directors to address potential conflict of interests that may arise in recommending/approving related party transactions. The related party transaction policy is placed on the Company’s website.

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Allcargo has implemented the Sustainable Procurement Policy. Suppliers are required to follow Allcargo’s policy expectations and fulfill sustainable procurement obligations such as environmental stewardship, efficient use of natural resources, compliance to human rights, local laws and regulations among others. Further, suppliers are also expected to source sustainably in their respective value chains.

**b. If yes, what percentage of inputs were sourced sustainably?**

Allcargo is not currently tracking the sources of its value chain and is working on establishing a system to implement the same, in the near future.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Allcargo is a multimodal transport operator and does not manufacture any goods or services that can generate e-waste or hazardous waste.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Extended Producer Responsibility is not applicable to Allcargo as it is a multimodal transport operator.

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Allcargo has not conducted a Life Cycle Assessment of any of its services yet.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Allcargo has not conducted a Life Cycle Assessment of any of its services yet.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Allcargo is a multimodal transport operator and does not use any recycled or reused input material for manufacturing or in any of its services.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Allcargo is a multimodal transport operator and does not use any recycled or reused input material for manufacturing or in any of its services.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Allcargo is a multimodal transport operator and does not use any recycled or reused input material for manufacturing or in any of its services.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	594	594	100%	594	100%	-	-	-	-	-	-
Female	145	145	100%	145	100%	145	100%	-	-	-	-
<b>Total</b>	<b>739</b>	<b>739</b>	<b>100%</b>	<b>739</b>	<b>100%</b>	<b>145</b>	<b>100%</b>	-	-	-	-
<b>Other than Permanent Employees*</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Allcargo is in the process of setting up systems to capture data for Other than Permanent Employees.

- b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2. Details of retirement benefits, for Current FY and Previous Financial Year**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	-	Y	100%	-	Y
Gratuity	100%	-	Y	100%	-	Y
ESI	NA	-	NA	NA	-	NA
Others – please specify	NA	-	NA	NA	-	NA

Note: NA = Not Applicable

**3. Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Allcargo's offices are currently not accessible to differently-abled employees and workers.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy?**

Yes, Allcargo emphasises on providing equal opportunities for its employees in both the established POSH Policy and Anti-harassment and Anti-Discrimination policy.

Web-link to the policies:

1. Anti-harassment and Anti-Discrimination policy
2. POSH Policy

- <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	-	-

\*Allcargo only has maternity leave

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Whistleblower Policy Stakeholder Engagement Policy
Other than Permanent Employees	Whistleblower Policy Stakeholder Engagement Policy

Note: NA = Not Applicable

## 7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
<b>Total Permanent Workers</b>	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-

## 8. Details of training given to employees and workers:

Category	FY 2022 - 2023					FY 2021 - 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	594	-	-	487	82%	512	-	-	-	-
Female	145	-	-	122	84%	112	-	-	-	-
<b>Total</b>	<b>739</b>	-	-	<b>609</b>	<b>82%</b>	<b>624</b>	-	-	-	-
<b>Workers</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022 - 2023			FY 2021 - 2022		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	594	594	100%	512	512	100%
Female	145	145	100%	112	112	100%
<b>Total</b>	<b>739</b>	<b>739</b>	<b>100%</b>	<b>624</b>	<b>624</b>	<b>100%</b>
<b>Workers</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**10. Health and safety management system:**
**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Allcargo has implemented Health and Safety Policy, which is applicable to all of Allcargo Logistics' business operations and offices. However, Allcargo will implement occupational health and safety management systems and standard operating procedures (SOPs) to reduce health and safety risks, eliminate hazards and injuries, and take necessary corrective actions to ensure a safe and healthy workplace in the coming years.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Allcargo currently does not have a process to identify work-related hazards and assess risks and is looking to develop an Occupational Health and Safety Management System in the future.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Allcargo currently does not have a process to identify work-related hazards and assess risks and is looking to develop an Occupational Health and Safety Management System in the future.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Allcargo currently does not have non-occupational medical and healthcare services and is looking to roll out such policies in the future.

**11. Details of safety related incidents, in the following format:**

	Category	FY 2022-23	FY 2021-22
<b>Safety Incident/Number</b>			
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

\*Allcargo is in the process of setting up systems for tracking data for safety related incidents

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

For its offices, Allcargo has the following measures to ensure a safe and healthy workplace:

- Fire and evacuation drill – in the business continuity plan the Company has nominated members for roles of fire-fighters, fire-marshals, first aid, etc., Refresher training is conducted for the entire staff once in six months and conduct surprise fire & evacuation drills twice a year.
- Fixed and portable firefighting systems – fixed fire-fighting systems at offices are under an annual maintenance contract with government-approved or authorised licensed contractors
- For fire extinguishers a tracker is maintained which indicates the last filling date and next due date for the refilling of these extinguishers

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	None	-	-	None
Health & Safety	-	-	None	-	-	None

**14. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Health and safety practices	-
Working Conditions	-

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Allcargo is currently not tracking data for health and safety related incidents. However, Allcargo is developing a tracking mechanism to trace work-related health and safety incidences.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

A - Yes. The Company covers all the employees under accident policy, and Mediciam.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The statutory dues are collected from the monthly payroll of concerned employees and deposited with the concerned authorities.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	<b>Total no. of affected employees/ workers</b>		<b>No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment</b>	
	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Employees	-	-	-	-
Workers	-	-	-	-

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No, Allcargo does not provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

**5. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Health and safety practices	-
Working Conditions	-

\*Allcargo has not assessed its value chain partners

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners**

Allcargo is in the process of setting up the systems to capture data for safety-related incidents.

**PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

Allcargo identifies individuals or groups of individuals (including Companies, Partnership firms and Proprietary Firms) who are impacted by Allcargo's products, services and activities as well as individuals or groups of individuals which have a direct or indirect impact on Allcargo's. Upon such prioritization, Allcargo's shall analyse the risks and impacts of Allcargo's operation, whether direct or indirect, borne by each stakeholder.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

<b>Stakeholder group</b>	<b>Whether identified as Vulnerable &amp; Marginalized Group (Yes/ No)</b>	<b>Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)</b>	<b>Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagements</b>
Employees and workers	No	<ul style="list-style-type: none"> <li>Intranet portal</li> <li>Trainings and development programmes</li> <li>Performance management system</li> <li>Emails Written communication</li> <li>Newsletters, circulars and internal publications</li> <li>Employee engagement initiatives</li> <li>Functional and cross-functional committees</li> </ul>	Daily/Weekly	Business/ operations related communications
Investors and shareholders	No	<ul style="list-style-type: none"> <li>Annual shareholder meeting</li> <li>Investor presentations and conference calls</li> <li>Investor conferences and meets</li> <li>Communication through Stock exchange and website of the company</li> <li>Press releases and newsletters</li> </ul>	Quarterly / Annually / Event based	To provide updates on company's operations and updates on new business decisions
Customers	No	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Marketing and advertising</li> <li>Customer service centres</li> <li>Complaint handling and feedback</li> <li>Electronic communication – social media, WhatsApp calls</li> </ul>	Daily	Addressing customer requirements for deliveries and grievances if any
Suppliers and Contractors	No	<ul style="list-style-type: none"> <li>Regular interaction through online and offline meetings, phone calls, e-mails</li> <li>Conferences and workshops</li> <li>Training and awareness programmes</li> <li>Supplier Audits</li> </ul>	Daily/Weekly	To track daily operational activities and communicate future needs and expectations
Government and Regulatory Authorities	No	<ul style="list-style-type: none"> <li>Meetings and formal dialogue</li> <li>Representation through various trade bodies workshops</li> <li>Written communications</li> </ul>	Other – Need basis	Business-related
Industry Associations	No	<ul style="list-style-type: none"> <li>Conferences, global events and workshops</li> <li>Press releases and newsletters</li> <li>Written Communications</li> <li>Meetings</li> <li>Publications and Announcements</li> </ul>	Other – Need basis	Business-related

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Communities and NGOs	Yes	<ul style="list-style-type: none"> <li>Conferences and workshops</li> <li>Communication via telephone, email, etc.</li> <li>Community-participation events</li> <li>CSR partnerships - Contribution towards various causes</li> <li>Communication with Beneficiary Committees</li> </ul>	Other – Need basis	To obtain a social license to operate in communities around our operations
Media	No	<ul style="list-style-type: none"> <li>Written Communications</li> <li>Interviews and Forums</li> <li>Meetings</li> <li>Publications and Announcements</li> <li>Media releases</li> </ul>	Other – Need basis	Business-related

### Leadership Indicators

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Stakeholders raise their concern to the Board and appropriate actions are taken.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.**

Yes, Allcargo circulated the stakeholder engagement and materiality assessment questionnaire to all its stakeholders to identify key environmental and social topics. Based on the material topics identified, Allcargo is in the process of forming key environmental and social initiatives.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Allcargo has taken multiple initiatives to address the concerns of vulnerable & marginalized stakeholder groups which have evolved throughout the years with their key focus being employee betterment & improved employee connect. Such instances & initiatives include:

- Townhall meetings
- Skip level meetings
- Diversity & Inclusion committees are at place to discuss on D&I related problems.
- POSH committee



**PRINCIPLE 5 Businesses should respect and promote human rights**
**Essential Indicators**
**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. employees/ workers covered (B)	% (B / A)	Total (C)	No. employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	739	-	-	624	-	-
Other than permanent	-	-	-	-	-	-
<b>Total Employees</b>	<b>739</b>	<b>-</b>	<b>-</b>	<b>624</b>	<b>-</b>	<b>-</b>
<b>Workers</b>						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
<b>Total Workers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Allcargo is in the process of setting up systems to capture data for Other than Permanent Employees.

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>										
Male	594	-	-	594	100%	512	-	-	512	100%
Female	145	-	-	145	100%	112	-	-	112	100%
<b>Other than Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

\*Allcargo is in the process of setting up systems to capture data for Other than Permanent Employees

**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in ₹)	Number	Median remuneration/ salary/ wages of respective category (in ₹)
Board of Directors (BoD)	8	28,37,500	2	13,25,000
Key Managerial Personnel (KMP)	7	2,37,70,416	0	0
Employees other than BoD and KMP	587	7,47,049	145	7,21,190
Workers	-	-	-	-

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Allcargo Limited has a Human Rights policy in place. At Allcargo, Vasant Shetty is the focal point responsible for human rights-related aspects. Email ID: [vasant.shetty@allcargologistics.com](mailto:vasant.shetty@allcargologistics.com)

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Allcargo has promoted transparent communication amongst its employees and management across the organization. The Company ensures compliance with applicable employment laws and regulations. Allcargo has devised internal mechanisms to redress human rights-related grievances. They ensure that all employees are aware of the updates and changes in the policy through regular training and annual certification processes. Employees are provided with the opportunity to raise concerns regarding conflicts in terms of the language of the policy, policy requirements and other elements of the policy along with questions regarding the same.

Allcargo encourages its employees to do so by providing a system of confidential reporting of any concerns/issues/risks/threats/violations to persons or group of persons with our local Human Resources department, our Legal Department or if further escalation is required with our management and our human resource head Mr Vasant Shetty.

Employees can also register potential violations or threats/risks through grievance redressal by writing email to [vasant.shetty@allcargologistics.com](mailto:vasant.shetty@allcargologistics.com)

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	2	-	None	-	-	None
Discrimination at workplace	-	-	None	-	-	None
Child Labour	-	-	None	-	-	None
Forced Labour/Involuntary Labour	-	-	None	-	-	None
Wages	-	-	None	-	-	None
Other human rights related issues	-	-	None	-	-	None

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Yes, Allcargo Limited has mechanisms in place to prevent adverse consequences to the complaint in discrimination and harassment cases. Allcargo has an Anti-harassment and Anti-discrimination policy and a Prevention of Sexual Harassment (POSH) Policy in place. The Company has an implicit responsibility and legal obligation to address the issue in the utmost confidential, precise, and professional way and to ensure that justice is seen to be done and received in the most appropriate way while maintaining confidentiality for the good of the aggrieved employee. Allcargo ensures that no complainant faces retaliation from the offenders or the Company upon reporting of an incident. Reprisal or retaliation is strictly prohibited and is a violation of this policy.

The POSH policy details the following:

- At all stages of the procedures, informal and formal, and from the first discussions when the potential allegations of sexual harassment are discussed, all parties to the discussion are required to be aware of the sensitivity of the matters under discussion, the potential impact on individual lives and careers.
- Once the procedures are concluded, the documents should be filed in sealed envelopes marked confidential, and lodged with the person responsible for the retention of personnel records.
- Any requests for information from Media sources if any should be referred to the person within the company responsible for Media briefings.
- Notwithstanding anything contained in the Right to Information Act, 2005, the content of the Complaint, the identity and addresses of the aggrieved woman, respondent and witness, any information relating to conciliation and inquiry proceedings, recommendations of the Complaint Committee and the action taken by the employer shall not be published, communicated, or made known to the public, press and media in any manner.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Allcargo requires all its suppliers to adhere to the highest standards of ethical conduct in line with country-specific laws and conventions for their labor practices. This includes the abolition of child labor, forced labor, bonded labor etc.

It is ensured that the human rights framework is actively communicated internally and externally through agreements and contracts and further substantiated through the Sustainable Procurement Policy and Supplier Code of Conduct.

**9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

**10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

No corrective actions have been taken as there have been no risks and concerns arising from the assessments. In the case of any concerns and risks, Allcargo will take the appropriate mitigating actions.

**Leadership Indicators**
**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

Allcargo did not receive any grievances or complaints regarding Human Rights principles and guidelines therefore there are no modifications required.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Human Rights due diligence has not been conducted. However, Allcargo plans to conduct due diligence going forward.

**3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Allcargo's offices are currently not accessible to differently-abled visitors.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Others – please specify	-

\*Allcargo currently does not assess its value chain partners

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No corrective actions have been taken as there have been no risks and concerns arising from the assessments. In the case of any concerns and risks, Allcargo will take the appropriate mitigating actions.

**PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment**
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

<b>Parameter</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Total electricity consumption (A)	28,280.62	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (c)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>28,280.62</b>	<b>-</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees crores) (GJ/₹ Crore)	10.04	-

Note: No external assurance was carried out on environmental parameters for FY 2022-23

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Allcargo does not have sites / facilities identified as designated consumer under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>	NA	NA
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	NA	NA

Note: No external assurance was carried out on environmental parameters for FY 2022-23.

Allcargo is currently not tracking its water consumption and is in the process of setting systems and procedure to be able to track the data in the next reporting period.

NA = Not Available

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Zero Liquid Discharge is not applicable to Allcargo as it is a logistics company.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	MT	NA	NA
SOx	MT	NA	NA
Particulate Matter (PM)	MT	NA	NA
Carbon Monoxide (CO)	MT	NA	NA
Non-Methyl Hydrocarbon (NMHC)	MT	NA	NA

Note: No external assurance was carried out on environmental parameters for FY 2022-23. Allcargo is currently not tracking its stack or air emissions and is in the process of setting systems and procedures to be able to track the data in the next reporting period.

NA = Not Available

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	NA
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6,279	NA
Total Scope 1 and Scope 2 emissions per rupees in crore of turnover	tCO <sub>2</sub> e/₹ Crore	2.23	NA

Note: No external assurance was carried out on environmental parameters for FY 2022-23

NA = Not Available

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes. Allcargo has taken initiatives for installed solar capacity in its head office. We have been able to utilize 374 GJ of renewable energy, reducing our dependency on grid electricity and further contributing to GHG emission reductions.

Allcargo has actively conducted tree plantations across its operations and has planted 8.65 Lakhs trees over a period of 7 years, further contributing to carbon emission reductions.

**8. Provide details related to waste management by the entity, in the following format:**

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>	<b>NA</b>	NA
E-Waste (A)	NA	NA
Biomedical Waste (B)	NA	NA
Battery Waste (C)	NA	NA
Used oil	NA	NA
Miscellaneous Hazardous Waste (Process Waste, ETP sludge, etc.) (D)	NA	NA
Paper and Cardboard Waste (E)	NA	NA
Plastic Waste (F)	NA	NA
Metal Scrap (G)	NA	NA
Glass Waste (H)	NA	NA
Wood Waste (I)	NA	NA
Miscellaneous Non-Hazardous Waste (J)	NA	NA
<b>Total (A + B + C + D + E + F + G + H + I + J)</b>	<b>NA</b>	<b>NA</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>	<b>NA</b>	NA
(i) Recycled	NA	NA
(ii) Re-used	NA	NA
(iii) Co-processing	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>	<b>NA</b>	NA
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>

Note: No external assurance was carried out on environmental parameters for FY 2022-23. Waste generation is not being tracked currently. We are in the processing of tracking our waste and setting appropriate practices for waste management.

NA = Not Available

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

As a logistics company, Allcargo does not manufacture any products and thus does not use any hazardous or toxic chemicals. Currently, we are in the processing of tracking our waste and setting appropriate practices for waste management.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Allcargo is yet to conduct a study of its operations that comes under the ecologically sensitive areas. We are in the process of setting appropriate practices to track this.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

During the reporting period, Allcargo has not conducted any environmental impact assessment.

**12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, Allcargo ensures compliance to all national applicable laws wherever required.

**Leadership Indicators****1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources (in GJ)</b>		
Total electricity consumption (A)	374.70	NA
Total fuel consumption (B)	-	NA
Energy consumption through other sources (C)	-	NA
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>374.70</b>	<b>NA</b>
<b>From non-renewable sources (in GJ)</b>		
Total electricity consumption (D)	27,905.92	NA
Total fuel consumption (E)	-	NA
Energy consumption through other sources (F)	-	NA
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>27,905.92</b>	<b>NA</b>

Note: No external assurance was carried out on environmental parameters for FY 2022-23

NA = Not Available

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
With treatment – Tertiary Treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	<b>NA</b>	<b>NA</b>

Note: No external assurance was carried out on environmental parameters for FY 2022-23.

Water discharged is not being tracked currently. We are in the process of tracking our water and setting appropriate practices for water management.

NA = Not Available

**3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area : Pan-India
- (ii) Nature of operations: Logistic Services
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>NA</b>	<b>NA</b>
<b>Total volume of water consumption (in kilolitres)</b>		
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	<b>NA</b>	<b>NA</b>
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	<b>NA</b>	<b>NA</b>

Note: No external assurance was carried out on environmental parameters for FY 2022-23.

Water withdrawal is not being tracked currently. We are in the process of tracking our water and setting appropriate practices for water management.

NA = Not Available

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,23,736	NA
Total Scope 3 emissions per rupees in crore of turnover	tCO <sub>2</sub> e / ₹ Crore	43.91	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		No	No

Note: No external assurance was carried out on environmental parameters for FY 2022-23

NA = Not Available

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Allcargo has not conducted a Biodiversity Impact Assessment to understand the significant direct and indirect impacts.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
NIL			

\*Allcargo during the FY has not undertaken any initiatives to improve resource efficiency

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Our Business Continuity Management Systems (BCMS) approach is based on four pillars – Emergency Response, Crisis Management, Business Continuity Planning, and Disaster Recovery Management (DR). IT Disaster Recovery Solution built on a hybrid strategy of on-premises and third-party cloud infrastructure that supports quick response and recovery for applications and services. It includes the implementation of a cloud-based DR solution. We have primary data centres and disaster recovery data centres with appropriate on-premises backup arrangements. We have implemented a cloud-based DR solution for enabling the backup of current applications, systems, and data required to execute business continuity planning (BCP) in case of failure of primary data centres due to any disaster.

Emergency Response and Crisis Management: Allcargo has established comprehensive emergency response arrangements to ensure the safety and well-being of employees, visitors, and stakeholders during emergencies. A dedicated team is responsible for coordinating and managing crisis situations. This team consist of individuals from various departments and levels within the organization, including senior management, communications, operations, legal, and human resources.

Business Continuity Planning: Integrate crisis management with business continuity planning. Identified critical business functions and developed strategies to ensure their continuity during a crisis. This includes backup systems, alternative locations, and contingency plans to minimize disruption and maintain essential operations.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Allcargo has not conducted a Biodiversity Impact Assessment to understand the significant direct and indirect impacts or understand impacts from the value chain.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Allcargo has not conducted a Biodiversity Impact Assessment to understand the significant direct and indirect impacts or understand impacts from the value chain.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

#### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Allcargo is a member of eight trade associations.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation Of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	The Associated Chambers of Commerce and Industry in India (ASSOCHAM)	National
4	Association of Multimodal Transport Operators of India (AMTOI)	National
5	International Market Association (IMA)	International
6	Indian Chamber of Commerce (ICC)	National
7	Confederation Of Indian Industry -Family Business Network	National
8	EU Chambers of Commerce of India	National



**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not Applicable, since there were no cases of anti-competitive conduct by Allcargo in FY 2023.

**Leadership Indicators**

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Nil					

In FY22-23, there have been no public policies that have been advocated by Allcargo.

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Social impact assessments are not being presently conducted, however, Allcargo plans on conducting SIAs in the future once the projects reach an appropriate maturity level.

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Allcargo does not have any projects wherein ongoing Rehabilitation and Resettlement (R&R) is being undertaken.

**3. Describe the mechanisms to receive and redress grievances of the community.**

Allcargo has a Stakeholder Engagement Policy that allows the community to register any grievances.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	NA	NA

Note: Allcargo is a service industry and not a manufacturing industry hence input material would not be applicable for Allcargo

NA = Not Applicable

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Social impact assessments are not being presently conducted, but Allcargo plans on conducting SIAs in the future once the projects reach an appropriate maturity level.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. no	State	Aspirational District	Amount spent (in ₹)
1.	Maharashtra	Osmanabad	10,00,000

**3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No, Allcargo does not have a preferential procurement policy at the moment.

**b. From which marginalized /vulnerable groups do you procure?**

No, Allcargo does not have a preferential procurement policy at the moment.

**c. What percentage of total procurement (by value) does it constitute?**

No, Allcargo does not have a preferential procurement policy at the moment.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1	NA	NA	NA	NA

Note: NA = Not Applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Allcargo is not involved in any litigations for intellectual property.

**6. Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Health	23,225	100
2	Education	8,280	100
3	Environment	1,050	100
4	Women Empowerment	5,900	100
5	Disaster	400	100
6	Sport	15	100

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Being a customer-centric company, Allcargo is always looking to enhance its customer experience by actively recording and addressing grievances and feedback. Through the Online Reputation Management tracking system through social media or publicly available platforms, Allcargo keeps a check on all customer complaints and queries raised. Complaints and feedback received through mail are addressed by the Customer Experience team, and twice a day the reports are published.

All IT-related complaints are observed by the IT helpdesk and complaints can be raised through the Company's Website: [www.allcargologistic.com/contact-us](http://www.allcargologistic.com/contact-us)

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	None	-	-	None
Advertising	-	-	None	-	-	None
Cyber-security	-	-	None	-	-	None
Delivery of essential services	-	-	None	-	-	None
Restrictive Trade Practices	-	-	None	-	-	None
Unfair Trade Practices	-	-	None	-	-	None
Other	-	9	Out of 9 complaints, 3 are original complaints and 6 are under appeal	-	9	Out of 9 complaints, 3 are original complaints and 6 are under appeal

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Allcargo has an Information Security and Cyber security Policy that ensures commitment to the highest standards of Cyber security practices.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Allcargo is deeply committed to upholding customer privacy and cyber security. As Allcargo aggregates personally identifiable information of its customers for shipments, appropriate technical and process control measures are implemented to ensure zero data leakages. The IT systems are ISO 27001:2013 certified and are in line with the NIST framework. Procedures for incident management and vulnerability assessments are regularly conducted to ensure compliance to the highest standards of security.

The prudence of our cyber security mechanism and performance is evident through our BitSight ratings score of 750, helping us gain a rating of 'Advanced'.

**Leadership Indicators**
**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Website: <https://www.allcargologistics.com>

Instagram: <https://instagram.com/allcargologisticsltd?igshid=MzRIODBiNWFIZA>

Youtube: <https://youtube.com/@allcargologisticsltd>

Twitter: <https://twitter.com/allcargofficial?lang=en>

LinkedIn: <https://www.linkedin.com/company/allcargo-logistics/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Allcargo is currently not conducting any consumer awareness activities.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

In case of service disruption, the customer service team sends service advisories to the customers

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, Allcargo conducts the Customer Satisfaction Survey (C-Sat) on an annual basis.

**5. Provide the following information relating to data breaches:**
**a. Number of instances of data breaches along-with impact**

Allcargo has had zero instances of data breaches in the reporting period.

**b. Percentage of data breaches involving personally identifiable information of customers**

Allcargo has had zero instances of data breaches in the reporting period.

# INDEPENDENT AUDITOR'S REPORT

**To the Members of  
Allcargo Logistics Limited  
Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of Allcargo Logistics Limited ("the Company") which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2023, its profit 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 of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone 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 together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the standalone financial statements.

## Emphasis of Matter

We draw attention to Note 43 of the standalone financial statements regarding accounting of demerger of certain businesses of the Company into Allcargo Terminals Limited and TransIndia Realty & Logistics Parks Limited under the Scheme of Arrangement (the 'Scheme') approved by the National Company Law Tribunal ('NCLT'). As per the accounting treatment prescribed in the Scheme and Circular No. 09/2019 dated August 21, 2019 issued by the Ministry of Corporate Affairs ('MCA'), demerger has been accounted from the appointed date i.e. April 01, 2022. As per the provisions of Ind AS notified under Companies (Indian Accounting Standards) Rules, 2015 as amended, the Demerger should have been accounted for from the date of transfer of control.

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

## Key audit matters

## How our audit addressed the key audit matter

### (a) Recoverability of trade receivables (as described in Note 7.2 of the standalone financial statements)

The gross balance of trade receivables as at 31 March 2023 amounted to Rs. 34,706 lakhs, against which the Company has recorded expected credit loss provision of Rs. 3,179 lakhs. The collectability of trade receivables is a key element of the Company's working capital management.

The Company has a formal policy for evaluation of recoverability of receivables and recording of impairment loss which is applied at every period-end. In accordance with Ind AS 109 'Financial Instruments', the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables which is based on the credit loss incurred in the past, current conditions and forecasts of future conditions. In calculating expected credit loss, the Company has also considered customer accounts as well as experience with collection trends and current economic and business conditions.

The Company's disclosures are included in Note 2.2(f) and Note 2.2(s) and note 7.2 to the standalone financial statements, which outlines the accounting policy for determining

Our audit procedures, among other things included the following:

- We evaluated the Company's policies, processes and financial controls relating to the monitoring of trade receivables and review of credit risks of customers.
- Examined the Management's assessment of the customers' financial circumstances and ability to repay the debt.
- Circularized requests for balance confirmations on sample basis and examined responses.
- Obtained evidence of receipts from customers.
- Inspected relevant contracts and correspondence with the customers on sample basis, assessment of their creditworthiness with reference to publicly available information, where applicable.
- Evaluated management's estimates and the inputs used by Management for development of the ECL model, analysis

Key audit matters	How our audit addressed the key audit matter
<p>the allowance for impairment allowance and details of the year on year movement in gross and net trade receivables.</p> <p>Due to significant of the trade receivables balance to the standalone financial statements as a whole and with the involvement of estimates and judgement, we have considered recoverability of trade receivables as key audit matter.</p>	<p>of ageing of receivables, assessment of material overdue individual trade receivables including specific customer balances and sector exposure.</p> <ul style="list-style-type: none"> <li>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</li> </ul>

### 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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and in doing so, consider whether such 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 for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 standalone financial statements, including the disclosures and whether the standalone 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 standalone financial statements for the financial year ended March 31, 2023 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purposes 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2022, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
  - (h) 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 its standalone financial statements – Refer Note 26 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv.
      - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
      - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
    - v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
    - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**

Partner

Membership Number: 117142

UDIN: 23117142BGYJBG2218

Mumbai

May 30, 2023

**Annexure I referred to in paragraph I under the heading Report on 'Other Legal and Regulatory Requirements' of our Report of even date on the Standalone Financial Statements.**

Re: Allcargo Logistics Limited ("the Company")

- (i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Investment Property and Right of use assets.
- B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 13.1 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms or any other parties as follows:

(₹ in Lakhs)

<b>Aggregate amount granted/ provided during the year</b>	<b>Guarantees</b>	<b>Loans</b>	<b>Advances in nature of loans</b>
- Subsidiaries	37,635	9	-
- Joint Ventures	-	789	10
- Associates	-	-	-
- Others	-	734	-
Balance outstanding as at balance sheet date in respect of above cases			
- Subsidiaries	37,635	91	-
- Joint Ventures	-	789	27
- Associates	-	-	-
- Others	-	932	-

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to Companies, Firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans or advance in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) As disclosed in note 7.5 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(₹ in Lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans - Repayable on demand	2,278	-	1,839
Percentage of loans/advances in nature of loans to the total loans	100%	-	94 %

- (iv) There are no loans, investments, guarantees and security in respect of which provisions of Section 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company. Loans, investments, guarantees and security in respect of which provisions of Section 185 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, the dues of goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in Lakhs)

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	17,323	2007-08 to 2014-15	Mumbai CESTAT
The Customs Act, 1962	Custom Duty	1	2004	Chennai CESTAT
The Customs Act, 1962	Custom Duty	8	2009	Mumbai CESTAT
MP Entry Tax Act, 1976	Entry Tax	41	2010-11	Deputy Commissioner, Commercial Tax, Jabalpur
Income Tax Act, 1961	Income Tax	172	2010-11	High Court, Mumbai
Income Tax Act, 1961	Income Tax	59	2018-19	CIT (Appeal)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.



- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (C) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 33 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 36 to the financial statements.

**For S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**

Partner

Membership Number: 117142

UDIN: 23117142BGYJBG2218

Mumbai

May 30, 2023

## **Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Allcargo Logistics Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Allcargo Logistics Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone 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 control 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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 judgement, including the assessment of the risks of material misstatement of the 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 with reference to these standalone financial statements.

### **Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

#### **For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number:101049W/E300004

#### **per Aniket Sohani**

Partner

Membership Number: 117142

UDIN: 23117142BGYJBG2218

Mumbai

May 30, 2023

# Balance Sheet

as at 31 March 2023

(₹ in Lakhs)			
Particulars	Notes	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	4,041	42,431
Right of use assets	3.2	3,434	5,349
Capital work-in-progress	3.3	207	198
Other intangible assets	4	58	123
Intangible assets under development	5	-	15
Investments in associates and joint ventures	6.1	24,395	20,529
Investments in subsidiaries	6.2	62,728	1,13,296
Investments in others	6.3	-	5,215
<b>Financial assets</b>			
Investments	7.1	98	141
Loans	7.5	1,836	28,395
Other financial assets	7.6	524	1,177
Deferred tax assets (net)	8	1,541	7,098
Income tax assets (net)	11	7,428	4,611
Other non-current assets	9	237	2,690
<b>Total Non-current assets</b>		<b>1,06,527</b>	<b>2,31,269</b>
<b>Current assets</b>			
Inventories	10	-	291
Contract assets		6,584	12,853
<b>Financial assets</b>			
Investments	7.1	16,985	13,469
Trade receivables	7.2	31,527	63,332
Cash and cash equivalent	7.3	2,943	7,004
Other bank balances	7.4	5,297	667
Loans	7.5	442	504
Other financial assets	7.6	3,825	2,257
Other current assets	9	2,233	5,082
Assets held for sale	44, 45	2,401	11,385
<b>Total Current assets</b>		<b>72,237</b>	<b>1,16,844</b>
<b>Total Assets</b>		<b>1,78,764</b>	<b>3,48,113</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	12.1	4,914	4,914
Other equity	12.2	98,140	1,86,541
Reserves of a disposal group classified as held for sale	12.2	-	129
<b>Total Equity</b>		<b>1,03,054</b>	<b>1,91,584</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13.1	13,618	31,525
Lease liability	32	2,818	4,950
Other financial liabilities	13.4	-	17
Other non-current liabilities	14	-	5
<b>Total Non-current Liabilities</b>		<b>16,436</b>	<b>36,496</b>
<b>Current liabilities</b>			
<b>Contract liabilities</b>			
		6,029	8,161
<b>Financial liabilities</b>			
Borrowings	13.1	5,979	42,760
Lease liability	32	847	806
Trade payables	13.2	-	-
a) Total outstanding dues of micro enterprises and small enterprises:		78	52
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,756	35,095
Other payables	13.3	3,628	9,173
Other financial liabilities	13.4	22,695	14,159
Net employee defined benefit liabilities	15	1,577	985
Other current liabilities	14	2,685	3,070
Liabilities directly associated with assets held for sale	45	-	5,774
<b>Total Current Liabilities</b>		<b>59,274</b>	<b>1,20,033</b>
<b>Total Equity and Liabilities</b>		<b>1,78,764</b>	<b>3,48,113</b>
<b>Significant accounting policies</b>	2.2		
<b>See accompanying notes to the financial statements</b>	1-46		

## As per our report of even date

### For S.R. Batliboi & Associates LLP

ICAI firm registration No: 101049W/E300004  
Chartered Accountants

### per Aniket Sohani

Partner  
Membership No: 117142

Place: Mumbai  
Date: May 30, 2023

### For and on behalf of Board of directors of Allcargo Logistics Limited

CIN No: L63010MH2004PLC073508

**Shashi Kiran Shetty**  
Founder & Executive Chairman  
DIN: 00012754

**Capt. Sandeep R. Anand**  
Chief Executive Officer-Marketing

Place: Mumbai  
Date: May 30, 2023

**Mohinder Pal Bansal**  
Independent Director  
DIN: 01626343

**Devanand Mojdra**  
Company Secretary & Compliance Officer  
M.N.: A14644

**Deepal Shah**  
Deputy Group Chief Financial Officer  
M.N.: 101639

# Statement of Profit and Loss

for the year ended 31 March 2023

(₹ in Lakhs)			
Particulars	Notes	31 March 2023	31 March 2022
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from operations	16	2,72,184	2,87,897
Other income	17	9,579	23,128
<b>Total Income</b>		<b>2,81,763</b>	<b>3,11,025</b>
<b>Expenses</b>			
Cost of services rendered	18	2,31,044	2,59,172
Employee benefits expense	19	15,615	11,868
Finance costs	20	2,120	3,893
Depreciation and amortisation expense	21	1,583	1,354
Other expenses	22	9,392	9,229
<b>Total Expenses</b>		<b>2,59,754</b>	<b>2,85,516</b>
<b>Profit before exceptional items and tax from continuing operations</b>		<b>22,009</b>	<b>25,509</b>
Exceptional items	23	3,987	1,321
<b>Profit before tax from continuing operations</b>		<b>25,996</b>	<b>26,830</b>
<b>Income tax expense</b>			
Current tax		4,032	5,910
Deferred tax charge / (credit)	8	1,701	(1,516)
<b>Total income tax expense</b>		<b>5,733</b>	<b>4,394</b>
<b>Profit for the year from continuing operations</b>	A(a)	<b>20,263</b>	<b>22,436</b>
<b>Discontinued operations (refer note 38 &amp; 45)</b>			
<b>Profit before tax for the year from discontinued operations</b>		<b>71</b>	<b>15,996</b>
<b>Income tax expense</b>			
Current tax		-	1,786
<b>Total income tax expense</b>		<b>-</b>	<b>1,786</b>
<b>Profit for the year from discontinued operations</b>	A(b)	<b>71</b>	<b>14,210</b>
<b>Profit for the year</b>	A(a+b)	<b>20,334</b>	<b>36,646</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to Statement of Profit and Loss:</b>			
Re-measurement gain/(loss) on defined benefit plans		(74)	(37)
<b>Items that will be reclassified to Statement of Profit and Loss:</b>			
Cash flow hedge reserves		1,318	1,002
Income tax effect		(340)	(318)
<b>Other Comprehensive Income/(Loss)</b>	B	<b>904</b>	<b>647</b>
<b>Total Comprehensive income for the year, net of tax</b>	A+B	<b>21,238</b>	<b>37,293</b>
<b>Earnings per equity share (nominal value of ₹ 2 each)</b>			
Basic and diluted	24	8.28	14.91
Basic and diluted (continuing operation)	24	8.25	9.13
Basic and diluted (discontinued operation)	24	0.03	5.78
<b>Significant accounting policies</b>	2.2		
<b>See accompanying notes to the financial statements</b>	1-46		

#### As per our report of even date

For S.R. Batliboi & Associates LLP

ICAI firm registration No: 101049W/E300004

Chartered Accountants

For and on behalf of Board of directors of Allcargo Logistics Limited

CIN No:L63010MH2004PLC073508

per Aniket Sohani

Partner

Membership No: 117142

Place: Mumbai

Date: May 30, 2023

Shashi Kiran Shetty

Founder & Executive Chairman

DIN: 00012754

Capt. Sandeep R. Anand

Chief Executive Officer-Marketing

Place: Mumbai

Date: May 30, 2023

Mohinder Pal Bansal

Independent Director

DIN:01626343

Devanand Mojdra

Company Secretary & Compliance Officer

M.N.: A14644

Deepal Shah

Deputy Group Chief Financial Officer

M.N.: 101639

# Statement of Cash Flows

for the year ended 31 March 2023

	(₹ in Lakhs)	
Particulars	31 March 2023	31 March 2022
<b>Operating activities</b>		
Profit before tax and after exceptional items from continuing operations	25,996	42,630
Profit before tax and after exceptional items from discontinued operations	71	198
<b>Profit before tax</b>	<b>26,067</b>	<b>42,828</b>
<b>Adjustments to reconcile profit before tax to net cash flow:</b>		
Depreciation and amortisation expense	1,604	9,206
Fair value (gain) / loss on financial instruments (net)	(177)	78
(Gain) arising out of sale of project solution business under slump sale arrangements (net)	(2,883)	-
Impairment loss recognized under expected credit loss model	(444)	2,104
Bad debts / advances written off	737	531
Liabilities no longer required written back	(163)	(354)
Rental income	-	(299)
Finance costs	2,120	4,489
Finance income	(1,167)	(1,472)
Dividend income	(7,531)	(21,031)
(Gain)/Loss on disposal of property, plant and equipment (net)	-	(2,244)
Assets written off	49	-
(Profit) on sale of current investments (net)	(492)	(59)
Unrealised foreign exchange (Gain)/loss differences	1,513	727
Reversal of Impairment provision on interest receivable from subsidiary	-	(488)
Reversal of Impairment loss reversed on Loan	(768)	-
Reversal of Impairment loss reversed on Non current investment	(336)	-
(Profit) on sale of investments in subsidiary	-	(169)
	<b>18,129</b>	<b>33,847</b>
<b>Working capital adjustments:</b>		
Decrease / (Increase) in trade receivables	29,245	(19,623)
Decrease in loans and advances	539	1,560
Decrease in inventories	-	298
Decrease in other current and non current assets	4,764	914
Decrease in trade payables, other current and non current liabilities	(11,599)	(3,896)
Increase in provisions	804	61
<b>Cash generated from operating activities</b>	<b>41,882</b>	<b>13,161</b>
Income tax paid (net of refunds) (net)	(6,833)	(9,091)
<b>Net cash flows from operating activities (A)</b>	<b>35,050</b>	<b>4,070</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant and equipment	21	2,997
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(699)	(1,407)
Purchase of Non-current investments	(10,847)	(4,750)
Proceeds from Sale of Non current Investments	-	44
Purchase of current investments	(83,301)	(52,866)
Proceeds from sale of current investments	80,499	42,368
Dividend received	7,515	19,924

# Statement of Cash Flows

for the year ended 31 March 2023

(₹ in Lakhs)		
Particulars	31 March 2023	31 March 2022
Proceeds from redemption of Redeemable preference shares	-	1,000
Proceeds from Redemption of Optionally Convertible Debentures	-	10,047
Consideration received on sale of projects solution business under slump sale arrangements	6,601	-
Rent received	-	299
Interest income received	741	1,081
Loans and advances repaid from subsidiaries	10,028	28,546
Loans and advances given to subsidiaries	(989)	(37,934)
Inter-Corporate deposits received back	-	1,004
Inter-Corporate deposits given	-	(1,000)
Fixed deposits with maturity period more than three months matured / (placed) (net)	(4,630)	(23)
<b>Net cash flows from investing activities (B)</b>	<b>4,939</b>	<b>9,330</b>
<b>Financing activities</b>		
Proceeds from non-current borrowings	-	20,168
Repayment of non-current borrowings	(5,617)	(19,242)
Proceeds from current borrowings	32,500	1,10,558
Repayment of current borrowings	(62,000)	(1,08,962)
Lease payments	(639)	(686)
Interest on leases	(227)	(579)
Finance costs	(1,837)	(3,762)
Payment of dividend (inclusive of tax on dividend)	(7,986)	(7,369)
Gain arising out of derivative instruments	1,756	-
<b>Net cash flows (used in) financing activities (C)</b>	<b>(44,050)</b>	<b>(9,874)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,061)</b>	<b>3,526</b>
<b>Cash and cash equivalents at the beginning of the year (refer note 7.3)</b>	<b>7,004</b>	<b>3,478</b>
<b>Cash and cash equivalents at year end (refer note 7.3)</b>	<b>2,943</b>	<b>7,004</b>
<b>Component of cash and cash equivalents</b>		
<b>Significant accounting policies</b>	2.2	
<b>See accompanying notes to the financial statements</b>	1-46	

## As per our report of even date

For S.R. Batliboi & Associates LLP

ICAI firm registration No: 101049W/E300004

Chartered Accountants

For and on behalf of Board of directors of Allcargo Logistics Limited

CIN No:L63010MH2004PLC073508

## per Aniket Sohani

Partner

Membership No: 117142

Place: Mumbai

Date: May 30, 2023

## Shashi Kiran Shetty

Founder & Executive Chairman

DIN: 00012754

## Capt. Sandeep R. Anand

Chief Executive Officer-Marketing

Place: Mumbai

Date: May 30, 2023

## Mohinder Pal Bansal

Independent Director

DIN:01626343

## Devanand Mojindra

Company Secretary & Compliance Officer

M.N.: A14644

## Deepal Shah

Deputy Group Chief Financial Officer

M.N.: 101639

# Statement of Changes in Equity

for the year ended 31 March 2023

Particulars	Equity share capital				Other equity				Discontinued Operations (refer note 45)	Remeasurements of gains / (losses) on defined benefit plans (OCI)	Cash flow hedge reserves (OCI)	Total equity attributable to equity holders of the Company	
	No of shares	Share capital	Securities premium	Tonnage tax reserve	Tonnage tax reserve Utilised	General reserve	Capital redemption reserve (CRR)	Capital reserve					Retained earnings
<b>As at 1<sup>st</sup> April 2021</b>	24,56,95,524	4,914	32,964	60	152	14,033	211	84	1,09,755	(570)	59	-	1,61,662
Profit for the year	-	-	-	-	-	-	-	-	36,518	-	-	129	36,647
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	-	684	(37)	-	648
Cash dividend on equity shares	-	-	-	-	-	-	-	-	(7,373)	-	-	-	(7,373)
<b>As at 31<sup>st</sup> March 2022</b>	24,56,95,524	4,914	32,964	60	152	14,033	211	84	1,38,900	114	22	129	1,91,584
Pursuant to demerger scheme (refer note 43)	-	-	(32,964)	-	-	-	-	(84)	(68,733)	-	-	-	(1,01,781)
Profit for the year	-	-	-	-	-	-	-	-	20,263	-	-	71	20,334
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	-	978	(74)	-	904
Cash dividend on equity shares	-	-	-	-	-	-	-	-	(7,986)	-	-	-	(7,986)
Others (refer note 45)	-	-	-	-	-	-	-	-	200	-	-	(200)	-
<b>As at 31 March 2023</b>	24,56,95,524	4,914	-	60	152	14,033	211	-	82,644	1,092	(52)	-	1,03,054

(₹ in Lakhs)

Refer note 12.1 of Equity Share Capital and 12.2 of Other Equity for details pertaining to the nature of the abovementioned reserves in other equity.

**The accompanying notes are an integral part of the financial statements.**

**As per our report of even date**

**For S.R. Batliboi & Associates LLP**

ICAI firm registration No: 101049W/E300004

Chartered Accountants

**For and on behalf of Board of directors of Allcargo Logistics Limited**

CIN No: L63010MH2004PLC073508

**Shashi Kiran Shetty**

Founder & Executive Chairman

DIN: 00012754

**Capt. Sandeep R. Anand**

Chief Executive Officer-Marketing

Place: Mumbai

Date: May 30, 2023

**Mohinder Pal Bansal**

Independent Director

DIN: 01626343

**Devanand Mojidra**

Company Secretary & Compliance Officer

Place: Mumbai

Date: May 30, 2023

**Deepal Shah**

Deputy Group Chief Financial Officer

M.N.: 101639

**per Aniket Sohani**

Partner

Membership No: 117142

Place: Mumbai

Date: May 30, 2023

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 1. Corporate Information

Allcargo Logistics Limited (the 'Company') was incorporated on 18 August 1993 and is a leading multinational Company engaged in providing integrated logistics solutions and offers specialised logistics services across multimodal transport operations, inland container depot, container freight station operations, contract logistics operations and project and engineering solutions.

The Company is a public limited Company, domiciled in India and incorporated under the provisions of the Companies Act, 1956 and has its registered office at 6<sup>th</sup> floor, Avvashya house, CST road, Kalina, Santacruz (east), Mumbai – 400098, Maharashtra, India. The Company is listed on BSE Limited and National Stock Exchange of India Limited.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2023.

#### Demerger Scheme

On December 23, 2021, the Board of Directors of the Company considered and approved the restructuring of the business of the Company by way of a scheme of arrangements and demerger ("Scheme") whereby (1) Container Freight Station/Inland Container Depot businesses and their related business as defined under scheme would be demerged into Allcargo Terminals Limited ("ATL"), wholly owned subsidiary WOS") of the Company; and (2) Construction & leasing of Logistics Parks, leasing of land & commercial properties, Engineering Solutions (hiring and leasing of equipment's) business and other related business as defined under scheme would be demerged into TransIndia Real Estate Limited (formerly known as TransIndia Realty & Logistics Parks Limited) ("TRL") WOS of the Company, on a going concern basis. The Scheme was approved by BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approved the Scheme on January 05, 2023 and the Certified True Copy of the Order along with sanctioned Scheme was received on March 10, 2023. The Company filed the Certified True Copy of the Order with Registrar Of Companies (ROC) on April 01, 2023.

As per the provisions of the Scheme, the demerger has been given effect from the Appointed Date of April 01, 2022. ATL and TRL have issued and allotted the shares to the shareholders of the Company as on the record date i.e. April 18, 2023 as a consideration in accordance with Scheme. ATL and TRL shares would be listed on BSE and NSE post necessary regulatory and other approvals.

As per the scheme, the assets and liabilities pertaining to the transferor company have been transferred and vested to the company at their book values as on April 01, 2022. Further, as per the scheme, the difference between book values of assets, liabilities, reserves of Transferor company and cancellation of the Investments made by the company is adjusted against reserves and securities premium. The

Total debit to reserves on account of the aforesaid demerger scheme is ₹ 1,01,781 Lakhs. Refer Note 43.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) (Amendment) Rules, 2015 (as amended from time to time) under the provisions of the Companies Act, 2013 (the 'Act') and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements. These financial statements are prepared under the historical cost convention on the accrual basis except for derivative financial instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The financial statements have been prepared on a going concern basis.

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000) except when otherwise indicated.

#### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized 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 treated as current when it is:

- 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

All other liabilities as classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

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

### 2.2 Summary of significant accounting policies

#### a. Business combinations and goodwill:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred.

Common control business combination: Business combinations involving entities or businesses that are controlled by the group are accounted using the pooling of interest method.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

#### b. Investment in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries. The Company's Investments in its associate and joint venture is recognised at cost less impairment loss (if any).

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and or proceeds from disposal is recognised in profit or loss

### c. Foreign currencies:

Transactions in foreign currencies are initially recorded at their respective functional currency (i.e. Indian rupee) spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- a) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- b) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the

exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on translation / settlement of foreign currency monetary items are recognised as income or expenses in the period in which they arise.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

### d. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the 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.

### e. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The specific recognition criteria described below must also be met before revenue is recognised.

Multimodal transport income

Export revenue and import revenue is recognised when the vessel arrives at the port of destination which is the Company's completion of performance obligation.

Container freight station income (disclosed as part of discontinued operations, pursuant to demerger scheme)

Income from Container Handling is recognised on completion of its performance obligation.

Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station as per the terms of arrangement with the customers.

Project and equipment income (disclosed as part of discontinued operations, pursuant to demerger scheme)

Revenue for project related services includes rendering of end to end logistics services comprising of activities related to consolidation of cargo, transportation, freight forwarding and customs clearance services. Income and fees are recognized on percentage of completion method. Percentage of completion is arrived at on the basis of proportionate costs incurred to date of total estimated costs, milestones agreed or any other suitable basis, provided there is a reasonable completion of activity and provision of services.

Income from hiring of equipment's including trailers cranes etc is recognised on the basis of actual usage of the equipment's as per the contractual terms.

Income from Logistics Park (disclosed as part of discontinued operations, pursuant to demerger scheme)

Rental income arising from leasing of warehouses and is accounted for on a straight-line basis over the lease term.

### Others

Reimbursement of cost is netted off with the relevant expenses incurred, since the same are incurred on behalf of the customers.

Interest income is recognised on time proportion basis. Interest income is included in finance income in the Statement of Profit and Loss.

Dividend income is recognised when the Company's right to receive the payment is established i.e. the date on which shareholders approve the dividend.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. (disclosed as part of discontinued operations, pursuant to demerger scheme)

Business support charges are recognized as and when the related services are rendered.

### f. Contract balances

Contract balances include trade receivables, contract assets and contract liabilities.

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are separately disclosed in the financial statements.

#### Contract assets

Contract asset includes the costs deferred for multimodal transport operations relating to export freight & origin activities and Container freight stations operations relating to import handling and transport activities where the Company's performance obligation is yet to be completed.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

Additionally, a contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

## g. Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or 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 liability approach 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, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits 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 utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 utilised. Unrecognised 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 realised 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 statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- a) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- b) When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### h. Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

### i. Property, plant and equipment

Freehold land is carried at historical cost. Other property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Useful lives ( in years )
Building	30 to 60
Plant and machinery	15
Heavy equipments	12
Furniture and fixtures	10
Vehicles	8 to 10
Computers	3 to 6
Office equipments	5
Leasehold land	30 to 999
Leasehold improvements	shorter of the estimated useful life of the asset or the lease term not exceeding 10 years

The Company, based on internal assessment and management estimate, depreciates certain items of Heavy Equipments and Office Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### j. Investment property (disclosed as part of discontinued operations, pursuant to demerger scheme)

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced

at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

Investment properties are measured initially and subsequently at cost, though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee or on the basis of appropriate ready reckoner value based on recent market transactions.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

#### k. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Computer software is amortised on a straight-line basis over a period of 6 years basis the life estimated by the management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition 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 derecognised.

### **l. 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 Company 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.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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

For assets excluding goodwill, an assessment 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 exceeds neither its recoverable amount nor 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 and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

### **m. Borrowing costs**

Borrowing costs includes interest and amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

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 capitalised 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 and other costs 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.

### **n. Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has assessed/evaluated the impact of rent concessions offered during the break out of COVID 19 pandemic and considered its impact to be immaterial and applied the practical expedient mentioned in the amendment done to Ind as 116 "Leases" and considered such related rent concessions not falling within the scope of lease modifications.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Company does not have any Right-of-use assets which are depreciated on a straight-line basis for the period shorter of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

#### ii. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect

the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the date of transition. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense over the lease term.

### Company as a lessor

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### o. Inventories

Inventories of stores and spares are valued at cost or net realisable value whichever is lower. The cost is determined on first in first out basis and includes all charges incurred for bringing the inventories to their present condition and location.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make sale.

#### p. 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



# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### q. 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 recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

### r. Retirement and other employee benefits

#### Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

#### Post-employment benefits

##### Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme.

##### Defined benefit plan:

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected

unit credit method, carried out by an independent actuary at the end of the year. The Company's gratuity benefit scheme is a defined benefit plan.

The Company makes contributions to a trust administered and managed by an Insurance Company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with such Company, although the Insurance Company administers the scheme.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

### s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For purposes of subsequent measurement, financial assets are classified in four categories:

#### i. Debt instruments at amortised cost

A 'debt instrument' is measured at the 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.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

#### ii. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement

of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### iii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### iv. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments made by the Company in subsidiaries, associates and joint ventures are carried at cost less impairment loss (if any).

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from a company's balance sheet) when:

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

- 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 and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 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 financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a

subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

As a practical expedient, The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and

payables, net of directly attributable transaction costs.

In order to hedge its exposure to interest rate risks on external borrowings, the Company enters into interest rate swap contracts. The Company does not hold derivative financial instruments for speculative purposes. The derivative instruments are marked to market and any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

### Derivative Financial Instruments and Hedge Activity

The Company uses various derivative financial instruments such as interest rate swaps, Cross-currency swaps and forwards to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value.

Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

For the purpose of hedge accounting, hedges are classified as:

1. Fair value hedges when hedging the exposure to changes in the fair value of recognized asset or liability or an unrecognized firm commitment.
2. Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.
3. Hedges of a net investment in foreign operation.

At the inception of hedge relationship, the Company formally designates and documents the hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to change in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving the offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserves, while ineffective portion is recognized immediately in the statement of profit and loss. The Company uses future stream of annual dividends receivable from its wholly owned subsidiary company as well as receivables from overseas customers as hedges of its exposure to foreign currency risk in the forecast transaction. The ineffective portion relating to Cross currency Interest rates swap is routed through the statement

of profit and loss. Amount recognized as OCI are transferred to profit and loss when the hedged transaction affects profit or loss. When the hedged item is the cost of non-financial asset or non-financial liability, the amount recognized as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

### Derecognition

A financial liability is derecognised 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 derecognition 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 and Loss.

### t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### u. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in the Cash flow statement.

### v. Earnings per equity share

Basic earnings per share (EPS) amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### w. Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

### 2.3 New amended in Ind AS

#### (i) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company.

#### (ii) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Company's financial statements.

#### (iii) Ind AS 103 : Business Combinations

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards\* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the

### 2.4 Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Some of the significant accounting judgement and estimates are given below:

#### Revenue recognition

The Company uses percentage of completion method in accounting of revenue for project division which includes rendering of end to end logistics services comprising of activities related to consolidation of cargo, transportation, freight forwarding and customs clearance services. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Percentage of completion is arrived at on the basis of proportionate costs incurred to date of total estimated costs, milestones agreed or any other suitable basis, provided there is a reasonable completion of activity and provision of services. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

#### Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).

### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their

fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

### Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

### Taxes

MAT credit is earned by the Company when the normal tax payable as per taxable profit is less than the MAT payable as per book profits. MAT credit earned is the difference between the MAT paid and normal tax payable.

Significant judgement is required to check the utilization of the MAT credit based on the likely growth in profitability of the Company and the likely additions made to the property, plant and equipment upto the expiry of the MAT credit earned.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit and Loss.

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 3.1 Property, plant and equipment

Description	Freehold										Furniture & fixtures	Total
	Land	Leasehold Land	Building	Leasehold improvements	Plant and machinery	Heavy equipments	Vehicles	Office Equipment	Computers			
<b>Cost or valuation</b>												
<b>Gross Block</b>												
<b>Balance as at 01 April 2021</b>	4,668	4,091	32,095	1,985	6,436	40,493	922	543	984	2,694	94,912	
Additions	-	-	82	-	89	97	531	18	192	185	1,193	
Disposals	(43)	(3,158)	(1,310)	-	(405)	(6,118)	(65)	(1)	(1)	-	(11,100)	
Discontinued Operations (Refer note 45)	-	-	(1)	(139)	(578)	(4,012)	(61)	(2)	(66)	(78)	(4,938)	
<b>Balance as at 31 March 2022</b>	4,625	933	30,866	1,846	5,541	30,460	1,327	558	1,110	2,801	80,067	
Transferred pursuant to demerger scheme (refer note 43)	(4,625)	(482)	(29,487)	(338)	(5,216)	(30,460)	(136)	(505)	(521)	(943)	(72,715)	
Additions	-	208	-	-	2	-	23	65	218	181	697	
Disposals	-	-	-	(109)	(71)	-	-	(71)	(94)	(446)	(790)	
Other adjustments	-	(17)	(2)	(4)	(75)	-	9	87	-	-	(2)	
<b>Balance as at 31 March 2023</b>	-	642	1,377	1,395	181	-	1,222	134	713	1,593	7,256	
<b>Depreciation</b>												
<b>Balance as at 01 April 2021</b>	-	955	4,536	1,546	3,606	27,825	465	332	727	1,695	41,688	
Depreciation for the year	-	125	898	111	470	5,809	121	107	127	260	8,028	
Disposals	-	(938)	(369)	-	(350)	(5,741)	(53)	(1)	1	-	(7,450)	
Discontinued Operations (Refer note 45)	-	-	(1)	(83)	(367)	(3,992)	(54)	(2)	(61)	(71)	(4,631)	
<b>Balance as at 31 March 2022</b>	-	142	5,065	1,574	3,360	23,901	479	436	792	1,885	37,633	
Transferred pursuant to demerger scheme (refer note 43)	-	(142)	(5,065)	(149)	(3,310)	(23,901)	(71)	(436)	(466)	(774)	(34,312)	
Depreciation for the year	-	1	25	32	27	-	154	61	131	156	588	
Disposals	-	-	-	(99)	(56)	-	-	(61)	(58)	(418)	(692)	
<b>Balance as at 31 March 2023</b>	-	1	25	1,358	21	-	562	-	399	849	3,218	
<b>Net Block</b>												
As at 31 March 2022	4,625	792	25,798	271	2,106	6,557	848	197	318	916	42,431	
<b>As at 31 March 2023</b>	-	641	1,352	37	160	-	660	134	314	743	4,041	

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 3.2 Right-of-use Assets

(₹ in Lakhs)

Description	Leasehold Land	Building	Heavy equipments	Furniture & fixtures	Total
<b>Balance as at 01 April 2021</b>	<b>278</b>	<b>5,792</b>	<b>4</b>	<b>92</b>	<b>6,166</b>
Additions	-	123	-	-	123
Deletions	-	(37)	-	-	(37)
Discontinued Operations (refer note 45)	-	(15)	-	-	(15)
Depreciation for the year	(29)	(823)	(4)	(32)	(888)
<b>Balance as at 31 March 2022</b>	<b>249</b>	<b>5,040</b>	<b>-</b>	<b>60</b>	<b>5,349</b>
Additions	-	<b>3,780</b>	-	-	<b>3,780</b>
Deletions	-	-	-	-	-
Transferred pursuant to demerger scheme (refer note 43)	<b>(249)</b>	<b>(4,484)</b>	-	-	<b>(4,733)</b>
Depreciation for the year	-	<b>(931)</b>	-	<b>(31)</b>	<b>(962)</b>
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>3,405</b>	<b>-</b>	<b>29</b>	<b>3,434</b>

### 3.3 Capital work-in-progress:

(₹ in Lakhs)

Description	As at 31 March 2023	As at 31 March 2022
Capital work-in-progress* (refer note 45)	<b>207</b>	198

\*Capital work-in-progress mainly consists of activities undertaken on leasehold / freehold land for constructing warehouses.

#### a) CWIP Ageing schedule

##### As at 31 March 2023

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	175	-	32	-	207
	175	-	32	-	207

##### As at 31 March 2022

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	33	165	-	198
	-	33	165	-	198

\* There are no Projects whose completion is overdue or has exceeded its cost.



# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 4 Intangible assets

(₹ in Lakhs)

Description	Computer software
<b>Gross Block</b>	
Balance as at 01 April 2021	933
Additions	97
Disposals	(25)
Discontinued Operations (Refer note 45)	(101)
<b>Balance as at 31 March 2022</b>	<b>904</b>
Transferred pursuant to demerger scheme (refer note 43)	(379)
Additions	24
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>549</b>
<b>Amortisation</b>	
Balance as at 01 April 2021	732
For the year	95
Disposals	24
Discontinued Operations (Refer note 45)	(70)
<b>Balance as at 31 March 2022</b>	<b>781</b>
Transferred pursuant to demerger scheme (refer note 43)	(293)
For the year	33
Other Adjustment	(30)
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>491</b>
<b>Net book value</b>	
As at 31 March 2022	123
<b>As at 31 March 2023</b>	<b>58</b>

## 5 Intangible assets under development (refer note 45)

a) Ageing of Intangible Assets under Development (IAUD) is as below:

As at 31 March 2022

(₹ in Lakhs)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	15	-	-	-	15
	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>

There are no Projects whose completion is overdue or has exceeded its cost.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 6.1 Investments in associates and joint ventures

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Unquoted equity instruments (fully paid-up)</b>		
<b>Investment in associates</b>		
Haryana Orbital Rail Corporation Limited (HORCL): 7,60,00,000 (31 March 2022: 2,00,00,000) equity shares of ₹ 10 each*	7,600	2,000
Allcargo Logistics Lanka (Private) Limited : 4 (31 March 2022: 4) Ordinary shares of Sri Lankan Rupee 10 each (**Value less than ₹ 1 lakh)	**	**
<b>A</b>	<b>7,600</b>	<b>2,000</b>
<b>Investment in joint ventures</b>		
Avvashya CCI Logistics Private Limited: Nil (31 March 2022: 16,00,994) equity shares of ₹ 10 each @	-	18,092
Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited): 14,00,87,975 equity shares of ₹ 10 each # @	14,821	-
Allcargo Logistics Park Private Limited: Nil (31 March 2022: 38,67,840) equity shares of ₹ 10 each*	-	423
Transnepal Freight Services Private Limited: Nil (31 March 2022: 43,600) equity shares of Nepalese Rupee 100 each*	-	14
Altcargo Oil and Gas Private Limited: 7,400 (31 March 2022: 7,400) equity shares of ₹ 10 each	1	1
<b>B</b>	<b>14,822</b>	<b>18,529</b>
<b>Optionally Convertible preference instruments (fully paid-up)</b>		
<b>Investment in preference shares of wholly owned subsidiaries (fully paid-up)</b>		
Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited): 1,97,28,682 equity shares of ₹ 10 each # @	1,973	-
<b>C</b>	<b>1,973</b>	<b>-</b>
<b>Total Investment in associates and joint ventures</b>	<b>(A+B+C)</b>	<b>20,529</b>

@ Pursuant to demerger of Avvashya CCI Logistics Private Limited (refer note 39)

\*Transferred pursuant to demerger scheme (refer note 43)

# Allcargo Supply chain private limited (formerly known as Avashya Supply chain Private Limited) became a Joint venture during the year ended March 23 pursuant to demerger scheme (refer note 39)

### 6.2 Investments in subsidiaries

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Unquoted equity instruments (fully paid-up)</b>		
<b>Investment in wholly owned subsidiaries</b>		
Transindia Logistic Park Private Limited : 12,000 (31 March 2022: 12,000) equity shares of ₹ 10 each	7,775	7,775
Allcargo Belgium N.V.: 11,500 (31 March 2022: 11,500) equity shares of Euro 1,000 each	6,848	6,848
Ecu International (Asia) Private Limited: 52,341 (31 March 2021: 52,341) equity shares of ₹ 10 each	80	80
Contech Logistics Solutions Private Limited: 10,000 (31 March 2022: 10,000) equity shares of ₹ 100 each	22	22

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Allcargo Inland Park Private Limited : Nil (31 March 2022: 2,40,50,000) equity shares of ₹ 10 each*	-	2,405
AGL Warehousing Private Limited : Nil (31 March 2022: 11,000) equity shares of ₹ 10 each*	-	2
Allcargo Multimodal Private Limited: Nil (31 March 2022: 2,00,00,002) equity shares of ₹ 10 each*	-	2,000
Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited ):: (31 March 2022: 65,25,000) equity shares of ₹ 10 each #	-	336
Jhajjar Warehousing Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Koprolu Warehousing Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Bhiwandi Multimodal Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Allcargo Warehousing Management Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Malur Logistics and Industrial Parks Private Limited : Nil (31 March 2022: 200,000) equity shares of ₹ 10 each*	-	322
AGL Bangladesh Private Limited : 9999 (31 March 2022: 9,999) equity shares of Takka 10 each (Value less than ₹ 1 lakh)	1	1
Marasandra Logistics and Industrial Parks Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Venkatapura Logistics and Industrial Parks Private Limited : Nil (31 March 2022: 2,00,000) equity shares of ₹ 10 each *	-	20
Allcargo Terminals Limited (Formerly known as Allcargo Terminals Private Limited and Allcargo Projects Private Limited ): Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Avvashya Inland Park Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Avvashya Projects Private Limited : Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Panvel Industrial Parks Private Limited: Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Hoskote Warehousing Private Limited: Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
Dankuni Industrial Parks Private Limited: Nil (31 March 2022: 2) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)*	-	**
	<b>14,726</b>	<b>19,811</b>
<b>Less: Provision for permanent diminution</b>		
Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited ) #	-	(336)
Transindia Logistic Park Private Limited	<b>(4,848)</b>	(4,848)
	<b>(4,848)</b>	<b>(5,184)</b>
<b>Net investment in wholly owned subsidiaries</b>	<b>9,878</b>	<b>14,627</b>
<b>Investment in subsidiaries</b>		
Gati Limited 6,53,30,095 (31 March 2022: 5,81,68,975) equity shares of ₹ 2 each**	<b>51,256</b>	46,006
	<b>51,256</b>	<b>46,006</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Unquoted preference instruments (fully paid-up)</b>		
<b>Investment in preference shares of wholly owned subsidiaries (fully paid-up)</b>		
AGL Warehousing Private Limited: Nil (31 March 2022: 109,420) 1% redeemable, non cumulative, non convertible preference shares of ₹ 100 each*	-	2,736
Contech Logistics Solutions Private Limited: 15,939 (31 March 2022: 15,939) 10% redeemable, non cumulative, non convertible preference shares of ₹ 100 each	1,594	1,594
	<b>1,594</b>	<b>4,330</b>
<b>Unquoted Class B Optionally Convertible Debentures instruments (fully paid-up)</b>		
Allcargo Multimodal Private Limited: Nil (31 March 2022: 25,32,16,077) 0.0001%, Class B Optionally Convertible Debentures of ₹ 10 each*	-	25,322
Allcargo Inland Park Private Limited: Nil (31 March 2022: 2,14,44,117) 0.0001% Class B Optionally Convertible Debentures of ₹ 10 each*	-	2,144
Malur Logistics and Industrial Park Private Limited: Nil (31 March 2022: 19,41,61,639 ) 0.0001% Class B Optionally Convertible Debentures of ₹ 10 each*	-	19,416
Venkatpura Logistics and Industrial Park Private Limited: Nil (31 March 2022: 1,45,08,504) 0.0001% Class B Optionally Convertible Debentures of ₹ 10 each*	-	1,451
	-	<b>48,333</b>
<b>Total Investment in subsidiaries</b>	<b>62,728</b>	<b>1,13,296</b>

\* Transferred pursuant to demerger scheme (refer note 43)

# Allcargo Supply chain private limited ( formerly known as Avashya Supply chain Private Limited) became a Joint venture during the year ended March 23 pursuant to demerger scheme (refer note 39)

\*\* The Company subscribed 71,61,120 Equity Warrants of Gati Limited at a price of ₹97.75 per equity warrants, which was convertible into equity shares within period of 18 months from the date of allotment of share warrants i.e. June 17, 2021, upon receipt of balance 75% subscription money. On November 26, 2022, the Board of Directors of Gati Limited allotted 71,61,120 equity shares of ₹2/- each to the Company pursuant to the exercise of the options attached to the warrants allotted on June 17, 2021. Consequently, the shareholding of the Company has increased from 47.30% to 50.20% in Gati Limited.

### 6.3 Investments in Others

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Unquoted Class B Optionally Convertible Debentures instruments (fully paid-up)</b>		
Kalina Warehousing Private Limited: Nil (31 March 2022: 66,39,837) 0.0001%, Class B Optionally Convertible Debentures of ₹ 10 each*	-	664
Panvel Warehousing Private Limited: Nil (31 March 2022: 1,54,94,360) 0.0001%, Class B Optionally Convertible Debentures of ₹ 10 each*	-	1,550
Allcargo Logistics and Industrial Park Private Limited: Nil (31 March 2022: 2,77,91,474) 0.0001%, Class B Optionally Convertible Debentures of ₹ 10 each*	-	2,779
Madanahatti Logistics and Industrial Park Private Limited: Nil (31 March 2022: 22,11,934) 0.0001% Class B Optionally Convertible Debentures of ₹ 10 each*	-	222
<b>Total Investment in others</b>	-	<b>5,215</b>

\*Transferred pursuant to demerger scheme (refer note 43)

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 7 Financial Assets

#### 7.1 Investments

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Non-current investments</b>		
<b>Quoted equity instruments at fair value through statement of profit and loss (fully paid-up)</b>		
Reliance Industries Limited: 3,816 (31 March 2022: 3,816) equity shares of ₹ 10 each	89	101
Tata Motors Limited: 1,800 (31 March 2022: 1,800) equity shares of ₹ 2 each	8	8
TGV SRAAC Ltd (formerly Sree Rayalaseema Alkalies and Allied Chemicals Limited : 250 (31 March 2022: 250) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)	**	**
<b>Unquoted equity instruments at fair value through other comprehensive income* (fully paid-up)</b>		
Alltrans Logistics Private Limited : 200 (31 March 2022: 200) equity shares of ₹ 10 each (**Value less than ₹ 1 lakh)	**	**
Zorastrian Co-op. Bank Limited: 4,000 (31 March 2022: 4,000) equity Shares of ₹ 25 each	1	1
NSL Wind Power Company (Phoolwadi) Private Limited: Nil (31 March 2022: 13,900) Equity Shares of ₹ 10 each	-	1
*Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities and quoted debt securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group.		
<b>Unquoted equity instruments at fair value through statement of profit and loss** (fully paid-up)</b>		
Kalina Warehousing Private Limited : Nil (31 March 2022: 10,000) equity shares of ₹ 10 each *	-	1
Panvel Warehousing Private Limited : Nil (31 March 2022: 10,000) equity shares of ₹ 10 each *	-	1
Madanahatti Logistics and Industrial Parks Private Limited : Nil (31 March 2022: 60,000) equity shares of ₹ 10 each *	-	6
Allcargo Logistics and Industrial Parks Private Limited :Nil (31 March 2022: 1,80,000) equity shares of ₹ 10 each *	-	24
*Transferred pursuant to demerger scheme		
<b>Investment in Preference shares at fair value through statement of profit and loss (fully paid-up)</b>		
TGV SRAAC Ltd (formerly Sree Rayalaseema Alkalies and Allied Chemicals Limited : 250 (31 March 2022: 250) 0.01% Cumulative Redeemable Preference shares of ₹ 10 each (**Value less than ₹ 1 lakh)	**	**
<b>Total non-current investments</b>	<b>98</b>	<b>141</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Current investments</b>		
<b>Investments at fair value through statement of profit and loss (fully paid)</b>		
<b>Unquoted mutual funds</b>		
Invesco India Liquid Fund Regular Growth : Nil units (31 March 2022 : 72,312.608 Units)	-	2,101
Tata Overnight Fund-Reg Growth: 2,83,697.033 units (31 March 2022: 1,72,435.088 units)	3,341	1,928
TATA Liquid Fund 16,572.679 Units (31 March 2022: Nil Units)	583	-
L&T Overnight Fund Regular Growth: Nil Units (31 March 2022: 1,28,527.079 Units)	-	2,028
Nippon India Overnight Fund Regular Growth: 28,18,466.079 Units (31 March 2022: 17,39,185.982)	3,378	1,978
DSP Overnight Fund Regular Growth: 2,39,811.336 Units (31 March 2022: 1,52,218.703 Units)	2,869	1,728
DSP Liquidity Fund-Regular Plan Growth : 14,644.064 Units (31 March 2022: Nil Units)	467	-
Kotak Overnight Fund Regular Growth: Nil Units (31 March 2022: 1,52,812.616 Units)	-	1,728
UTI Overnight Fund Regular Growth: Nil Units (31 March 2022: 68,606.249 Units)	-	1,978
HSBC Overnight Regular Fund: 2,86,537.949 Units (31 March 2022: Nil Units)	3,342	-
HSBC Liquid Fund Regular Growth : 19,373.506 Units (31 March 2022: Nil Units)	431	-
JM Liquid Fund : 34,12,990.390 Units (31 March 2022: Nil Units)	2,083	-
ICICI Prudential Overnight Fund Growth : 40,791.956 Units (31 March 2022: Nil Units)	491	-
	<b>16,985</b>	<b>13,469</b>
<b>Total current investments</b>	<b>16,985</b>	<b>13,469</b>

## 7.2 Trade receivables

(Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Trade receivables (refer note 45)	25,581	51,077
Receivables from associates and joint ventures (refer note 29B)	55	1,073
Receivables from other related parties (refer note 29B)	5,891	11,181
<b>Total trade receivables</b>	<b>31,527</b>	<b>63,332</b>
<b>Trade receivables</b>		
Trade receivables considered good - Secured		
Trade receivables considered good - Unsecured	31,527	63,332
Trade receivables which have significant increase in credit risk	3,179	6,754
	<b>34,706</b>	<b>70,086</b>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>		
Trade receivables which have significant increase in credit risk	(3,179)	(6,754)
	<b>31,527</b>	<b>63,332</b>

For terms and conditions relating to related party receivables, refer note 29C.

Trade receivable amount is an agreement with the return submitted to the banks on periodic basis.

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## Trade receivables ageing schedule As at 31 March 2023

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
Undisputed Trade Receivables – considered good	12,798	17,687	1,042	-	-	31,527
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	642	1,794	120	63
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	21	215	324
<b>Total</b>	<b>12,798</b>	<b>17,687</b>	<b>1,684</b>	<b>1,815</b>	<b>335</b>	<b>34,706</b>

## As at 31 March 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
Undisputed Trade Receivables – considered good	27,583	34,555	1,193	-	-	63,332
Undisputed Trade Receivables – which have significant increase in credit risk	-	348	676	836	402	418
Disputed Trade receivables – which have significant increase in credit risk	-	380	613	1,360	570	4,074
<b>Total</b>	<b>27,583</b>	<b>35,284</b>	<b>2,483</b>	<b>2,196</b>	<b>972</b>	<b>70,086</b>

## 7.3 Cash and cash equivalents

Particulars	(₹ in Lakhs)	
	31 March 2023	31 March 2022
<b>Balances with banks</b>		
- On current accounts	2,056	6,976
- On unpaid dividend account	883	22
Cash on hand	4	6
	<b>2,943</b>	<b>7,004</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Changes in liabilities arising from financing activities

(₹ in Lakhs)

Particulars	01 April 2022	Cash flows	Foreign exchange management	Others #	31 March 2023
Current borrowings	42,760	(29,500)	-	(7,280)	5,979
Interest on borrowings	46	(1,837)	-	1,791	-
Non-current borrowings	31,525	(5,617)	1,343	(13,633)	13,618
Dividends payable	22	(7,986)	-	@7,986	21
<b>Total liabilities from financing activities</b>	<b>74,353</b>	<b>(44,940)</b>	<b>1,343</b>	<b>(11,136)</b>	<b>19,618</b>

# The 'Others' column includes the effect of reclassification of non-current borrowings to current borrowings amounting to ₹ 5,979 lakhs and effect to borrowings transferred pursuant to demerger scheme.

@ The Board of Directors in their meeting held on March 06, 2023 has declared Interim Dividend @ 162.5% i.e. ₹3.25 per equity share of ₹2 each.

(₹ in Lakhs)

Particulars	01 April 2021	Cash flows	Foreign exchange management	Others *	31 March 2022
Current borrowings	45,812	1,596	-	(4,648)	42,760
Interest on borrowings	83	(3,762)	-	3,725	46
Non-current borrowings	25,118	926	552	4,930	31,525
Dividends payable	17	(7,369)	-	@7,373	22
<b>Total liabilities from financing activities</b>	<b>71,029</b>	<b>(8,609)</b>	<b>552</b>	<b>11,380</b>	<b>74,353</b>

\* The 'Others' column includes the effect of reclassification of non-current borrowings to current borrowings and impact of finance cost pertaining to Commercial Paper amounting to ₹ 151 lakhs and other borrowings amounting to ₹ 4,153 lakhs.

@ The Board of Directors in their meeting held on March 16, 2022 has declared Interim Dividend @ 150% i.e. ₹3 per equity share of ₹2 each.

### 7.4 Other bank balances

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
- Deposit with original maturity of more than 3 months but less than 12 months	4,914	494
- Margin money deposit under lien	383	173
	<b>5,297</b>	<b>667</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

### 7.5 Loans

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>To parties other than related parties</b>				
Loans and advances to employees	24	76	38	125
Loans to other companies	-	325	-	-
Other advances	-	-	377	359
	<b>24</b>	<b>401</b>	<b>415</b>	<b>484</b>



# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>To related parties</b>				
<b>Loans to subsidiaries, associate and joint ventures (refer note 29B)</b>				
Loans Receivables considered good - Unsecured	1,812	27,994	27	20
Loans Receivables which have significant increase in Credit Risk	-	768	-	-
	1,812	28,762	27	20
Less: provision for loan given to subsidiaries	-	(768)	-	-
	1,812	27,994	27	20
<b>Total Loans</b>	<b>1,836</b>	<b>28,395</b>	<b>442</b>	<b>504</b>

Loans and advances in the nature of loans given to Subsidiaries / Joint Venture are as under (Disclosure required under Sec 186(4) of the Companies Act 2013) [refer note (iii) as mentioned below]:

(₹ in Lakhs)

Name of the Company	Relationship	Amount Outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Non-current portion</b>					
Allcargo Multimodal Private Limited	Subsidiary	-	500	-	7,043
Allcargo Supply Chain Private Limited (refer note 39)	Joint Venture	789	1,321	1,558	1,321
Jhajjar Warehousing Private Limited	Subsidiary	-	3	-	3
Koprolu Warehousing Private Limited	Subsidiary	-	12,973	-	12,973
Bhiwandi Multimodal Private Limited	Subsidiary	-	48	-	237
Allcargo Warehousing Management Private Limited	Subsidiary	-	9	-	9
Malur Logistics and Industrial Parks Private Limited	Subsidiary	-	987	-	10,379
Marasandra Logistics and Industrial Parks Private Limited	Subsidiary	-	1,162	-	1,162
Avvashya Inland Park Private Limited	Subsidiary	-	1,340	-	1,340
Avvashya Projects Private Limited	Subsidiary	-	106	-	106
Transindia Logistic Park Private Limited	Subsidiary	91	82	91	82
Dankuni Industrial Parks Private Limited	Subsidiary	-	1	-	1
Hoskote Warehousing Private Limited	Subsidiary	-	6	-	6
Panvel Industrial Parks Private Limited	Subsidiary	-	1	-	1
Alx Shipping Agencies Private Limited	Subsidiary	-	7	-	7
Allcargo Terminals Limited	*	932	10,217	10,781	10,217
<b>Total (A)</b>		<b>1,812</b>	<b>28,762</b>		
<b>Current portion</b>					
Allcargo Supply Chain Private Limited	Joint Venture	27	20	27	20
<b>Total (B)</b>		<b>27</b>	<b>20</b>		
<b>Grand Total (A) + (B)</b>		<b>1,839</b>	<b>28,782</b>		

\*Entities over which key managerial personnel or their relatives exercises significant influence

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

**Notes:**

- (i) The above loans have been given for business purpose.
- (ii) There are no outstanding loans / advances in the nature of loan from promoters, key managerial personnel or other officers of the company.
- (iii) No Loan has been given to related parties which is repayable on demand and without terms of repayment.
- (iv) Loans and advances in the nature of loans which falls under the category of 'Non-current' are re-payable after more than 1 year.

**7.6 Other Financial assets**

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Other financial assets at FVOTCI</b>				
Provision for mark-to-market gain on Derivative instrument [refer note 31(B)]	-	33	-	-
<b>(A)</b>	<b>-</b>	<b>33</b>	<b>-</b>	<b>-</b>
<b>To parties other than related parties</b>				
<b>Security deposits</b>				
Unsecured, considered good (refer note 45)	170	783	644	493
Doubtful	-	-	21	21
	170	783	665	514
Less: Provision for doubtful deposits	-	-	(21)	(21)
<b>(B)</b>	<b>170</b>	<b>783</b>	<b>644</b>	<b>493</b>
<b>Unsecured, considered good</b>				
Receivable against sale of property, plant and equipment	-	-	-	60
Interest accrued on fixed deposits	-	-	29	27
Others	11	11	-	73
BTA consideration receivable	-	-	2,916	-
Inter corporate deposits	-	-	51	-
<b>(C)</b>	<b>11</b>	<b>11</b>	<b>2,996</b>	<b>161</b>
<b>(D) = (A) + (B) + (C)</b>	<b>181</b>	<b>827</b>	<b>3,640</b>	<b>655</b>
<b>To related parties</b>				
Security deposits (refer note 29B)	343	350	-	-
Interest accrued on loans and advances given to subsidiaries	-	-	185	1,603
<b>(E)</b>	<b>343</b>	<b>350</b>	<b>185</b>	<b>1,603</b>
<b>(F) = (D) + (E)</b>	<b>524</b>	<b>1,177</b>	<b>3,825</b>	<b>2,257</b>

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 8 Deferred tax assets (net)

### a. Deferred tax:

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	Balance Sheet	
	31 March 2023	31 March 2022
Depreciation and Amortisation of Property, Plant and Equipment and Intangibles	68	(6,349)
Allowances for doubtful trade receivables and advances	805	3,075
Provision for compensated absence	351	344
Disallowance u/s. 40(a)(ia)	205	616
Discontinued Operations	-	1,055
Others	112	704
<b>Deferred tax assets/(liabilities)*</b>	<b>1,541</b>	<b>(555)</b>
MAT Credit entitlement*	-	7,653
<b>Net deferred tax assets</b>	<b>1,541</b>	<b>7,098</b>

\* Transferred pursuant to demerger scheme

### Reconciliation of deferred tax assets/(liabilities) (net):

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Opening balance	7,098	7,091
Transferred pursuant to demerger scheme (refer note 43)	(3,516)	-
Tax credit during the year recognised in statement of profit and loss	(1,701)	3,964
Tax credit recognised in OCI	(340)	(318)
MAT Credit entitlement	-	(3,639)
<b>Closing balance*</b>	<b>1,541</b>	<b>7,098</b>

### b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Profit before income tax	26,067	42,828
At India's statutory income tax rate of 25.168% (31 March 2022: 34.944%)	6,561	14,966
Non-taxable income for Indian tax purpose	(2,315)	(7,378)
Items not taxable as business income	177	110
Income taxable at lower rate	-	(1,752)
Non-deductible expenses	-	147
Impact of Tax rate change from 34.944% to 25.168%	1,004	-
Tax effect of earlier years	385	24
Others	(78)	62
<b>At the effective income tax rate of 21.99% (31 March 2022: 14.5%)</b>	<b>5,733</b>	<b>6,180</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>5,733</b>	<b>6,180</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authorities.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 9 Other assets

(Unsecured considered good, unless stated otherwise)

(₹ in Lakhs)

Particulars	Non-current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Capital advances	197	2,635	-	-
Prepaid expenses (refer note 45)	15	48	650	2,878
Advances for supply of services (refer note 45)	-	-	716	1,447
Balance with Statutory & Government Authorities (refer note 45)	-	-	867	744
Gratuity asset (refer note 25)	-	7	-	-
Others (refer note 45)	25	-	-	13
	<b>237</b>	<b>2,690</b>	<b>2,233</b>	<b>5,082</b>

### 10 Inventories

(valued at the lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Stores and spares	-	501
Less : Provision for Stores and Spares	-	(210)
	-	<b>291</b>

### 11 Current Tax assets (net)

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Advance tax recoverable (net of provision for tax)	7,428	4,611
	<b>7,428</b>	<b>4,611</b>

### 12.1 Equity Share capital

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Authorised capital:</b>		
29,47,25,000 (31 March 2022: 29,47,25,000) equity shares of ₹ 2 each	5,895	5,895
500 (31 March 2022: 500) 4% cumulative redeemable preference shares of ₹ 100 each (31 March 2023: ₹ 50,000; 31 March 2022: ₹ 50,000) (Value less than ₹ 1 lakh)	**	**
5,45,000 (31 March 2022: 5,45,000) redeemable preference shares of ₹ 100 each	545	545
	<b>6,440</b>	<b>6,440</b>
<b>Issued, subscribed and fully paid up:</b>		
24,56,95,524 (31 March 2022: 24,56,95,524) equity shares of ₹ 2 each	4,914	4,914
<b>Total issued, subscribed and fully paid up share capital</b>	<b>4,914</b>	<b>4,914</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (i) Reconciliation of number of the equity shares outstanding at the beginning and at the end of the year:

Equity Shares	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	24,56,95,524	4,914	24,56,95,524	4,914
Add / (Less): Movement during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>24,56,95,524</b>	<b>4,914</b>	<b>24,56,95,524</b>	<b>4,914</b>

### (ii) Details of shareholders holding more than 5% equity shares of the Company

Name of shareholders	As at 31 March 2023		As at 31 March 2022	
	% holding in the class	No. of shares	% holding in the class	No. of shares
Equity shares of ₹ 2 each fully paid				
Mr. Shashi Kiran Shetty	61.96%	15,22,41,341	61.96%	15,22,41,341

### (iii) Details of promoters' shareholding percentage in the Company is as below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
<b>Name of the Promoter</b>				
Mr. Shashi Kiran Shetty	15,22,41,341	61.96%	15,22,41,341	61.96%
Mrs. Arathi Shetty	73,51,353	2.99%	73,51,353	2.99%
Mr. Adarsh Hegde	45,45,500	1.85%	45,45,500	1.85%
<b>Name of the Promoter Group</b>				
Shloka Shetty Trust	74,56,015	3.03%	74,56,015	3.03%
Mrs. Priya Adarsh Hegde	1,92,000	0.08%	1,92,000	0.08%

### (iv) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and buy back of equity shares during the period of five years immediately preceding the reporting date:

Particulars	31 March 2023	31 March 2022
Equity shares of ₹ 2 each, fully paid up, bought back by utilisation of securities premium	-	64,00,000

### (v) Cash dividends on equity shares declared and paid:

Particulars	(₹ in Lakhs)	
	31 March 2023	31 March 2022
Dividend ₹ 3.25 per share (31 March 2022: ₹ 3.00 per share)	7,986	7,373
	<b>7,986</b>	<b>7,373</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 12.2 Other Equity

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Securities premium (refer foot note a and i)	-	32,964
General reserve (refer foot note b)	14,033	14,033
Capital redemption reserve (refer foot note c)	211	211
Retained earnings (refer foot note d and i)	82,644	1,38,900
Remeasurements of gains / (losses) on defined benefit plans (OCI) (refer foot note e)	(52)	22
Cash Flow Reserves (refer note f)	1,092	114
Tonnage tax reserve (refer foot note g)	60	60
Tonnage tax reserve utilised (refer foot note g)	152	152
Capital Reserve (refer foot note h and i)	-	84
	(A)	1,86,541
Discontinued operations	(B)	129
<b>Total Other Equity</b>	<b>(C) =(A+B)</b>	<b>1,86,670</b>

#### Nature and purpose of reserves

##### a) Securities premium

Securities premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

##### b) General reserve

General reserve is used from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

##### c) Capital redemption reserve

Capital redemption reserve represents amounts set aside on redemption of preference shares.

##### d) Retained earnings

Retained earnings represents all accumulated net income netted by all dividends paid to shareholders.

##### e) Remeasurements of gains / (losses) on defined benefit plans (OCI)

It comprises of actuarial gains and losses, differences between the return on plan assets and interest income on plan assets and changes in the asset ceiling (outside of any changes recorded as net interest).

##### f) Cash Flow Reserves (OCI)

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss (e.g. interest payments).

##### g) Tonnage Tax (utilised) and Tonnage Tax Reserve

These reserves are mandatory under the Income Tax Act, 1961 for companies who opt for the Tonnage Tax Scheme prescribed under the said Act.

##### h) Capital Reserve

Capital Reserve It represents excess of net assets of transferor company over the Investments made by the Company which got canceled in pursuance of scheme of amalgamation.

##### i) Adjustments to Reserves in accordance with demerger scheme

The net assets of divisions Transferred pursuant to demerger scheme has been adjusted against the securities premium, capital reserve and retained earnings as per the demerger scheme.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 13 Financial liabilities

#### 13.1 Borrowings

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Term loans (secured)</b>				
From banks*	5,115	19,652	1,704	9,365
Foreign currency term loan	8,487	11,815	4,234	3,848
Vehicle finance loans	16	57	41	47
<b>Total non current borrowings</b>	<b>13,618</b>	<b>31,525</b>	<b>5,979</b>	<b>13,260</b>
<b>Loan repayable on demand (secured)</b>				
Working capital demand loan from banks			-	29,500
<b>Total current borrowings</b>			<b>5,979</b>	<b>42,760</b>
<b>Aggregate secured loans</b>			<b>19,597</b>	74,285
<b>Aggregate unsecured loans</b>			-	-

#### Term loans from banks (secured)

Rupee term loans from banks are secured against property, plant and equipment and certain immovable properties of the Company and carry interest of 6.80% p.a. (31 March 2022: 6.25% - 7.25% p.a.) and are repayable within a period ranging from 1-4 years.

\*Consequent to Demerger Scheme the Axis Bank term loan has been allocated between the Company, TransIndia Reality and Logistics Parks Limited and Allcargo Terminals limited. As per the terms of borrowing it is secured against land and buildings of the Company, pursuant to demerger scheme, these assets have been transferred to TransIndia Reality and Logistics Parks Limited. Accordingly this borrowing is not secured by the Company Assets and secured by land and building of Transindia Reality Limited pursuant to demerger. The Borrowing is disclosed as secured.

#### Foreign Currency Term Loan (secured)

The Company has availed Foreign Currency Term Loan carrying interest rate of 3.40% and repayable over a period of 4 years. The Loan is secured against property, plant and equipment and certain immovable properties of the Company.

#### Vehicle finance loans (secured)

Vehicle finance loans are secured against vehicle financed by the Bank and carry interest ranging from 8.00% - 8.50% p.a. (31 March 2022: 8.00% - 8.50% p.a.) and repayable within the period ranging from 1-2 years

#### Working capital demand loan from banks (secured)

Working capital loan is secured with pari-passu charge on present and future movable assets, inventories and book debts and carry interest Nil (31 March 2022: 5% - 5.25% p.a.) and are repayable within a period of six months. During the year ended 31<sup>st</sup> March 2023, working capital demand loan have been repaid.

The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities. The same are in agreement with books of account.

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

#### Loan covenants

Term loans from banks, financial institutions and others (which are secured in nature) contain certain debt covenants to be maintained at a group level relating to limitation on indebtedness, debt-equity ratio, net borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements. The Company has reasonably satisfied all debt covenants prescribed in the terms and conditions of sanction letter of bank loan. The loans which are unsecured in nature does not have any loan covenant attached.

The Company has not defaulted in any loans payable

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 13.2 Trade payables

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Trade payables (refer note 45)		
a) Total outstanding dues of micro enterprises and small enterprises; (refer note 28)	78	52
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,752	23,046
c) Trade payables to related parties (refer note 29B)	7,004	12,049
	<b>15,834</b>	<b>35,147</b>

#### Trade payables ageing schedule

##### As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises (Undisputed)	-	78	-	-	-	78
Total outstanding dues of creditors other than micro enterprises and small enterprises (Undisputed)	226	14,785	742	3	-	15,756
<b>Total</b>	<b>226</b>	<b>14,863</b>	<b>742</b>	<b>3</b>	<b>-</b>	<b>15,834</b>

##### As at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises (Undisputed)	-	52	-	-	-	52
Total outstanding dues of creditors other than micro enterprises and small enterprises (Undisputed)	9,574	24,783	504	196	39	35,095
<b>Total</b>	<b>9,574</b>	<b>24,835</b>	<b>504</b>	<b>196</b>	<b>39</b>	<b>35,147</b>

### 13.3 Other payables

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Provision for expenses (refer note 45)	3,628	9,173
	<b>3,628</b>	<b>9,173</b>

### 13.4 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Other financial liabilities at amortised cost</b>				
Security deposits	-	17	-	125
Interest accrued on borrowings	-	-	-	46
Unclaimed dividend*	-	-	21	22
Capital creditors	-	-	18	50



# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Investors put option payable	-	-	-	391
Advance received against redemption of optionally convertible debentures	-	-	-	1,279
- With Related Parties (refer note 29B)	-	-	-	8,768
Directors commission payable	-	-	2,040	2,070
Employee Related Liabilities (refer note 45)	-	-	2,566	1,406
Payable to TRLPL & ATL pursuant to demerger scheme (refer note 45)	-	-	18,049	-
<b>Total other financial liabilities at amortised cost</b>	-	17	22,695	14,159
<b>Total other financial liabilities</b>	-	17	22,695	14,159

\* No amount due and outstanding to be credited to Investor Education and Protection Fund.

## 14 Other liabilities

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Advances received from customers (refer note 45)	-	-	515	1,071
Statutory dues payable	-	-	2,149	1,890
Provision for expenses	-	-	-	3
Advance against sale of property, plant and equipments	-	-	-	68
Others	-	5	21	37
	-	5	2,685	3,070

## 15 Net employee defined benefit liabilities

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provision for compensated absences	-	-	1,395	985
Gratuity (refer note 25)	-	-	182	-
	-	-	1,577	985

## 16 Revenue from operations

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Sale of services (disaggregation of revenue basis type of service)</b>		
Multimodal transport operations	2,68,459	2,85,594
	2,68,459	2,85,594
Other operating revenue	3,725	2,303
	272,184	287,897
<b>Continuing Operations</b>	272,184	287,897
Discontinued Operations (refer note 38A) (Pursuant to demerger scheme)	-	55,365

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 17 Other income

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Other non-operating income</b>		
Profit on sale of current investment (net)	492	59
Fair value gain on financial instruments through profit or loss	210	35
Liability no longer required written back	-	6
Gain on account of foreign exchange fluctuations (net)	90	-
Gain on hedge recycled to profit and loss	438	-
Others	87	42
	<b>1,318</b>	<b>142</b>
<b>Finance income</b>		
Dividend income from subsidiary/associates	7,531	21,031
Interest impairment written back	-	488
<b>Interest income on:</b>		
- Loan given to related parties (refer note 29B)	474	1,009
- Loan given to other parties	104	5
- Fixed deposits with banks	108	33
- Income Tax Refund	1	418
- Others	44	2
	<b>8,261</b>	<b>22,986</b>
	<b>9,579</b>	<b>23,128</b>
<b>Continuing Operations</b>	<b>9,579</b>	<b>23,128</b>
Discontinued Operations (refer note 38A) (Pursuant to demerger scheme)	-	1,275

### 18 Cost of services rendered

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Multimodal and transport expenses</b>		
Freight and other ancillary cost	2,31,044	2,59,172
	<b>2,31,044</b>	<b>2,59,172</b>
<b>Continuing Operations</b>	<b>2,31,044</b>	<b>2,59,172</b>
Discontinued Operations (refer note 38C) (Pursuant to demerger scheme)	-	28,456

### 19 Employee benefits expense

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Salaries, wages and bonus	13,732	11,005
Contributions to provident and other funds	648	409
Staff welfare expenses	284	167
Compensated absences	827	183
Gratuity (refer note 25)	124	103
	<b>15,615</b>	<b>11,868</b>
<b>Continuing Operations</b>	<b>15,615</b>	<b>11,868</b>
Discontinued Operations (refer note 38D) (Pursuant to demerger scheme)	-	3,450

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 20 Finance costs

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Interest expense</b>		
- term loan	1,733	3,591
- commercial Paper	-	151
- vehicle finance loan	7	13
- Interest on leases	329	93
- others	-	2
	<b>2,069</b>	<b>3,851</b>
Processing fees & Stamp duty	51	42
	<b>2,120</b>	<b>3,893</b>
<b>Continuing Operations</b>	<b>2,120</b>	3,893
Discontinued Operations (refer note 38E) (Pursuant to demerger scheme)	-	596

## 21 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	588	678
Depreciation on Right of use assets	962	610
Amortisation of intangible assets	33	66
	<b>1,583</b>	<b>1,354</b>
<b>Continuing Operations</b>	<b>1,583</b>	1,354
Discontinued Operations (refer note 38F) (Pursuant to demerger scheme)	-	7,657

## 22 Other expenses

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Rent [refer note 32(g)]	78	-
Traveling expenses	769	336
Legal and professional fees	2,675	2,510
Repairs to building and others	949	929
Office expenses	164	1,104
CSR expenses (refer note 36)	567	439
Rates and taxes	287	211
Business promotion	826	319
Impairment loss recognized / (reversed) under expected credit loss (ECL) model (net)	-	92
Electricity charges	126	99
Communication charges	751	206
Bad debts/advances written off	759	522
Forex exchange gain/loss (net)	-	1,115
Insurance	356	367
Printing and stationery	75	56

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Directors fees and commission	149	134
Donations	85	40
Payment to auditor (refer note below)	107	104
Fair Value loss on financial instruments through profit or loss	-	113
Miscellaneous expenses	620	535
Loss on sale of assets/Assets written off	50	-
	<b>9,392</b>	<b>9,229</b>
<b>Continuing Operations</b>	<b>9,392</b>	<b>9,229</b>
Discontinued Operations (refer note 38G) (Pursuant to demerger scheme)	-	4,773

(₹ in Lakhs)

Note: Payment to auditor	31 March 2023	31 March 2022
<b>As auditors'</b>		
Statutory audit and tax audit	59	65
Limited review of quarterly results	30	30
Other Certification Fees	16	6
Reimbursement of expenses	3	3
	<b>107</b>	<b>104</b>

## 23 Exceptional items

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Gain on sale of Project Logistics business	2,884	-
Reversal of impairment provision	1,103	-
Profit on sale of land	-	1,152
Gain on sale of investment in subsidiary	-	169
	<b>3,987</b>	<b>1,321</b>
<b>Continuing Operations</b>	<b>3,987</b>	<b>1,321</b>
Discontinued Operations (refer note 38G) (Pursuant to demerger scheme)	-	4,090

## 24 Earnings per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Net profit after tax attributable to equity shareholders	20,334	36,646
Net profit after tax attributable to equity shareholders (Continued operations)	20,263	22,436
Net profit after tax attributable to equity shareholders (Discontinued operations)	71	14,210
Weighted average number of equity shares for calculating basic EPS	<b>24,56,95,524</b>	<b>24,56,95,524</b>
Weighted average number of equity shares for calculating diluted EPS	<b>24,56,95,524</b>	24,56,95,524
Nominal value of shares, fully paid up	2	2
Basic and diluted EPS, in. ₹	<b>8.28</b>	14.91
Basic and diluted EPS (continued operations), in. ₹	<b>8.25</b>	9.13
Basic and diluted EPS (discontinued operations), in. ₹	<b>0.03</b>	5.78

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 25 Net employee defined benefit liabilities

#### (a) Defined Contributions Plans

For the Company, an amount of ₹ 648 lakhs (31 March 2022: ₹ 573 lakhs) contributed to provident and other funds (refer note 19 and 38D) is recognised by as an expense and included in "Contribution to Provident and other funds" under "Employee benefits expense" in the Statement of Profit and Loss.

#### (b) Defined Benefit Plans

As per the Payment of Gratuity Act, 1972, the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

The following table summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans of the Company.

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>I Statement of profit and loss - Net employee benefit expense recognised in employee cost</b>		
Current service cost	125	164
Interest cost on defined benefit obligations	65	82
Interest income on plan assets	(66)	(92)
<b>Net benefit expenses recognised in the Statement of Profit and Loss</b>	<b>124</b>	<b>153</b>
<b>II Balance sheet - Details of provision and fair value of plan assets</b>		
Benefit obligation	1,173	1,521
Fair value of plan assets	991	1,528
<b>Net (assets) / liabilities recognised in the balance sheet</b>	<b>182</b>	<b>(7)</b>
<b>III Change in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit obligations	1,521	1,377
Transferred pursuant to demerger scheme	(526)	-
Interest cost	65	82
Current service cost	125	164
Benefits paid	(70)	(126)
Acquisitions / Divestiture	5	(15)
<b>OCI</b>		
Actuarial changes arising from changes in financial assumptions	(42)	(57)
Actuarial changes arising from changes in experience assumptions	94	96
<b>Liability at the end of the year</b>	<b>1,173</b>	<b>1,521</b>
<b>IV Change in the Fair Value of Plan Assets</b>		
Opening fair value of plan assets	1,530	1,435
Transferred pursuant to demerger scheme	(583)	-
Interest income on plan assets	66	92
Contributions by employer	-	-
Benefit Paid	-	-
Actuarial gain / (loss) on Plan Assets	(22)	3
<b>Fair Value of Plan Assets at the end of the year</b>	<b>991</b>	<b>1,530</b>

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>V Total Cost recognised in Comprehensive Income</b>		
Cost recognised in P&L	124	153
Remeasurement effects recognised in OCI	74	37
	<b>198</b>	<b>190</b>
<b>VI Investment details of Plan Assets:</b>		
Corporate Bonds	20	30
Insurer Managed Funds	971	1,498
<b>Total Plan Assets</b>	<b>991</b>	<b>1,528</b>

**Maturity profile of defined benefit obligation:**

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Year 1	175	212
Year 2	116	136
Year 3	96	162
Year 4	133	126
Year 5	96	148
Year 6 to 10	515	635

**The principal assumptions used in determining gratuity obligations for the plans of the Company are as follows:**

(₹ in Lakhs)

Actuarial assumptions	31 March 2023	31 March 2022
Discount rate	7.44%	6.93%
Salary escalation	5% for the first year and 8% thereafter	5% for the first year and 8% thereafter
Employee turnover rate		
Service <= 4 years	16.00%	16.00%
Service > 4 years	8.00%	8.00%

A quantitative sensitivity analysis for the significant assumptions are as follows:

(₹ in Lakhs)

Defined benefit obligation	31 March 2023	31 March 2022
Delta effect of +1% change in the rate of discounting	1,257	(1,421)
Delta effect of -1% change in the rate of discounting	1,099	1,634
Delta effect of +1% change in the rate of salary increase	1,105	1,619
Delta effect of -1% change in the rate of salary increase	1,246	(1,431)
Delta effect of +1% change in employee turnover rate	1,175	(1,514)
Delta effect of -1% change in employee turnover rate	1,172	1,528

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of reporting period.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 26 Contingent liabilities

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>a. Pending litigations</b>		
- Income Tax	227	3,323
- Customs	9	9
- Service Tax*	-	-
- Entry Tax	41	41
- Claims against the Company, not acknowledged as debt	430	662
* The Company has received various Show Cause Notices in respect of certain service tax matters amounting to ₹ 6,008 lakhs. The Company has evaluated the legal position in respect of the same and believes that it has a strong case hence no adjustments are required in the financial statements.		
b. Corporate guarantees given by the Holding Company on behalf of its subsidiaries	37,635	82,278
c. Bank guarantees	2,305	4,800

### 27 Commitments

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	494	1,036
Additional Investment in Haryana Orbital Rail Corporation Limited	3,800	9,400

### 28 Dues to Micro and small Suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises. The information given is based on the information available with the Company and has been relied upon by the auditors.

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Principal amount remaining unpaid to any supplier as at the year end.	78	52
Interest due thereon 31 March 2023: Nil (31 March 2022: ₹ Nil)	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
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 period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the financial year 31 March 2023 :Nil (31 March 2022: ₹ Nil)	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowances as a deductible expenditure under the MSMED Act, 2006	-	-

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 29 Related party disclosures

### A Name of related parties

#### (i) Related parties where control exists – Subsidiaries (direct and indirect)

##### Direct subsidiaries

Contech Logistics Solutions Private Limited

Ecu International (Asia) Private Limited

Transindia Logistic Park Private Limited

Allcargo Belgium N.V.

AGL Bangladesh Private Limited

Gati Limited

##### Indirect subsidiaries

ALX Shipping Agencies India Private Limited

Comptech Solutions Private Limited

Zen Cargo Movers Private Limited

Gati-Kintetsu Express Private Limited

Gati Import Export Trading Limited

Gati Logistics Parks Private Limited

Gati Projects Private Limited

Ecu-Line Algeria sarl

Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)

Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.)

Integrity Enterprises Pty Ltd.

Ecu Worldwide (Belgium) N.V. (formerly known as Ecu-Line N.V.)

FMA-Line Holding N.V. (formerly known as Ecubro N.V.)

Ecuhold N.V.

Ecu International N.V.

Antwerp Freight Station N.V.

Panvel Industrial Parks Private Limited

HCL Logistics N.V.

AGL N.V.

Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)

Ecu Worldwide (Canada) Inc (formerly known as Ecu-Line Canada Inc).

Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)

Flamingo Line Chile S.A.

Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)

China Consolidation Services Ltd

Ecu Worldwide China Ltd. (formerly known as China Consolidation Services Shipping Ltd.)

Ecu Worldwide (Colombia) S.A.S. (formerly known as Ecu-Line de Colombia S.A.S)

Ecu Worldwide (Cyprus) Ltd.(formerly known as Ecu-Line Mediterranean Ltd.)

Ecunordicon AB (Acquired wef 29<sup>th</sup> July 2021)

Nordicon AB (Acquired wef 29<sup>th</sup> July 2021)

NORDICON A/S (Acquired wef 29<sup>th</sup> July 2021)

Nordicon Terminals AB (Acquired wef 29<sup>th</sup> July 2021)

RailGate Nordic AB (Acquired wef 29<sup>th</sup> July 2021)

ASIA PAC LOGISTICS DE GUATEMALA S.A. (wef 1<sup>st</sup> March 2022)

Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o).

Ecu Worldwide (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.)

Flamingo Line del Ecuador SA

Ecu World Wide Egypt Ltd. (formerly known as Ecu Line Egypt Ltd.)

Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV)

Ecu Worldwide (Germany) GmbH (formerly known as Ecu-Line Germany GmbH)

ELWA Ghana Ltd.

Ecu Worldwide (Guatemala) S.A.(formerly known as Flamingo Line de Guatemala S.A.)

Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.)

Ecu International Far East Ltd.

CCS Shipping Ltd.

PT Ecu Worldwide Indonesia

Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.)

Eurocentre Milan srl.

Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl)

Ecu Worldwide (Japan) Ltd.(formerly known as Ecu-Line Japan Ltd.)

Jordan Gulf for Freight Services and Agencies Co. LLC

Ecu Worldwide (Kenya) Ltd. (formerly known as Ecu-Line Kenya Ltd.)

Ecu Shipping Logistics (K) Ltd.

Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia SDN. BHD)

Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.)



# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

CELM Logistics SA de CV	Econoline Storage Corp.
Ecu Worldwide Mexico SA de CV (formerly known as Ecu Logistics de Mexico SA de CV)	ECL Customs Brokerage, Inc.
Ecu Worldwide Morocco S.A. (formerly known as Ecu-Line Maroc S.A.)	OTI Cargo, Inc.
Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV)	Ports International, Inc.
Rotterdam Freight Station BV	Administradora House Line C.A.
FCL Marine Agencies B.V.	Ecu Worldwide Vietnam Joint Stock Company
Ecu Worldwide New Zealand Ltd. (formerly known as Ecu-Line NZ Ltd.)	Ecu-Line Zimbabwe (Pvt) Ltd.
Ecu Worldwide (Panama) S.A. (formerly known as Ecu-Line de Panama SA)	Asia Line Ltd
Ecu-Line Paraguay SA	Contech Transport Services (Pvt) Ltd
Flamingo Line del Peru SA	Prism Global Ltd.
Ecu-Line Peru SA	Eculine Worldwide Logistics Co. Ltd.
Ecu Worldwide (Philippines) Inc.(formerly known as Ecu-Line Philippines Inc.)	Allcargo Logistics LLC
Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.)	FMA-LINE Nigeria Ltd.
Ecu-Line Doha W.L.L.	Ecu Worldwide (Uganda) Limited
Ecu-Line Saudi Arabia LLC	FMA Line Agencies Do Brasil Ltda
Ecu - Worldwide (Singapore) Pte. Ltd. (formerly known as Ecu-Line Singapore Pte. Ltd.)	FCL Marine Agencies Belgium bvba
Ecu Worldwide (South Africa) Pty Ltd. (formerly known as Ecu-Line South Africa (Pty.) Ltd.)	Allcargo Hongkong Limited (formerly known as Oconca Shipping (HK) Ltd.)
Ecu-Line Spain S.L.	Oconca Container Line S.A. Ltd.
ECU Worldwide Lanka (Private) Ltd. (formerly known as Ecu Line Lanka (Pvt) Ltd.)	Almacen y Maniobras LCL SA de CV
Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)	ECU WORLDWIDE SERVICIOS SA DE CV
Société Ecu-Line Tunisie Sarl	ECU TRUCKING, INC.
Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	ECU Worldwide CEE SRL
Ecu-Line Middle East LLC	Allcargo Logistics Africa (PTY) LTD (formerly known as FMA Line SA (PTY) LTD)
Ecu-Line Abu Dhabi LLC	Ecu Worldwide Baltics
Eurocentre FZCO	Ecu Worldwide (Bahrain) Co. W.L.L.
Star Express Company Ltd.	East Total Logistics B.V.
Ecu Worldwide (UK) Ltd. (formerly known as Ecu-Line UK Ltd)	PAK DA (HK) LOGISTIC Ltd
Ecu Worldwide (Uruguay) S.A. (formerly known as DEOLIX S.A.)	ECU Worldwide Tianjin Ltd. (wholly owned subsidiary of PAK DA (HK) LOGISTIC Ltd)
CLD Compania Logistica de Distribution SA	Allcargo Logistics FZE
Guldary S.A.	SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD
PRISM GLOBAL, LLC	Allcargo Logistics China Ltd. (Wholly Owned Subsidiary Of SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD)
Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.]	Asiapac Logistics Mexico SA de CV
	Asiapac Equity Investments Ltd (w.e.f Dec 2022)
	Asiapac Turkey Tasimacilik A.S. (w.e.f Dec 2022)
	Allcargo Tanzania (w.e.f Jan 2023)
	Asiapac Logistics El Salvador (w.e.f Feb 2023)
	Asia Express Line Gmbh (w.e.f Dec 2022)
	Fair Trade GmbH Schifffahrt, Handel und Logistik (w.e.f Dec 2022)
	Gati Asia Pacific Pte Ltd. (Acquired w.e.f August 17, 2020)

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

Gati Hong Kong Limited (Acquired w.e.f August 17, 2020)

Gati Cargo Express (Shanghai) Co. Ltd. (Acquired w.e.f August 17, 2020)

Ecu Worldwide (BD) Limited (Incorporated on August 20, 2020)

### (ii) Other related parties

#### I. Associates (direct and indirect)

##### Direct associates -

Allcargo Logistics Lanka (Private) Limited

Haryana Orbital Rail Corporation Limited (w.e.f. February 11, 2022)

##### Indirect associates -

FCL Marine Agencies GmbH (Bremen)

RailGate Europe B.V (Acquired w.e.f 29<sup>th</sup> July 2021)

Trade Xcelerators LLC (w.e.f 9<sup>th</sup> February 2022)

#### II. Joint ventures (direct and indirect)

##### Direct joint venture -

Avvashya CCI Logistics Private Limited

Allcargo Oil & Gas Private Limited

Allcargo Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)

Aladin Group Holdings Limited (w.e.f 15 March 2021)

Aladin Express DMCC (w.e.f 15 March 2021)

##### Indirect joint venture -

Fasder S.A.

Ecu Worldwide Peru S.A.C.(formerly known as Ecu Logistics Peru SAC)

Ecu Worldwide Korea Co., Ltd.

Allcargo Logistics Korea Co., Ltd. (Incorporated w.e.f. March 3, 2021)

ALX Shipping Agency LC (Incorporated w.e.f. March 25, 2021)

#### (iii) Entities over which key managerial personnel or their relatives exercises significant influence:

ACGL Benefit Trust

Allcargo Movers (Bombay) LLP

Allnet Financial Services Private Limited (Formerly Allnet Infotech Private Limited)

Avadh Marketing LLP

Avash Builders And Infrastructure Private Limited

Avvashya Foundation Trust

Contech Estate LLP

Greatship (India) Limited

Maneksha & Sethna

Panna Estates LLP

Meridien Tradeplace Private Limited

Sealand Crane Private Limited

Shloka Shetty Trust

Talentos (India) Private Limited

Transindia Freight LLP

Transindia Freight Services Private Limited

Blacksoil Capital Private Limited

Saraloan Technologies Private Limited

Container Freight Station Association of India

Allcargo Terminals Limited

Transindia Real Estate Ltd

Speedy Multimodes Limited

Conserve Buildcon LLP

#### (iv) Key managerial personnel

Mr. Shashi Kiran Shetty\*

Mrs. Arathi Shetty

Mr. Adarsh Hegde

Mr. Mohinder Pal Bansal

Capt. Sandeep Anand

Mr. Deepal Shah

Mr. Devanand Mojindra

Mr. Martin Muller

Mr. Parthasarathy Vankipuram Srinivasa (Appointed as Non-executive, Non-Independent Director w.e.f. May 11, 2021)

Mr. Kaiwan Kalyaniwalla (Appointed as Non-executive, Non-Independent Director w.e.f. August 6, 2021)

Mr. Mahendra Kumar Chouhan (Appointed as Independent Director w.e.f. February 11, 2022)

Mrs. Radha Ahluwalia (Appointed as Independent Director w.e.f. February 11, 2022)

Mr. Ravi Jakhar (Appointed as CSO w.e.f. February 11, 2022)

Mrs. Cynthia Dsouza (Ceased to be director w.e.f. June 29, 2022)

Mr. Nilesh Vikamsey (Appointed as Independent Director w.e.f. June 30, 2022)

Mr. Suresh Kumar Ramiah

#### (v) Relatives of Key Management Personnel

Mr. Vaishnav Kiran Shetty

Mr. Umesh Kumar Shetty

Mrs. Usha Shetty

Mrs. Subhashini Shetty

Mrs. Shobha Shetty

Mrs. Asha Shetty

Mrs. Priya Hegde

\* Person having controlling interest in the entity.

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 29B. Summary of transactions with related parties:

(₹ in Lakhs)

Particulars	Subsidiaries		Associates		Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence				Total		
	31 Mar 2023		31 Mar 2022		31 Mar 2023		31 Mar 2022		31 Mar 2023			31 Mar 2022	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022		31 Mar 2023	31 Mar 2022
<b>Income</b>													
Multimodal Transport income	36,990	34,909	153	376	500	2,216	4,155	-	-	-	41,797	37,501	
Project & Engineering solutions income	-	252	-	-	-	13	-	64	-	-	-	329	
Container freight station income	-	702	-	-	-	573	-	**	-	-	-	1,275	
Business support charges received	2,763	1,482	-	-	311	159	1,407	-	-	-	4,481	1,641	
Corporate guarantee fees	160	383	-	-	-	-	-	-	-	-	160	383	
Interest income on loans	5	1,009	-	-	0	-	469	-	-	-	474	1,009	
Interest income on advances	-	2	-	-	-	-	-	-	-	-	-	2	
Sale of Property Plant and Equipment (PPE)	-	3,426	-	-	-	-	-	440	-	-	-	3,866	
Dividend income	7,371	20,335	-	-	160	695	-	-	-	-	7,531	21,031	
Rent income	-	270	-	-	-	427	1	-	-	-	1	697	
Reversal of impairment of Interest	-	488	-	-	-	-	-	-	-	-	-	488	
<b>Expenses</b>													
Multimodal Transport operation expenses	48,823	62,324	164	91	2,383	3,509	2,944	-	-	-	54,315	65,924	
Project & Engineering solutions expenses	-	157	-	-	-	640	-	83	-	-	-	880	
Container freight station expenses	-	725	-	-	-	29	-	306	-	-	-	1,060	
Business support charges paid	-	261	-	-	4	94	1	-	-	-	5	355	
Corporate cost allocation	-	-	-	-	-	-	2,307	-	-	-	2,307	-	
Legal and professional fees	191	-	-	-	-	-	39	53	317	54	546	107	
Management Fees	-	-	-	-	-	-	214	-	-	-	214	-	
Guarantee security fee	-	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	
Other expenses	-	13	-	-	-	-	-	2	-	-	-	15	
Remuneration to Directors	-	-	-	-	-	-	-	-	1,886	514	1,886	514	
Remuneration to KMP	-	-	-	-	-	-	-	-	883	600	883	600	
Commission to Directors	-	-	-	-	-	-	-	-	2,065	2,070	2,065	2,070	
Sitting fees to Directors	-	-	-	-	-	-	-	-	80	74	80	74	
Provision for Impairment on loan	-	769	-	-	-	-	-	-	-	-	-	769	
Rent paid	12	49	-	-	-	-	648	390	74	-	733	439	
Dividend paid	-	-	-	-	-	-	-	-	5,334	5,161	5,334	5,161	
Interest on Inter-corporate loan	-	-	-	-	-	-	-	-	-	-	-	-	
Expenditure towards CSR / Donations	-	-	-	-	-	-	214	200	-	-	214	200	
Investments Written Off	-	25	-	-	-	-	-	-	-	-	-	25	
<b>Others</b>													

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

Particulars	Subsidiaries		Associates		Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence				Key Managerial Personnel (KMP) and their relatives		Total	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
	(₹ in Lakhs)													
Loans given	9	26,480	-	-	-	-	**	-	-	-	-	-	9	26,480
Loan received back during the year	7	17,029	-	-	-	-	-	-	-	-	-	-	7	17,029
Advances given	-	12	-	-	-	-	**	-	-	-	-	-	12	12
Interest charged on ICD given	-	4	-	-	-	-	-	-	-	-	-	-	-	4
Interest received back on ICD	-	4	-	-	-	-	-	-	-	-	-	-	-	4
Interest received on OCDs	-	**	-	-	-	-	-	-	-	-	-	-	**	**
Interest received back on OCDs	-	**	-	-	-	-	-	-	-	-	-	-	**	**
Interest received on advances	-	**	-	-	-	-	-	-	-	-	-	-	**	**
Interest received on Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received back on advances	-	1	-	-	-	-	-	-	-	-	-	-	-	1
ICD paid during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICD Advanced	-	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000
ICD received back	-	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000
Deposits given	-	7	-	-	-	-	10	-	-	**	-	-	-	17
Deposits received back	-	-	-	-	-	-	-	-	-	120	-	-	-	120
Advances received back during the year	-	23	-	-	-	-	**	-	-	-	-	-	-	23
Loan converted into OCDs	-	10,236	-	-	-	-	-	-	-	-	-	-	-	10,236
Proceeds received on redemption of OCDs	-	4,650	-	-	-	-	-	-	-	-	-	-	-	4,650
Proceeds received on redemption of Preference Shares	-	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000
Interest on Loan converted into OCDs	-	**	-	-	-	-	-	-	-	-	-	-	**	**
Interest Receivable component converted into the consideration receivable from Sale of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received back on Loan	-	627	-	-	-	-	**	-	-	-	-	-	-	627
Loan converted into consideration for sale of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consideration receivable on PPE converted to Loan	-	3,611	-	-	-	-	-	-	-	-	-	-	-	3,611
Advance against OCD redemption	-	8,768	-	-	-	-	-	-	-	-	-	-	-	8,768
Additional Investment made in Equity Shares during the year	-	2,750	-	-	-	-	-	-	-	-	-	-	-	2,750
Transactions pursuant to demerger	-	-	-	-	-	-	-	-	-	14,479	-	-	-	14,479

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

**29B Summary of closing balances with related parties:**

(₹ in Lakhs)

Particulars	Subsidiaries		Associates		Joint Venture		Entities over which key managerial personnel or their relatives exercise significant influence				Key Managerial Personnel and their relatives		Total	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
<b>Assets</b>														
Investments	62,728	64,963	7,600	2,000	17,346	18,529	-	-	-	-	-	-	87,674	85,493
Loans	91	28,762	-	-	789	1	932	-	-	-	-	-	1,812	28,762
Interest receivable on loan	14	1,488	-	-	161	-	10	-	-	-	-	-	185	1,488
Expected Credit Loss on Trade Receivables	-	-	-	149	-	-	-	-	-	-	-	-	-	149
Advances	-	20	27	-	-	**	-	-	-	-	-	-	27	20
Interest receivable on advances	-	1	2	-	-	-	-	-	-	-	-	-	2	1
OCDs	-	48,333	-	-	-	-	-	-	-	-	-	-	-	48,333
Advance to supplier for services	-	79	-	-	-	-	-	-	-	-	-	-	-	79
Deposits given	7	11	-	-	-	-	336	339	-	-	-	-	343	350
Capital Expenditure	23	-	-	-	-	-	35	-	-	-	-	-	58	-
Trade receivables	5,891	11,094	24	204	31	869	798	87	-	-	-	-	6,744	12,255
Consideration receivable against sale of PPE	-	-	-	-	-	-	-	63	-	-	-	-	-	63
<b>Liabilities</b>														
Advance received against OCD redemption	-	8,768	-	-	-	-	-	-	-	-	-	-	-	8,768
Deposits taken	-	-	-	-	-	95	-	-	-	-	-	-	-	95
Corporate guarantee	37,635	72,343	-	-	-	-	-	-	-	-	-	-	37,635	72,343
Trade payables	5,884	11,402	30	21	465	452	622	146	3	28	-	-	7,004	12,049
Other payables	-	-	-	-	-	-	255	-	-	-	-	-	255	-
Payable pursuant to demerger scheme	-	-	-	-	-	-	18,049	-	-	-	-	-	18,049	-
Directors commission payable	-	-	-	-	-	-	-	-	2,040	2,070	-	-	2,040	2,070
Directors sitting Fees Payable	-	-	-	-	-	-	-	-	8	2	-	-	8	2
Post employment benefits	-	-	-	-	-	-	-	-	837	77	-	-	837	77
Interest receivable on Debentures	-	**	-	-	-	-	-	-	-	-	-	-	-	**

\*\* Value less than ₹ 1 lakh

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 29C.Details of material related party transactions which are more than 10% of the total transactions of the same nature during the year ended:

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Multimodal Transport Income</b>		
Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.]	9,133	10,078
Allcargo Terminals Limited	4,154	-
Project and Engineering Solution Income		
Meridien Tradeplace Private Limited	-	64
Allcargo Logistics LLC	-	-
Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia SDN. BHD)	-	153
Speedy Multimodes Limited	-	70
<b>Container Freight Station income</b>		
Avvashya CCI Logistics Private Limited	-	573
Contech Logistics Solutions Private Limited	-	283
Hindustan Cargo Limited		
Speedy Multimodes Limited	-	418
<b>Logistics Park income</b>		
Avvashya CCI Logistics Private Limited	-	427
Koprolu Warehousing Private Limited	-	270
<b>Business Support charges received</b>		
Avvashya CCI Logistics Private Limited	-	151
Ecu International (Asia) Private Limited	2,125	1,133
Gati-Kintetsu Express Private Limited	511	319
TransIndia Realty and Logistics Park Private Limited	901	-
Allcargo Terminals Limited	505	-
<b>Corporate Guarantee Fees</b>		
Allcargo Belgium N.V.	160	266
Allcargo Inland Park Private Limited	-	50
Allcargo Multimodal Private Limited	-	51
<b>Interest received or accrued on loan</b>		
Allcargo Terminals Limited	469	137
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	-	114
Avvashya Inland Park Private Limited	-	92
Koprolu Warehousing Private Limited	-	547
Marasandra Logistics and Industrial Parks Private Limited	-	80
<b>Interest received or accrued on advances</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	-	2
<b>Sale of Property Plant and Equipment (PPE)</b>		
Meridien Tradeplace Private Limited	-	440
Koprolu Warehousing Private Limited	-	3,426

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Dividend Income		
Allcargo Belgium N.V.	7,371	20,315
<b>Rent income</b>		
Avvashya CCI Logistics Private Limited	-	427
TransIndia Realty and Logistics Park Private Limited	1	-
Koprolu Warehousing Private Limited	-	270
<b>Reversal of Provision for impairment of Interest</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	-	488
<b>Multimodal Transport Operation expenses</b>		
Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)	11,321	21,850
Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.]	9,301	7,837
Ecu Worldwide China Ltd. (formerly known as China Consolidation Services Ltd.)	-	6,882
<b>Project &amp; Engineering Solutions Expense</b>		
Avvashya CCI Logistics Private Limited	-	640
<b>Container Freight Station expenses</b>		
Asia Line Limited	-	94
Contech Logistics Solutions Private Limited	-	494
Meridien Tradeplace Private Limited	-	306
<b>Business Support charges paid</b>		
Avvashya CCI Logistics Private Limited	-	94
Comptech Solutions Private Limited	-	44
Contech Logistics Solutions Private Limited	-	14
Gati-Kintetsu Express Private Limited	-	203
Allcargo Terminals Limited	1	-
Avvashya CCI Logistics Private Limited	4	-
<b>Legal and professional fees</b>		
Maneksha & Sethna	39	53
Gati-Kintetsu Express Private Limited	191	-
Shloka Shetty	17	-
Mr. Parthasarthy Srinivasa	300	54
<b>Management Fees</b>		
Conserve Buildcon LLP	214	-
Container Freight Station Association of India	-	2
Gati-Kintetsu Express Private Limited	-	13
<b>Remuneration to Directors</b>		
Mr. Shashi Kiran Shetty	1,146	273
Mr. Adarsh Hegde	740	241

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Remuneration to Key Managerial Personnel</b>		
Mr. Deepal Shah	166	194
Mr. Ravi Jakhar	238	-
Mr. Suresh Kumar Ramiah	323	251
Capt. Sandeep Anand	118	108
<b>Commission to Directors</b>		
Mr. Adarsh Hegde	650	650
Mr. Shashi Kiran Shetty	1,350	1,350
<b>Sitting fees to Directors</b>		
Ms. Cynthia D Souza	2	10
Mr. Mohinder Pal Bansal	13	18
Mrs Arathi Shetty	8	6
Mr Mahendra Kumar Chouhan	10	-
Mrs Radha Ahluwalia	9	-
Mr. Mathew Cyriac	-	1
Mr. Kaiwan Kalyaniwalla	7	5
Mr. Martin Muller	13	16
Mr. Srinivasa Parathasarathy	14	17
<b>Provision for impairment of Loan</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	769	769
<b>Rent paid</b>		
Talentos (India) Private Limited	71	88
Avash Builders and Infrastructure Private Limited	107	107
Sealand Crane Private Limited	87	87
Allnet Infotech Private Limited	84	84
TransIndia Realty and Logistics Park Private Limited	284	-
Mr. Shashi Kiran Shetty	74	-
<b>Dividend paid</b>		
Mr. Shashi Kiran Shetty	4,948	4,567
<b>Expenditure towards CSR/Donation</b>		
Avashya Foundation Trust	214	200
<b>Corporate Cost allocation</b>		
Allcargo Terminals Limited	2,197	-
TransIndia Realty and Logistics Park Private Limited	-	-
<b>Miscellaneous Expenses (Cross collateralisation expense)</b>		
TransIndia Realty and Logistics Park Private Limited	110	-
<b>Investments Written Off</b>		
Combi Line Indian Agencies Private Limited (Strike Off w.e.f -October 27, 2021)	-	25



# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Additional Investment in Associate</b>		
Haryana Orbital Rail Corporation Limited	5,600	-
<b>Loans given</b>		
Allcargo Inland Park Private Limited	-	5,689
Allcargo Multimodal Private Limited	-	2,732
Allcargo Terminals Limited	-	10,216
Malur Logistics and Industrial Parks Private Limited	-	4,342
Transindia Logistic Park Pvt Ltd.	9	-
Koprolu Warehousing Private Limited	-	2,585
<b>Loan received back during the year</b>		
Allcargo Inland Park Private Limited	-	1,847
ALX Shipping Agencies India Private Limited	7	-
Allcargo Multimodal Private Limited	-	2,094
Malur Logistics and Industrial Parks Private Limited	-	12,266
<b>Advances given</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	-	11
<b>Advance taken</b>		
Allcargo Inland Park Private Limited	-	5,614
Allcargo Multimodal Private Limited	-	8,457
Malur Logistics and Industrial Parks Private Limited	-	12,266
Koprolu Warehousing Private Limited	-	602
<b>Interest charged on ICD given</b>		
Gati Limited	-	4
<b>Interest received back on ICD</b>		
Gati Limited	-	4
<b>Inter-corporate deposit given</b>		
Gati Limited	-	1,000
<b>Inter-corporate deposit received back</b>		
Gati Limited	-	1,000
<b>Deposits given</b>		
Avvashya CCI Logistics Private Limited	-	10
Transindia Freight Services Private Limited	1	-
Comptech Solutions Private Limited	-	7
<b>Deposits received back</b>		
Allcargo Movers (Bombay) LLP	-	18
Talentos (India) Private Limited	-	84
Transindia Freight LLP	-	18
<b>Loan converted to OCDs</b>		
Allcargo Inland Park Private Limited	-	6,897

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Allcargo Multimodal Private Limited	-	3,315
Kalina Warehousing Private Limited	-	-
Panvel Warehousing Private Limited	-	-
<b>Proceeds received on redemption of OCDs</b>		
Allcargo Multimodal Private Limited	-	4,650
<b>Proceeds received on redemption of Preference Shares</b>		
AGL Warehousing Pvt. Ltd.	-	1,000
<b>Consideration on PPE converted to Loan</b>		
Koprolu Warehousing Private Limited	-	3,611
<b>Interest received back on loan</b>		
Avvashya Inland Park Private Limited	-	9
Allcargo Terminals Limited	-	-
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	-	537
Koprolu Warehousing Private Limited	-	55
Marasandra Logistics and Industrial Parks Private Limited	-	8
<b>Interest received back on Advances</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	-	1
<b>Consideration receivable on PPE converted to Loan</b>		
Koprolu Warehousing Private Limited	-	3,611
<b>Advance against OCD redemption</b>		
Allcargo Inland Park Private Limited	-	3,703
Allcargo Multimodal Private Limited	-	5,065
<b>Additional Investment made in Equity Shares during the year</b>		
Gati Limited	-	2,750
<b>Transactions pursuant to demerger</b>		
Allcargo Terminals Limited	14,479	-
<b>Closing Balances as at:</b>		
<b>Loans</b>		
Allcargo Inland Park Private Limited	-	500
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	789	-
Transindia Logistic Park Pvt Ltd.	91	-
Allcargo Terminals Limited	932	10,217
Malur Logistics and Industrial Parks Private Limited	-	987
Koprolu Warehousing Private Limited	-	12,973
<b>Interest receivable on Loans</b>		
Avvashya Inland Park Private Limited	-	242
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	109	-
Koprolu Warehousing Private Limited	-	777
Marasandra Logistics and Industrial Parks Private Limited	-	233

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Transindia Logistic Park Pvt Ltd.	14	
Allcargo Terminals Limited	10	-
<b>Payable pursuant to demerger scheme</b>		
Allcargo Terminals Limited	2,740	-
Transindia Realty and Logistics Park Private Limited	15,309	
<b>Provision made towards impairment on interest receivable on loan</b>		
<b>Expected Credit Loss on Trade Receivables</b>		
Allcargo Logistics Lanka (Private) Limited	149	149
<b>Advances</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	-	20
<b>Interest receivable on Advances</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	-	1
<b>Optionally Convertible Debentures (OCDs)</b>		
Allcargo Inland Park Private Limited	-	15,252
Allcargo Multimodal Private Limited	-	12,214
Malur Logistics and Industrial Parks Private Limited	-	19,416
<b>Advance to supplier of services</b>		
Ecu Worldwide (Kenya) Ltd. (formerly known as Ecu-Line Kenya Ltd.)	-	11
Ecu Worldwide China Ltd. (formerly known as China Consolidation Services Ltd.)	-	28
Ecu-Line Middle East LLC	-	11
PT Ecu Worldwide Indonesia	-	19
<b>Deposits given</b>		
Talentos (India) Private Limited	39	39
Avash Builders and Infrastructure Private Limited	107	107
Sealand Crane Private Limited	87	87
Allnet Financial Services Private Limited	84	84
<b>Trade receivable</b>		
Allcargo Logistics LLC	-	1,867
Allcargo Terminals Limited	711	-
Ecuhold N.V.	1,845	-
Contech Logistics Solutions Private Limited	788	2,033
Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.]	669	2,366
<b>Consideration receivable against sale of PPE</b>		
Meridien Tradeplace Private Limited	-	63
<b>Capital Expenditure</b>		
Conserve Buildcon LLP	35	-
Gati Limited	23	-
<b>Advance received Against OCD Redemption</b>		
Allcargo Multimodal Private Limited	-	5,065

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Allcargo Inland Park Private Limited	-	3,703
<b>Deposits taken</b>		
Avvashya CCI Logistics Private Limited	-	95
<b>Corporate guarantee</b>		
Allcargo Belgium NV	37,635	47,557
Allcargo Multimodal Private Limited	-	23,103
Malur Logistics and Industrial Parks Private Limited	-	11,618
<b>Trade payables</b>		
Contech Logistics Solutions Pvt. Ltd	695	2,081
Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.]	1,458	2,966
Gati Limited	692	-
<b>Other Payables</b>		
Transindia Realty and Logistics Park Private Limited	255	
Shloka Shetty	2	-
<b>Directors commission payable</b>		
Mr. Adarsh Hegde	650	650
Mr. Shashi Kiran Shetty	1,350	1,350
<b>Directors Sitting fees payable</b>		
Mr. Martin Muller	1	1
Mrs. Radha Ahluwalia	1	1
Mrs. Arathi Shetty	2	-
Mr. Mohinder Pal Bansal	2	-
Mr Mahendra Kumar Chouhan	1	-
Mr. Nilesh Vikamsey	2	-
Mr. Parthasarthy Srinivasa	1	-
<b>Post employment benefits</b>		
Mr. Shashi Kiran Shetty	405	19
Mr. Adarsh Hegde	303	19
Mr. Deepal Shah	-	15
Mr.Prakash Tulsiani	-	-
Capt. Sandeep Anand	-	19
<b>Interest receivable on Debentures</b>		
<b>Letters of undertaking to provide need based unconditional financial support to its following subsidiaries</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)		

## Terms and conditions of trade transactions with related parties

The services provided to and services received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 30 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities.

#### Quantitative disclosures fair value measurement hierarchy as at 31 March 2023:

(₹ in Lakhs)

Particulars	Total	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>FVTPL financial investments</b>				
- Unquoted mutual funds	16,985	16,985	-	-
- Quoted Equity Shares	97	97	-	-
- Unquoted equity shares	-	-	-	-
<b>FVTOCI financial assets</b>				
- Unquoted equity shares	1	-	1	-
- Derivative Instrument	-	-	-	-
<b>Total financial assets measured at fair value</b>	<b>17,083</b>	<b>17,082</b>	<b>1</b>	<b>-</b>

#### Quantitative disclosures fair value measurement hierarchy as at 31 March 2022:

(₹ in Lakhs)

Particulars	Total	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>FVTPL financial investments</b>				
- Unquoted mutual funds	13,469	13,469	-	-
- Quoted Equity Shares	108	108	-	-
- Unquoted equity shares	32	-	32	-
<b>FVTOCI financial assets</b>				
- Unquoted equity shares	2	-	2	-
- Derivative Instrument	33	-	33	-
<b>Total financial assets measured at fair value</b>	<b>13,946</b>	<b>13,879</b>	<b>67</b>	<b>-</b>
<b>FVTPL financial liabilities</b>				
- Investors put option payable [refer note 40(c)]	391	-	-	391
<b>Total financial liabilities measured at Fair Value</b>	<b>391</b>	<b>-</b>	<b>-</b>	<b>391</b>

The management assessed that Investments, cash and cash equivalents, trade receivables, trade payables, short-term borrowings, bank overdrafts and other current liabilities approximate their 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.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 31(A) Financial risk management objectives and policies

i) The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and policies and processes.

#### ii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and its revenue generating and operating activities.

##### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's policy is to keep maximum of its borrowings at fixed rates of interest. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2023, after taking into account the effect of interest rate swaps, 100% of the Company's borrowings are at a fixed rate of interest (31 March 2022: 100%).

##### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's foreign currency borrowings.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure of net borrowings in foreign currencies by using foreign currency swaps and forwards. The Company has applied the hedge accounting as per principles set out in Ind AS – 109 'Financial Instruments' in respect of combined hedging instrument, designated in a net investment hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to the net investment in foreign operations.

##### c) Unhedged foreign currency exposures

As at balance sheet date, the Company's net foreign currency exposure Receivable / (payable) that is not hedged is ₹ 1,482 Lakhs (31 March 2022: ₹ 1,148 lakhs). Majority of this amount represents the amount payable to overseas subsidiary companies hence it remains manageable exposure within the group itself.

##### d) Foreign currency sensitivity

For the year ended 31 March 2023 and 31 March 2022, every 5% depreciation / appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's incremental operating margins by approximately ₹ 74 lakhs and ₹ 57 lakhs each (net). The Company's exposure to foreign currency changes for all other currencies is not material.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Group's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges.

### iii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Company has diversified customer base considering the nature and type of business.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7.2. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

### (iv) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. 31% of the Company's borrowings including current maturities of non-current borrowings will mature in less than one year at 31 March 2023 (31 March 2022: 58%) based on the carrying value of borrowings including current maturities of non-current borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023

(₹ in Lakhs)

Particulars	On demand	Less than 1 year	More than 1 year
Borrowings	-	5,979	13,618
Other financial liabilities	-	22,695	-
Trade and other payables	-	19,462	-
<b>Total</b>	-	<b>48,136</b>	<b>13,618</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022

(₹ in Lakhs)

Particulars	On demand	Less than 1 year	More than 1 year
Borrowings	29,500	13,260	31,525
Other financial liabilities	-	14,159	17
Trade and other payables	-	44,320	-
<b>Total</b>	<b>29,500</b>	<b>71,739</b>	<b>31,542</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### (v) Capital management

The Company's objective for Capital Management is to maximise shareholder's value, support the strategic objectives of the Company. The Company determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows generated.

### 31(B) Hedge Accounting

The Company's business objective includes safe-guarding its earnings against adverse fluctuation in the movements of foreign exchange currency and interest rates. The Company has applied the hedge accounting as per principles set out in Ind AS – 109 'Financial Instruments' in respect of combined hedging instrument, designated in a hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges for the following hedging instrument and hedged item:-

Hedged instrument	Hedged item
Foreign Currency Term Loan of USD 260 lakhs (Amount in ₹ 19,111 lakhs) and Euro -USD Cross currency Interest rate swap. During the year ended 31 <sup>st</sup> March, 2023, the Interest rate swap has been settled and the gain of ₹ 1,756 Lakhs has been accounted under Other Comprehensive Income.	The highly probable Euro Receivable future cash flows in the form of receivables in Euro and the annual dividend receivable from subsidiary.

The risk management objective is to hedge the variability in cashflows arising from the Euro denominated receivables from customers and the annual dividend cash flows from wholly owned subsidiary Allcargo Belgium N.V. because of changes in EUR-INR exchange rate using fixed-to-fixed EUR-USD Cross Currency Interest Rate Swaps (CCIRS) and USD denominated Foreign Currency Term Loan availed by the Company.

The Company has created a 'pay EUR and receive INR hypothetical swap' matching the specifications of underlying cash flows designated in the Hedge relationship as of inception date. The hypothetical derivative is constructed using the market-quoted foreign exchange rates and interest rate curves prevailing as of inception on the pay EUR leg and a computed fixed rate on the receive INR leg. The computed fixed rate is such that it makes the net present value of the hypothetical derivative zero as of inception date."

There is an economic relationship between the hedged items and the hedging instruments. The Company has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Company uses the hypothetical derivative method and Dollar offset method.

#### The hedge ineffectiveness can arise from :-

- (i) Differences in the timing of the cash flows.
- (ii) Different indexes (and accordingly different curves).
- (iii) The counterparties' credit risk differently impacting the fair value movements.



# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## Disclosure of effect of Hedge Accounting:-

### Cash flow Hedge:-

### For Hedging instruments:-

As at March 31, 2023

(₹ in Lakhs)

Particulars	Nominal Value	Carrying Amounts		Changes in Fair Value	Hedge Maturity	Line item in Balance sheet
		Assets	Liabilities			
<b>Foreign currency risk</b>						
Borrowings	12,826	-	12,721	1,318	October 2025	Non-current Liabilities – Financial Liabilities – Borrowings
<b>Interest rate risk</b>						
Interest rate swap*	-	-	-	-	September 2020 to October 2025	During the year ended 31st March, 2023, the interest rate swap has been settled and the gain of ₹ 1756 Lakhs has been accounted under Other Comprehensive Income.

As at March 31, 2022

(₹ in Lakhs)

Particulars	Nominal Value	Carrying Amounts		Changes in Fair Value	Hedge Maturity	Line item in Balance sheet
		Assets	Liabilities			
<b>Foreign currency risk</b>						
Borrowings	15,315	-	15,663	1,002	October 2025	Non-current Liabilities – Financial Liabilities – Borrowings
<b>Interest rate risk</b>						
Interest rate swap*	-	-	-	-	September 2020 to October 2025	N.A.

\* Since interest rate swap which becomes due for each month gets settled on monthly basis hence related mark to market losses gets accounted under the finance cost during reporting period. Hence the entire changes in fair value pertains to outstanding principle amount in USD.

### Hedged item:-

Changes in fair value of the highly probable Euro Receivable future cash flows in the form of receivables in Euro and the annual dividend receivable from subsidiary coincides with changes in fair value of hedging instruments.

### Movement in Cash Flow Hedge:-

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	114	(570)
Gain recognised in OCI during the year	1,756	1,002
Deferred tax on above	(340)	(318)
Amount recycled to profit and loss during the year	(438)	-
At the end of the year	1,092	114

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 32 Leases:

#### Company as Lessee

Changes in carrying value of Right - Of - Use Assets for the year ended March 31, 2023 is given separately in Note No 3.2

(a) The following is the break-up of current and non-current lease liabilities as at March 31, 2023:

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	847	806
Non-Current lease liabilities	2,818	4,950
<b>Closing Balances as on 31 March</b>	<b>3,665</b>	<b>5,756</b>

(b) The following is the movement in lease liabilities for the year ended March 31, 2023:

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances as on 1 April	5,756	6,479
Additions	3,780	123
Finance cost accrued during the year	329	579
Modifications/ Others	(300)	-
Deletions	-	(139)
Discontinued Operations (refer note 45)	-	(19)
Lease payments made during the year	(866)	(1,265)
Pursuant to demerger scheme (refer note 43)	(5,034)	-
<b>Closing Balances as on 31 March</b>	<b>3,665</b>	<b>5,756</b>

(c) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Within 1 year	1,280	952
Between 1 to 5 years	2,900	2,602
More than 5 years	347	10,142
<b>Closing Balances as on 31 March</b>	<b>4,527</b>	<b>13,696</b>

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- (d) Lease payments for less than 1 year lease contracts as well as for low value items for the year ended March 31, 2023 is ₹ 78 lakhs (March 31, 2022: ₹ 137 lakhs) (refer note 21)
- (e) Rental income given on operating leases to joint venture companies was ₹ 733 lakhs for the year ended March 31, 2023 (March 31, 2022: ₹ 439 lakhs).
- (f) The Company had total cash flows for leases of ₹ 866 lakhs for the year ended March 31, 2023 (March 31, 2022: ₹ 1,265 lakhs). The Company does not have non-cash additions to right - of - use assets and lease liabilities for the year ended March 31, 2022. There are no future cash outflows relating to leases that have not yet commenced.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### (g) Total Expense on Leases

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
Lease expense on short term leases (rent)	78	137
Interest expense on lease liabilities	329	579
Depreciation on ROU Assets	962	888
<b>Total</b>	<b>1,369</b>	<b>1,604</b>

### 33 Financial Ratios

Particulars	Numerator	Denominator	Ratio		% Change	Reason for Variance <sup>®</sup>
			31-Mar-23	31-Mar-22		
Current ratio	Current Assets	Current Liabilities	1.22	0.97	25%	refer note (a)
Net Debt - Equity ratio	Non Current Borrowings + Current Borrowings	Equity Share Capital + Other Equity	0.19	0.39	-51%	refer note (b)
Debt service coverage ratio	Net profits after taxes (Continuing operations) + Interest + Depreciation & Amortisation - Exceptional income + Exceptional losses	Finance Costs + Current Maturity of Long Term Borrowings	2.57	2.51	-2%	refer note (c)
Return on Equity ratio	Profit after Taxes from Continuing operations(excluding exceptional items)	Average Net Worth	11.05%	17.61%	-37%	refer note (c)
Trade Receivables turnover ratio (in times)	Average Trade Receivables	Income from Continuing Operations	0.17	0.17	3%	refer note (c)
Trade payables turnover ratio (in times)	Average Trade Payables	Total Expenses- Finance Costs - Depreciation - Employee Benefit Expenses (Continuing Operations)	0.13	0.16	-17%	refer note (c)
Net capital turnover ratio	Average Working Capital	Income from Continuing Operations	0.02	-		
Net profit ratio	Net Profit after Taxes from Continuing operations(excluding exceptional items)	Income from Continuing Operations	5.78%	8.46%	-32%	-
Return on Capital employed	Earnings before interest and taxes (excluding exceptional items)	Capital employed = Tangible net worth + Total Debt - Deferred tax assets	21.24%	19.61%	8%	refer note (c)
Return on Investment	Interest on FDR + Net Gain on sale + Fair Value changes of Mutual Funds	Average Investment funds in Current Investment	9.48%	3% - 7%		

a) Temporary increase in Working Capital

b) Reduction in Net Debt during the year ended March 31, 2023

c) Variation in Coverage, turnover and other profitability ratios is primarily due to divisions transferred consequent to demerger scheme and decrease in volumes in International Supply Chain business during the year ended March 31, 2023

® Ratio of 31 March 2023 and 31 March 2022 are not comparable consequent to demerger effective from 1 April 2022.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 34 Other Statutory Information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- iv) The Company has not entered any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- v) The Company do not have any transactions with companies struck off.
- vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

**35** The Board of Directors at their meeting held on March 06, 2023 approved and declared an Interim Dividend of ₹ 3.25/- per equity share of face value ₹ 2/- each for the financial year 2022-23, aggregating upto ₹ 7,986 Lakhs.

### 36 Corporate social responsibility

As per section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised throughout the year on activities which are specified in Schedule VII of the Act. The utilisation is done either by way of direct contribution towards various activities or by way of contribution to a trust - Avvashya Foundation.

- (a) Gross amount required to be spent by the Group during the year: ₹ 458 lakhs (previous year: ₹ 353 lakhs)
- (b) The areas of CSR activities and contributions made thereto are as follows:

	(₹ in Lakhs)	
Amount spent during the year on	31 March 2023	31 March 2022
1) Construction / Acquisition of any assets	-	-
2) For purposes other than (1) above:		
- Promoting and preventive health care	205	147
- Promoting education including special education and employment enhancing vocational fees	228	153
- Others	134	139
<b>Total</b>	<b>567</b>	<b>439</b>

- (c) Includes a sum of ₹215 lakhs (previous year: ₹200 lakhs) as contribution to a trust Avvashya Foundation, (where key managerial personnel and relatives are able to exercise significant influence) (refer note 29B)
- (d) As per the rules contained and notified under Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 as at March 31, 2023 the Group do not have any unspent Corporate Social Responsibility amount which needs to be transferred to a separate account maintained with scheduled bank within a period of 30 days from the end of financial year.

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 37 Segment reporting

The Company's Chief Operating Decision maker (CODm) reviews business and operations as single segment i.e. International Supply Chain, accordingly, there are no reportable business segment in accordance with Ind AS 108 - Operating Segments.

## 38A Revenue from operations (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

31 March 2022

### Sale of services (disaggregation of revenue basis type of service)

Container freight stations	42,882
Project and engineering solutions	11,784
Logistics park	428
	<b>55,094</b>
Other operating revenue	271
	<b>55,365</b>

## 38B Other income (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

31 March 2022

### Other non-operating income

Profit on sale of property, plant and equipment (net)	874
Rental income	299
Others	97
	<b>1,270</b>
Finance income	5
	<b>1,275</b>

## 38C Cost of services rendered (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

31 March 2022

### Container freight stations expenses

Handling and Transportation charges	17,638
Power and fuel costs	1,696
Repairs and maintenance	129
	<b>A 19,463</b>

### Project and engineering solutions expenses

Project operating and hiring expenses	3,233
Repairs and maintenance - machinery	2,689
Power and fuel costs	1,924
Stores and spares consumed	1,127
Insurance	20
	<b>B 8,993</b>
	<b>A+B 28,456</b>

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

## 38D Employee benefits expense (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

**31 March 2022**

Salaries, wages and bonus	3,054
Contributions to provident and other funds	164
Staff welfare expenses	130
Compensated absences	53
Gratuity	50
	<b>3,450</b>

## 38E Finance costs (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

**31 March 2022**

<b>Interest expense</b>	
- term loan	103
- Interest on leases	486
- others	7
	<b>596</b>

## 38F Depreciation and amortisation expense (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

**31 March 2022**

Depreciation of property, plant and equipment	7,350
Depreciation on Right of use assets	278
Amortisation of intangible assets	29
	<b>7,657</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

### 38G Other expenses (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

**31 March 2022**

Rent	206
Travelling expenses	582
Legal and professional fees	448
Repairs to building and others	291
Office expenses	254
Rates and taxes	375
Business promotion	35
Impairment loss recognized / (reversed) under expected credit loss (ECL) model (net)	1,056
Security expenses	490
Electricity charges	330
Communication charges	72
Bad debts/advances written off	9
Insurance	143
Printing and stationery	43
Donations	5
Miscellaneous expenses	434
	<b>4,773</b>

### 38H Exceptional items (From Discontinued Operations pursuant to Demerger Scheme refer note 43)

(₹ in Lakhs)

**31 March 2022**

Container Freight Station revenue of prior year as entitlement is established pursuant to court order.	3,825
Gain on sale of Property, Plant and Equipment	265
	<b>4,090</b>

- 39** On June 11, 2021, the Board of directors of the Company had approved and given its consent to the scheme of demerger under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 whereby the Contract Logistics business of its joint venture entity namely Avvashya CCI Logistics Private Limited ("ACCI") would be demerged from ACCI and transferred to Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited) (ASCPL) a wholly owned subsidiary of the Company, on the going concern with effect from April 01, 2021 (appointed date). The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench sanctioned the Scheme of Demerger and the Certified True Copy of the NCLT order was filed with the Registrar of the Companies on March 01, 2023. Further ASCPL has issued & allotted the shares as a consideration in accordance with the scheme.
- 40** During the year ended March 2022, the Company has entered into an agreement with Shareholders of Haryana Orbital Rail Corporation Limited (HORCL) to acquire 7.6% equity stake. Accordingly, during the year ended March 31, 2023, the Company has invested ₹ 5,600 Lakhs in equity of HORCL. The Total Investment in HORCL as on March 31, 2023 amounts to ₹ 7,600 Lakhs.
- 41** Further on May 17, 2023 Share Purchase Agreement ("SPA") has been executed between the Company, Allcargo Supply Chain Private Limited ("ASCPL") and JKS Group - shareholders of ASCPL for the purpose of acquisition of 8,90,69,138 (Eight Crores Ninety Lakhs Sixty Nine Thousand One Hundred and Thirty Eight) Equity Shares i.e. 38.87% stake by the Company from from JKS Group, for consideration of approx. ₹16,305 Lakhs. Pursuant to said SPA, the Company has acquired 38.87% stake in ASCPL from JKS Group and ASCPL has become wholly owned subsidiary of the Company.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

**42** On March 27, 2023 a Share Purchase Agreement (“SPA”) has been executed between The Company and Shareholders Gati-Kintetsu Express Private Limited (“GKEPL”), one of the subsidiaries for acquisition of 30% stake of GKEPL, for an aggregate consideration of ₹ 40,670 Lakhs.

**43** On December 23, 2021, the Board of Directors of the Company considered and approved the restructuring of the business of the Company by way of a scheme of arrangements and demerger (“Scheme”) whereby (1) Container Freight Station/Inland Container Depot businesses and their related business as defined under scheme would be demerged into Allcargo Terminals Limited (“ATL”) (wholly owned subsidiary WOS) of the Company; and (2) Construction & leasing of Logistics Parks, leasing of land & commercial properties, Engineering Solutions (hiring and leasing of equipment’s) business and other related business as defined under scheme would be demerged into TransIndia Real Estate Limited (formerly known as TransIndia Realty & Logistics Parks Limited) (“TRL”) WOS of the Company, on a going concern basis. The Scheme was approved by BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). The Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”), approved the Scheme on January 05, 2023 and the Certified True Copy of the Order along with sanctioned Scheme was received on March 10, 2023. The Company filed the Certified True Copy of the Order with Registrar Of Companies (ROC) on April 01, 2023. As per the provisions of the Scheme, the demerger has been given effect from the Appointed Date of April 01, 2022. ATL and TRL have issued and allotted the shares to the shareholders of the Company as on the record date i.e. April 18, 2023 as a consideration in accordance with Scheme. ATL and TRL shares would be listed on BSE and NSE post necessary regulatory and other approvals.

As per the scheme, the following assets and liabilities pertaining to the transferor company have been transferred and vested to the company at their book values as on April 01, 2022, Further, as per the scheme, the difference between book values of assets, liabilities, reserves of Transferor company and cancellation of the Investments made by the company is adjusted against reserves and securities premium. The Total debit to reserves on account of the aforesaid demerger scheme is ₹ 1,01,781 Lakhs.

(₹ in Lakhs)

Particulars	31st March 2022
<b>Income</b>	
Revenue from operations	55,365
Other income	1,275
<b>Total Income</b>	<b>56,640</b>
<b>Expenses</b>	
Cost of services rendered	28,456
Employee benefits expense	3,450
Finance costs	596
Depreciation and amortisation expense	7,657
Other expenses	4,773
<b>Total Expenses</b>	<b>44,932</b>
<b>Profit before exceptional items and tax from a discontinued operation</b>	<b>11,708</b>
<b>Exceptional items</b>	<b>4,090</b>
<b>Profit before tax from a discontinued operation</b>	<b>15,798</b>
Tax expense of discontinued operations	1,717
<b>Profit/(loss) for the year from a discontinued operation</b>	<b>14,081</b>



# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

The major classes of assets and liabilities as at 1<sup>st</sup> April 2022 are, as follows:

(₹ in Lakhs)

Particulars	Amount
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, Plant and Equipment	38,404
Right of use (net)	4,733
Capital work-in-progress	168
Other intangible assets	86
Intangible fixed assets under development	15
Investments in associates, joint ventures, subsidiaries and others	61,500
Loans	17,499
Other financial assets	636
Deferred tax assets (net)	7,400
Other non-current assets	2,306
	<b>1,32,747</b>
<b>Current assets</b>	
Inventories	275
Trade and other receivables (net)	5,610
Cash and cash equivalents and other bank balance	10
Short term loans	6,983
Contract assets	2,408
Short term Other financial assets	1,495
Other assets	955
	<b>17,736</b>
	<b>1,50,483</b>
<b>LIABILITIES</b>	
<b>Financial liabilities</b>	
Lease liability	4,585
Long Term Borrowings	20,255
Other financial liabilities	17
Deferred tax liabilities	3,884
Other liabilities	5
<b>Current liabilities</b>	
Lease liability	449
Financial liabilities	
Short Term Borrowings	750
Trade payables	2,527
Other payables	3,685
Other current financial liabilities	10,722
Employee benefit provision	250
Contract Liabilities	345
Other current liabilities	1,228
	<b>48,702</b>
<b>Net Assets transferred pursuant to demerger scheme</b>	<b>1,01,781</b>

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

**44** On May 17, 2023 Share Purchase Agreement (“SPA”) has been entered into between the Company, ACCI and JKS Finance Limited and its affiliates (“JKS Group”) – shareholders of ACCI for the sale of 16,00,994 (Sixteen Lakhs Nine Hundred Ninety Four) Equity Shares i.e. 61.13% stake held by Company in ACCI to JKS Group for consideration of approx. ₹ 3,923 Lakhs. Pursuant to said SPA, the Company has sold its stake to JKS Group in ACCI and ACCI has ceased to be Joint-Venture of the Company. Accordingly the Company’s investment in ACCI of ₹ 2,401 Lakhs has been classified as Assets Held for Sale as of 31<sup>st</sup> March, 2023.

**45** The Board of directors of the Company at its meeting held on February 11, 2022 has considered and approved the firm binding offer dated February 10, 2022 received from J M Baxi Heavy Private Limited for sale of Projects Logistics business through Business Transfer Agreement under slump sale basis for lumpsum consideration of ₹98.64 Crores. The Business Transfer Agreement has been executed in this regard. Accordingly, Projects Logistics business has been disclosed as discontinued operations. The details for which are summarised below:

The results of the Project Division for the year are presented below:

Particulars	(₹ in Lakhs)	
	31 March 2023	31 March 2022
Revenue	3,736	23,123
Other income	(2)	(7)
Expenses	(3,662)	(22,918)
<b>Profit/(loss) before tax from a discontinued operation</b>	<b>71</b>	<b>198</b>
Tax expense of discontinued operations	-	69
<b>Profit/(loss) for the year from a discontinued operation</b>	<b>71</b>	<b>129</b>

The major classes of assets and liabilities as at 31 March 2023 are, as follows:

Particulars	(₹ in Lakhs)	
	31 March 2023	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	142	
Right of use (net)	15	
Capital work-in-progress	5	
Other intangible assets	32	
Intangible fixed assets under development	3	
<b>Financial assets (Non current)</b>		
Long term other financial assets	5	
	202	
<b>Current assets</b>		
<b>Financial Assets (Current)</b>		
Short term Loans/Advances	21	
Trade and other receivables (net)	9,244	
Cash and cash equivalents	(206)	
Short term Other financial assets	16	
Contract assets	1,170	
Other current assets	938	
	11,183	

# Notes to the Standalone financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023
<b>Assets held for sale</b>	<b>11,385</b>
<b>LIABILITIES</b>	
<b>Financial liabilities</b>	
Lease liability	19
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
Trade payables	820
Other payables	4,735
Other current liabilities	201
<b>Liabilities directly associated with assets held for sale</b>	<b>5,774</b>
<b>Net Assets directly associated with disposal group</b>	<b>5,610</b>
<b>Reserve of disposal group classified as held for sale</b>	
Retained earnings	129

## 46 Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

### As per our report of even date

#### For S.R. Batliboi & Associates LLP

ICAI firm registration No: 101049W/E300004  
Chartered Accountants

#### For and on behalf of Board of directors of Allcargo Logistics Limited

CIN No:L63010MH2004PLC073508

#### per Aniket Sohani

Partner  
Membership No: 117142

Place: Mumbai  
Date: May 30, 2023

#### Shashi Kiran Shetty

Founder & Executive Chairman  
DIN: 00012754

#### Capt. Sandeep R. Anand

Chief Executive Officer-Marketing

Place: Mumbai  
Date: May 30, 2023

#### Mohinder Pal Bansal

Independent Director  
DIN:01626343

#### Devanand Mojitra

Company Secretary & Compliance Officer  
M.N.: A14644

#### Deepal Shah

Deputy Group Chief Financial Officer  
M.N.: 101639

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
Allcargo Logistics Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Allcargo Logistics Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group, associates and joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated financial statements.

### Emphasis of Matter

We draw attention to Note 48 of the financial statements regarding accounting of demerger of certain businesses of the Holding Company into Allcargo Terminals Limited and TransIndia Realty & Logistics Parks Limited under the Scheme of Arrangement (the 'Scheme') approved by the National Company Law Tribunal ('NCLT'). As per the accounting treatment prescribed in the Scheme and Circular No. 09/2019 dated August 21, 2019 issued by the Ministry of Corporate Affairs ('MCA'), demerger has been accounted from the appointed date i.e. April 01, 2022. As per the provisions of Ind AS notified under Companies (Indian Accounting Standards) Rules, 2015 as amended, the Demerger should have been accounted for from the date of transfer of control.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Recoverability of trade receivables</b> (as described in Note 7.3 of the standalone financial statements)	
The gross balance of trade receivables as at 31 March 2023 amounted to Rs. 229,235 lakhs, against which the Company has recorded expected credit loss provision of Rs. 25,430 lakhs. The collectability of trade receivables is a key element of the Group's working capital management. The Group has a formal policy for evaluation of recoverability of receivables and recording of impairment loss which is applied at every period-end. In accordance with Ind AS 109 'Financial Instruments', the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables which is based on the credit loss incurred in the past, current conditions and forecasts of future conditions. In calculating expected credit loss, the Group has also considered customer accounts as well as experience with collection trends and current economic and business conditions.	Our audit procedures, among other things included the following: <ol style="list-style-type: none"> <li>We evaluated the Group's policies, processes and financial controls relating to the monitoring of trade receivables and review of credit risks of customers.</li> <li>Examined the management's assessment of the customers' financial circumstances and ability to repay the debt.</li> <li>Circularized requests for balance confirmations on sample basis and examined responses.</li> <li>Obtained evidence of receipts from customers.</li> <li>Inspected relevant contracts and correspondence with the customers on sample basis, assessment of their creditworthiness with reference to publicly available information, where applicable.</li> </ol>

Key audit matters	How our audit addressed the key audit matter
<p>The Company's disclosures are included in Note 2.2(f) and Note 2.2(s) and note 7.2 to the consolidated financial statements, which outlines the accounting policy for determining the allowance for impairment allowance and details of the year on year movement in gross and net trade receivables.</p> <p>Due to significant of the trade receivables balance to the consolidated financial statements as a whole and with the involvement of estimates and judgement, we have considered recoverability of trade receivables as key audit matter.</p>	<p>f. Evaluated management's estimates and the inputs used by management for development of the ECL model, analysis of ageing of receivables, assessment of material overdue individual trade receivables including specific customer balances and sector exposure.</p> <p>g. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Group.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Holding 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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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 for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the

respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of their respective companies.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 SAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group and its associates and joint ventures 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 consolidated 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 Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the financial year ended March 31, 2023 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.

#### **Other Matter**

- (a) We did not audit the financial statements and other financial information, in respect of 125 subsidiaries, whose financial statements include total assets of Rs 4,87,583 as at March 31, 2023, and total revenues of Rs 14,49,877 lacs and net cash inflows of Rs 61,745 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements,

other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 1,745 lacs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 3 associates and 9 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the report of such other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries/ associates/ joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 5 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 224 lacs as at March 31, 2023, and total revenues of Rs 12 lacs and net cash outflows of Rs 36 lacs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 17 lacs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 associate and 1 joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with

respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 31 (A) to the consolidated financial statements;
- ii. The Group, its associates and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by subsidiary company, incorporated in India during the year ended March 31, 2023:

Period to which the amount relates	Amount (₹ in Lacs)	Delay in days	Remarks
FY 2007-08	0.32	3106	The subsidiary company is in process of depositing these amounts with Investor Education and Protection Fund.
FY 2008-09	0.51	2740	
FY 2010-11	0.00	2010	
FY 2011-12	0.67	1645	
FY 2012-13	0.65	1279	
FY 2013-14	1.27	914	
FY 2014-15	2.94	549	
FY 2015-16	7.79	184	
<b>Total</b>	<b>14.16</b>		

- iv. a) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate and joint ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

respective Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, associate and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate

in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v) The interim dividend declared and paid during the year by the Holding Company until the date of the respective audit reports of such Holding Company, is in accordance with section 123 of the Act.
- vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**

Partner

Membership Number: 117142

UDIN: 23117142BGYJBF6265

Place of Signature: Mumbai

Date: May 30, 2023



## Annexure I referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

### Re: Allcargo Logistics Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. Qualification or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are

S. No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Allcargo Logistics Limited	L63010MH2004PLC073508	Holding Company	Clause 3(vii) (b)1
1	Gati Limited	L63011TG1995PLC020121	Subsidiary	Clause 3(i)(c)2
2	Gati Kintetsu Express Private Limited	U62200MH2007PTC390900	Subsidiary	Clause 3(vii)(a)3
3	Ecu International (Asia) Private Limited	U72300MH2005PTC155205	Subsidiary	Clause 3 (vii) (a)3

- 1 Clause pertains to undisputed statutory dues of certain statute not deposited on account of dispute.
- 2 Clause pertains to title deeds of certain of immovable properties not held in name of the Companies.
- 3 Clause pertains to undisputed statutory dues of certain statute not deposited for a period of more than six months.

- ii. The report of the following components included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report.

S. No	Name	CIN	Subsidiary/ associate/ joint venture
1	Haryana Orbital Rail Corporation Limited	U60100HR2019SGC084349	Joint Venture

### For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

### per Aniket Sohani

Partner

Membership Number: 117142

UDIN: 23117142BGYJBF6265

Place of Signature: Mumbai

Date: May 30, 2023

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALLCARGO LOGISTICS LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Allcargo Logistics Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the companies included in the Group, its associates and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the

internal financial controls with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 12 subsidiaries, 1 associate and 3 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India.

#### **For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

#### **per Aniket Sohani**

Partner

Membership Number: 117142

UDIN: 23117142BGYJBF6265

Place of Signature: Mumbai

Date: May 30, 2023

# Consolidated Balance Sheet

as at 31 March 2023

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	35,650	72,364
Right of use assets (net)	3.2	44,389	45,750
Capital work-in-progress	3.3	206	203
Goodwill	4.1	74,337	68,646
Intangible assets (net)	4.2	58,812	62,097
Intangible assets under development	4.3	1,334	85
Investment property	5	-	78,793
Investment property under development (net)	5.1	-	21,526
Investments in associates and joint ventures	6	39,255	36,736
<b>Financial assets</b>			
Investments	7.1	1,809	5,332
Loans	7.2	7,854	12,699
Other financial assets	7.6	897	6,585
Deferred tax assets (net)	8	10,645	17,938
Income tax assets (net)	11	14,234	13,192
Other non-current assets	9	498	7,034
		<b>289,920</b>	<b>448,980</b>
<b>Current assets</b>			
Inventories	10	244	571
Contract Assets		42,318	70,932
<b>Financial assets</b>			
Current investments	7.1	17,066	14,596
Loans	7.2	5,803	7,347
Trade receivables	7.3	2,03,805	3,07,626
Cash and cash equivalents	7.4	91,924	57,511
Other bank balances	7.5	38,952	6,924
Other financial assets	7.6	6,425	2,791
Income tax assets (net)	11	1,730	1,086
Other current assets	9	25,699	33,996
Assets classified as held for sale	37	9,788	24,650
		<b>4,43,754</b>	<b>5,28,030</b>
<b>Total Assets</b>		<b>7,33,674</b>	<b>9,77,010</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	12.1	4,914	4,914
Other equity	12.2	2,76,507	3,11,133
Reserves of Disposal Group classified as held for sale		-	129
<b>Equity attributable to equity holders of the Parent</b>		<b>2,81,422</b>	<b>3,16,176</b>
Non-controlling interests		30,000	38,366
<b>Total Equity</b>		<b>3,11,422</b>	<b>3,54,542</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	36	37,962	36,882
Borrowings	13.1	31,998	98,023
Other financial liabilities	13.4	9	2,375
Long term provisions	14	268	252
Net employment defined benefit liabilities	15	2,136	2,059
Deferred tax liabilities (net)	8	15,536	16,832
Other non-current liabilities	16	92	1,232
		<b>88,001</b>	<b>1,57,655</b>
<b>Current liabilities</b>			
Contract Liabilities		55,369	92,284
<b>Financial liabilities</b>			
Lease liabilities	36	9,472	10,061
Borrowings	13.1	38,518	86,765
Trade payables	13.2	1,42,276	1,91,225
Other payables	13.3	4,037	10,565
Other financial liabilities	13.4	53,037	35,854
Net employment defined benefit liabilities	15	9,655	6,724
Other current liabilities	16	11,951	12,872
Income tax liabilities (net)	11	9,936	12,688
Liabilities directly associated with assets held for sale	37	-	5,775
		<b>3,34,251</b>	<b>4,64,813</b>
<b>Total Equity and Liabilities</b>		<b>7,33,674</b>	<b>9,77,010</b>
Notes to the consolidated financial statements	1-52		
Summary of significant accounting policies	2		

As per our report of even date

For S.R. Batliboi & Associates LLP  
ICAI firm registration No: 101049W/E300004  
Chartered Accountants

For and on behalf of Board of directors of Allcargo Logistics Limited  
CIN No:L63010MH2004PLC073508

per Aniket Sohani

Partner  
Membership No: 117142

Place: Mumbai  
Date: May 30, 2023

**Shashi Kiran Shetty**  
Founder & Executive Chairman  
DIN: 00012754

**Capt. Sandeep R. Anand**  
Chief Executive Officer-Marketing

Place: Mumbai  
Date: May 30, 2023

**Mohinder Pal Bansal**  
Independent Director  
DIN:01626343

**Devanand Mojindra**  
Company Secretary & Compliance Officer  
M.N.: A14644

**Deepal Shah**  
Deputy Group Chief Financial Officer  
M.N.: 101639

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(₹ in Lakhs)			
Particulars	Notes	31 March 2023	31 March 2022
<b>Income</b>			
Revenue from operations	17	18,05,077	19,06,206
Other income	18	6,466	3,039
<b>Total Income</b>		<b>18,11,543</b>	<b>19,09,245</b>
<b>Expenses</b>			
Cost of services rendered	19	14,30,671	15,58,574
Changes in inventories of stock-in-trade	20	36	53
Employee benefits expenses	21	1,90,713	1,61,411
Depreciation and amortisation expenses	22	27,801	23,757
Finance costs	23	7,538	8,693
Other expenses	24	70,711	59,381
<b>Total Expense</b>		<b>17,27,470</b>	<b>18,11,869</b>
<b>Profit before share of profit from associates, joint ventures, exceptional items and tax from continuing operations</b>		<b>84,073</b>	<b>97,376</b>
Share of profits from associates and joint ventures	6	1,744	8,120
<b>Profit before exceptional items and tax from continuing operations</b>		<b>85,817</b>	<b>1,05,496</b>
Exceptional items	25	3,717	2,611
<b>Profit before tax from continuing operations</b>		<b>89,534</b>	<b>1,08,107</b>
<b>Income tax expense</b>			
Current tax	8	25,082	28,033
Deferred tax charge / (credit)	8	(869)	(2,331)
<b>Total Income tax expense</b>		<b>24,213</b>	<b>25,702</b>
<b>Profit for the year from continuing operations</b>	<b>A (a)</b>	<b>65,321</b>	<b>82,405</b>
<b>Discontinued Operations (Refer Note 43)</b>			
Profit before tax from discontinued operations		-	16,906
Tax expense on discontinued operations		-	2,852
<b>Profit for the year from discontinued operations</b>	<b>A (b)</b>	<b>-</b>	<b>14,054</b>
<b>Profit for the year from continuing and discontinuing operations</b>	<b>A</b>	<b>65,321</b>	<b>96,459</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to Statement of Profit or Loss:</b>			
Re-measurement loss on defined benefit plans, net of tax		(716)	(412)
<b>Items that will be reclassified subsequently to Statement of Profit or Loss:</b>			
Exchange Gain / (Loss) on translation of foreign operations		8,131	2,128
Income tax effect		(296)	(68)
<b>Other Comprehensive Income for the year, net of tax from continuing operations</b>	<b>B</b>	<b>7,119</b>	<b>1,648</b>
<b>Total Comprehensive income for the year, net of tax from continuing operations</b>	<b>A+B</b>	<b>72,440</b>	<b>98,107</b>
<b>Profit attributable to:</b>			
- Equity holders of the Parent		62,959	92,572
- Non-controlling interests		2,362	3,887
<b>Other comprehensive income attributable to:</b>			
- Equity holders of the Parent		7,681	1,654
- Non-controlling interests		(561)	(6)
<b>Total comprehensive income attributable to:</b>			
- Equity holders of the Parent		70,640	94,226
- Non-controlling interests		1,800	3,881
<b>Earnings per equity share (nominal value of ₹ 2 each)</b>			
Basic and diluted	26	25.62	37.68
Basic and diluted (Continuing operations)	26	25.62	31.96
Basic and diluted (Discontinued operations)	26	-	5.72
<b>Notes to the consolidated financial statements</b>	1-52		
<b>Summary of significant accounting policies</b>	2		

**As per our report of even date**

**For S.R. Batliboi & Associates LLP**  
ICAI firm registration No: 101049W/E300004  
Chartered Accountants

**For and on behalf of Board of directors of Allcargo Logistics Limited**  
CIN No: L63010MH2004PLC073508

**per Aniket Sohani**

Partner  
Membership No: 117142

Place: Mumbai  
Date: May 30, 2023

**Shashi Kiran Shetty**  
Founder & Executive Chairman  
DIN: 00012754

**Capt. Sandeep R. Anand**  
Chief Executive Officer-Marketing

Place: Mumbai  
Date: May 30, 2023

**Mohinder Pal Bansal**  
Independent Director  
DIN: 01626343

**Devanand Mojindra**  
Company Secretary & Compliance Officer  
M.N.: A14644

**Deepal Shah**  
Deputy Group Chief Financial Officer  
M.N.: 101639

# Consolidated Statement of Cash Flows

for the year ended 31 March 2023

Particulars	(₹ in Lakhs)	
	31 March 2023	31 March 2022
<b>Operating activities</b>		
<b>Profit before share of profit from associates, joint ventures, tax and after exceptional item</b>	<b>87,790</b>	1,16,894
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation	27,801	34,336
Fair value loss on financial instruments	34	-
Impairment loss recognized under expected credit loss model	7,028	8,202
Bad debts written off	766	603
Liabilities no longer required written back	(1,853)	(1,457)
Rental income	-	(757)
Finance costs	7,538	11,004
Finance income	(2,729)	(1,481)
(Gain) / Loss on disposal of property, plant and equipment (net)	71	(2,063)
Profit on sale of current investments (net)	(282)	(196)
Effect of translation of assets and liabilities	8,705	6,015
Loss / (gain) on fair value change in financial instruments	(214)	81
Provision for Doubtful Advances	-	(92)
Gain on sale of Subsidiary	-	(5,567)
Gain arising out of sale of project solution business under slump sale arrangements (net)	(2,883)	-
Losses on fair value of assets classified as held for sale and others	270	1,851
Reversal of Impairment provision	(1,103)	-
Severance Payment (net off provisions for reversals)	-	499
Provision for GST related expenses (Net of amount paid)	-	1,189
	<b>1,30,939</b>	<b>1,69,062</b>
<b>Working capital adjustments:</b>		
(Increase) / decrease in trade receivables	1,02,494	(1,06,288)
Decrease / (increase) in financial and other assets	33,727	(5,435)
Increase / (decrease) in trade and other payables, provisions, other current and non-current liabilities	(77,482)	56,073
<b>Cash generated from operating activities</b>	<b>1,89,678</b>	<b>1,13,412</b>
Income tax paid (net of refunds) (net)	(31,402)	(28,377)
<b>Net cash flows from operating activities (A)</b>	<b>1,58,276</b>	<b>85,034</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant and equipment	312	8,092
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(7,076)	(22,333)
Proceeds from sale of non-core assets	7,776	-
Proceeds from sale of intangible assets	257	-
Purchase of intangible assets	(3,072)	(4,035)
Purchase of Non-controlling Interest	-	(322)
Expenses related to investment property	-	(51)
Purchase of Non-current investments in associates and joint ventures	(7,472)	(5,843)
Consideration received on sale of projects solution business under slump sale arrangements	6,601	-
Purchase consideration paid	(14,967)	(31,340)

# Statement of Cash Flows

for the year ended 31 March 2022

Particulars	(₹ in Lakhs)	
	31 March 2023	31 March 2022
Purchase of current investments	(83,401)	(58,266)
Proceeds from sale of current investments	81,620	46,876
Dividend income received from associate and joint venture	1,704	1,485
Rental income received	-	1,063
Interest income received	2,438	1,783
Proceeds / Repayment of loans and advances (Net)	9,048	3,317
Fixed deposits with maturity period more than three months	(31,831)	418
Advance received against sale of Optionally Convertible Debentures	-	1,279
Severance payment on disposal of Investment in GKIL	-	(1,305)
Proceeds from disposal of non-current investments in subsidiary	-	44
<b>Net cash flows from (used in) investing activities (B)</b>	<b>(38,063)</b>	<b>(59,137)</b>
<b>Financing activities</b>		
Proceeds from long term borrowings	26,417	45,135
Repayment of non-current borrowings	(39,137)	(10,411)
Proceeds from / (repayment of) current borrowings	(38,627)	(8,050)
Repayment of Public deposits	(305)	(297)
Lease payments	(10,984)	(8,518)
Interest on lease	(2,645)	(2,286)
Bank overdraft (repaid) / taken (net)	-	(715)
Payment of dividend to minority	(9,176)	-
Finance costs	(4,975)	(9,369)
Gain arising on cancellation of hedge	1,756	-
Dividend and dividend distribution tax paid	(7,986)	(7,369)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>(85,662)</b>	<b>(1,879)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>34,552</b>	<b>24,018</b>
<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>57,511</b>	<b>30,684</b>
Add/ (less): Exchange difference on translation of foreign currency cash and cash equivalents	2,739	(1,143)
Less: Cash and cash equivalents on account of business Disposal / pursuant to demerger	(3,881)	(11)
Add: Cash and cash equivalents on account of business acquisitions	1,003	3,963
<b>Cash and cash equivalents at the end</b>	<b>91,924</b>	<b>57,511</b>

#### As per our report of even date

**For S.R. Batliboi & Associates LLP**  
ICAI firm registration No: 101049W/E300004  
Chartered Accountants

**For and on behalf of Board of directors of Allcargo Logistics Limited**  
CIN No:L63010MH2004PLC073508

#### per Aniket Sohani

Partner  
Membership No: 117142

Place: Mumbai  
Date: May 30, 2023

**Shashi Kiran Shetty**  
Founder & Executive Chairman  
DIN: 00012754

**Capt. Sandeep R. Anand**  
Chief Executive Officer-Marketing

Place: Mumbai  
Date: May 30, 2023

**Mohinder Pal Bansal**  
Independent Director  
DIN:01626343

**Devanand Mojindra**  
Company Secretary & Compliance Officer  
M.N.: A14644

**Deepal Shah**  
Deputy Group Chief Financial Officer  
M.N.: 101639

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

Particulars	₹ in Lakhs																
	Equity share capital			Other equity			Items of OCI			Total equity attributable to equity holders of the holding Company	Non-controlling interests	Total equity					
	No of shares	Share capital	Securities premium	General reserve	Capital redemption reserve (CRR)	Tonnage tax reserve	Tonnage tax reserve (Utilised)	Share Option Outstanding Account	Equity Portion of Compound Financial Instruments	Retained earnings			Reserves of Disposal Group	Foreign currency translation reserve (OCI)	Hedge Reserves (OCI)		
<b>As at 1<sup>st</sup> April 2021</b>	24,56,95,524	4,914	32,907	13,011	232	60	152	-	930	1,69,799	-	6,918	(570)	2,28,354	33,137	2,61,491	
Transfer on Disposal of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	640	640
Profit for the year	-	-	-	-	-	-	-	-	-	92,444	129	-	-	-	92,573	3,887	96,460
Cash Dividend on equity shares	-	-	-	-	-	-	-	-	-	(7,373)	-	-	-	(7,373)	-	-	(7,373)
Payment of dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(743)	-	(743)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	(196)	-	1,166	684	1,654	(6)	1,648	
On obtaining control in a subsidiary	-	-	-	-	-	-	-	-	-	621	-	-	-	621	1,451	2,072	
Share Based Payment Reserves	-	-	-	-	-	-	-	56	-	-	-	-	-	56	-	56	
Adjustments to Opening Balances	-	-	-	-	-	-	-	-	-	291	-	-	-	291	-	291	
<b>As at 31 March 2022</b>	24,56,95,524	4,914	32,907	13,011	232	60	152	56	930	2,55,586	129	8,084	114	3,16,176	38,366	3,54,542	
Transfer on Disposal of Subsidiaries / disposal group	-	-	-	-	-	-	-	-	-	-	(129)	-	-	(129)	(93)	(222)	
Less: Transferred pursuant to demerger scheme	-	-	(32,907)	-	-	-	-	-	(930)	(65,034)	-	-	-	(98,871)	(1,256)	(1,00,127)	
Profit for the year	-	-	-	-	-	-	-	-	-	62,958	-	-	-	62,958	2,362	65,320	
Cash Dividend on equity shares	-	-	-	-	-	-	-	-	-	(7,986)	-	-	-	(7,986)	-	(7,986)	
Payment of dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,176)	(9,176)	
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	(155)	-	6,565	1,270	7,680	(561)	7,119	
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97	
Adjustments during the year	-	-	-	-	-	-	-	1,593	-	-	-	-	-	1,593	261	1,854	
<b>As at 31 March 2023</b>	24,56,95,524	4,914	-	13,011	232	60	152	1,649	-	2,45,369	-	14,649	1,384	2,81,422	30,000	3,11,422	

Refer note 12.1 of Equity Share Capital and 12.2 for details pertaining to the nature of the above mentioned reserves in other equity.

## As per our report of even date

### For S.R. Batliboi & Associates LLP

ICAI firm registration No: 101049W/E300004  
Chartered Accountants

### For and on behalf of Board of directors of Allcargo Logistics Limited

CIN No: L63010MH2004PLC073508

**per Aniket Sohani**  
Partner  
Membership No: 117142  
Place: Mumbai  
Date: May 30, 2023

**Shashi Kiran Shetty**  
Founder & Executive Chairman  
DIN: 00012754

**Mohinder Pal Bansal**  
Independent Director  
DIN: 01626343

**Deepal Shah**  
Deputy Group Chief Financial Officer  
M.N.: 101639

**Capt. Sandeep R. Anand**  
Chief Executive Officer - Marketing  
Place: Mumbai  
Date: May 30, 2023

**Devanand Mojdra**  
Company Secretary & Compliance Officer  
M.N.: A14644

**Devanand Mojdra**  
Company Secretary & Compliance Officer  
M.N.: A14644

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 1. Group Overview

Allcargo Logistics Limited (hereinafter referred to as the 'Holding Company', 'Parent'), its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, is a leading multinational group engaged in providing integrated logistics solutions and offers specialised logistics services across multimodal transport operations, inland container depot, container freight station operations, contract logistics operations and project and engineering solutions.

The Holding Company is a public limited Company incorporated and domiciled in India and incorporated under the provisions of the Companies Act, 1956 and has its registered office at 6<sup>th</sup> floor, Avashya House, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra, India. The holding Company is listed on Bombay Stock Exchange and National Stock Exchange of India.

The Consolidated Financial Statements ('CFS') were authorised for issue in accordance with a resolution of the directors on 30 May 2023.

### Demerger Scheme

On December 23, 2021, the Board of Directors of the Company considered and approved the restructuring of the business of the Company by way of a scheme of arrangements and demerger ("Scheme") whereby (1) Container Freight Station/Inland Container Depot businesses and ther related business as defined under scheme would be demerged into Allcargo Terminals Limited ("ATL"), wholly owned subsidiary WOS") of the Company; and (2) Construction & leasing of Logistics Parks, leasing of land & commercial properties, Engineering Solutions (hiring and leasing of equipment's) business and other related business as defined under scheme would be demerged into TransIndia Real Estate Limited (formerly known as TransIndia Realty & Logistics Parks Limited) ("TRL") WOS of the Company, on a going concern basis. The Scheme was approved by BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approved the Scheme on January 05, 2023 and the Certified True Copy of the Order along with sanctioned Scheme was received on March 10, 2023. The Company filed the Certified True Copy of the Order with Registrar Of Companies (ROC) on April 01, 2023.

As per the provisions of the Scheme, the demerger has been given effect from the Appointed Date of April 01, 2022. ATL and TRL have issued and allotted the shares to the shareholders of the Company as on the record date i.e. April 18, 2023 as a consideration in accordance with Scheme. ATL and TRL shares would be listed on BSE and NSE post necessary regulatory and other approvals.

As per the scheme, the assets and liabilities pertaining to the transferor company have been transferred and vested to the company at their book values as on April 01, 2022. Further, as per the scheme, the difference between book values of assets, liabilities, reserves of Transferor company

and cancellation of the Investments made by the company is adjusted against reserves and securities premium. The Total debit to reserves on account of the aforesaid demerger scheme is ₹ 1,01,127 Lakhs. Refer Note 43.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The CFS of the Group have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) (Amendment) Rules, 2015 (as amended from time to time) under the provisions of the Companies Act, 2013 (the 'Act') and presentation requirements of the Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) , as applicable to the financial statements. These CFS are prepared under the historical cost convention on the accrual basis except for certain items of property, plant and equipment acquired under asset acquisition, intangible assets acquired under business combinations, derivative financial instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The CFS have been prepared on a going concern basis.

The CFS are presented in ₹ and all values are rounded to the nearest lakhs (₹ 00,000) except when otherwise indicated.

### Current versus non-current classification

Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 treated as current when it is:

- 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

All other liabilities as classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

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

## 2.2 Basis of consolidation

The CFS comprise the financial statements of the holding Company and its subsidiaries as at 31 March 2023. The CFS also includes the Group's share of net assets of the subsidiary and the Group's share of profits.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has all of the below:

- a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- b) Exposure, or rights, to variable returns from its involvement with the investee, and
- c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other vote holders of the investee
- b) Rights arising from other contractual arrangements
- c) The Group's voting rights and potential voting rights
- d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding Company, i.e., year ended on 31 March.

## Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

## 2.3 Summary of significant accounting policies

### a. Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining

contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms economic circumstances and pertinent conditions as at the acquisition date

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognized in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date

## **b. Investment in associate and Joint Ventures accounted for using the Equity Method**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition

date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Statement of Profit and Loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the Statement of Profit and Loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## c. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- a) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- b) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is

recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Exchange differences arising on translation / settlement of foreign currency monetary items are recognised as income or expenses in the period in which they arise.

## Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition / business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

## d. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet.

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 Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Group 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.

## e. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

### Multimodal transport income

Export revenue and import revenue are recognised when the vessel arrives at the port of destination which is the Group's completion of performance obligation.

### Container freight station income (disclosed as part of discontinued operations, pursuant to demerger scheme)

Income from Container Handling is recognised on completion of its performance obligation.

Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station as per the terms of arrangement with the customers.

### Project and equipment income (disclosed as part of discontinued operations, pursuant to demerger scheme)

Revenue for project related services includes rendering of end to end logistics services comprising of activities related to consolidation of cargo, transportation, freight forwarding and customs clearance services. Income and fees are recognized on percentage of completion method. Percentage of completion is arrived at on the basis of proportionate costs incurred to date of total estimated costs, milestones agreed or any other suitable basis, provided there is a reasonable completion of activity and provision of services.

Income from hiring of equipment including trailers cranes etc. is recognised on the basis of actual usage of the equipment as per the contractual terms.

### Income from Logistics Park (disclosed as part of discontinued operations, pursuant to demerger scheme)

Rental income arising from leasing of warehouses and is accounted for on a straight-line basis over the lease term.

### Express Distribution

Income from logistics services rendered are recognized when control over the services transferred to the customer i.e. when the customer has the ability to control the use of the transferred services as per the terms of contract. Revenue is recognized at the fair value of consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

### Others

Reimbursement of cost is netted off with the relevant expenses incurred, since the same are incurred on behalf of the customers.

Interest income is recognised on time proportion basis. Interest income is included in finance income in the Statement of Profit and Loss.

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms (disclosed as part of discontinued operations, pursuant to demerger scheme)

Business support charges are recognized as and when the related services are rendered.

### f. Contract Balances

Contract balances include trade receivables, contract assets and contract liabilities.

#### Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are separately disclosed in the financial statements.

#### Contract assets

Contract asset includes the costs deferred for multimodal transport operations relating to export freight & origin activities and Container freight stations operations relating to import handling and transport activities where the Group's performance obligation is yet to be completed.

Additionally, a contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### g. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

### h. Taxes

#### Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid

to the taxation authorities in accordance with the applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or 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 liability approach 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, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits 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 utilised, except

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

be available to allow all or part of the deferred tax asset to be utilised. Unrecognised 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 realised 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 Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## Sales / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales / value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## i. Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

## j. Property, plant and equipment

Freehold land is carried at historical cost. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

### Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Useful lives ( in years )
Building	30 to 60
Plant and machinery	5 to 15
Vessels	8 to 10
Heavy equipments	12
Furniture and fixtures	5 to 10
Vehicles	8 to 10
Computers	3 to 6

Office equipments	5 to 7
Other tangible assets	3 to 7
Leasehold land	30 to 999
Leasehold improvements	shorter of the estimated useful life of the asset or the lease term not exceeding 10 years

The Group, based on internal assessment and management estimate, depreciates certain items of Heavy Equipments and Office Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of foreign subsidiaries, the tangible assets are depreciated on a straight line basis, based on expected economic life of the assets estimated on the basis of internal assessment by the management which are lower in some cases than the lives prescribed under Part C of Schedule II of the Act.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## k. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

### Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Estimated economic useful lives of the intangible assets as follows:

Category	Useful lives ( in years )
Computer softwares	3 to 6
Marketing rights	5 to 10
Brand	3 to 20
Non-compete fees	5 years
Agent relationships	2 years
Customer relationships	4 to 10 years
Distribution Network	10 Years

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition 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 derecognised.

#### **Investment property (disclosed as part of discontinued operations, pursuant to demerger scheme)**

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed

by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee or on the basis of appropriate ready reckoner value based on recent market transactions.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

#### **I. Impairment of non-financial assets**

The Group 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 Group 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 group 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.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

losses no longer exist or have decreased. If such indication exists, the Group 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 exceeds neither its recoverable amount nor 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 and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

## **m. Borrowing costs**

Borrowing costs includes interest and amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

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 capitalised 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 and other costs 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.

## **n. Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has assessed/ evaluated the impact of rent concessions offered during the break out of COVID 19 pandemic and considered its impact to be immaterial and applied the practical expedient mentioned in the amendment done to Ind as 116 "Leases" and considered such related rent concessions not falling within the scope of lease modifications.

### **Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-

term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **i) Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Group does not have any Right-of-use assets which are depreciated on a straight-line basis for the period shorter of the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets

### **ii) Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the date of transition. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense over the lease term.

#### Group as a lessor

Leases in which the Group 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 recognised 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 recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### o. Inventories

Inventories are valued at cost or net realisable value whichever is lower. The cost is determined on first in first out basis and includes all charges incurred for bringing the inventories to their present condition and location.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make sale.

### p. Provisions

Provisions are recognised when the Group 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 Group 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### q. 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 Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

#### Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

### r. Retirement and other employee benefits

#### Current employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as current employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of current employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

#### Post-employment benefits

##### Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Indian subsidiaries makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of these Indian subsidiaries is recognized as an expense in the

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme.

Some of the foreign subsidiaries of the Group makes specified contributions towards social security and pension scheme. These contributions are recognized as an expense in the Statement of Profit and Loss, during the period in which the employee renders the related services.

#### Defined benefit plan:

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Groups' gratuity benefit scheme is a defined benefit plan. In relation to some of the foreign subsidiaries of the Group, provision for gratuity liability is made as per local laws.

Such subsidiaries of the Group makes contributions to a trust administered and managed by an Insurance Group to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with such subsidiary, although the Insurance Group administers the scheme.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Group presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

## s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For purposes of subsequent measurement, financial assets are classified in four categories:

#### i. Debt instruments at amortised cost

A 'debt instrument' is measured at the 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.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## ii. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## iii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

## iv. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from

OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments made by the Group in associates and joint ventures are carried at cost.

## Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from a Groups' balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

As a practical expedient, The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

In order to hedge its exposure to interest rate risks on external borrowings, the Group enters into interest rate swap contracts. The Group does not hold derivative financial instruments for speculative purposes. The derivative instruments are marked to market and any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

The Groups's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

### Derecognition

A financial liability is derecognised 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 derecognition 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 and Loss.

## Derivative Financial Instruments and Hedging Activities

The Group uses various derivative financial instruments such as interest rate swaps, Crosscurrency swaps & forwards to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Consolidated Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Consolidated Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of recognized asset or liability or an unrecognized firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.
- Hedges of a net investment in foreign operation.

At the inception of hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and risk management objective and strategy for undertaking the hedge.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

#### Hedges of net investments

Hedges of net investment in a foreign operation, including a hedge of a monetary item that is accounted for as a part of the net investment. Gains or losses on the hedging instrument relating to the effective portion are recognized in OCI while any gain or losses relating to ineffective portion are recognized in the Consolidated statement of profit and loss. On disposal of foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the Consolidated statement of profit and loss (as a reclassification adjustment).

The Group uses a loan as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries. Refer note 35(B) for further details

#### t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

For the purpose of the Statement of Cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

#### u. Cash dividend and non-cash distribution to equity holders of the parent

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when

the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

#### v. Earnings per equity share

Basic earnings per share (EPS) amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

#### w. Reporting of amounts relating to subsidiaries operating in a hyperinflationary economy

A hyperinflationary economy is one that has cumulative inflation of 100 percent or more over a three-year period. In accordance with Ind AS 29- Financial reporting in Hyperinflationary Economies, in case of foreign subsidiaries operating in a Hyperinflationary Economy, the financial statements are restated by applying a general price inflation index of the country in whose currency it reports before they are included in these CFS or by applying an exchange rate which approximates the exchange rate current as at the reporting date. Monetary assets and liabilities are not measured at the closing exchange rate. The gain or loss on the net monetary position is recognised in the Consolidated Statement of Profit and Loss.

#### 2.4 Significant accounting judgements, estimates and assumptions:

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

periods. Some of the significant accounting judgement and estimates are given below:

## Revenue recognition

The Group uses percentage of completion method in accounting of revenue for project division and vessel operating business. Use of the percentage of completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Percentage of completion is arrived at on the basis of proportionate costs incurred to date of total estimated costs, milestones agreed or any other suitable basis, provided there is a reasonable completion of activity and provision of services. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

## Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

## Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).

## Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined

using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

## Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 34 for further disclosures.

## Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

## Taxes

MAT credit is earned by the Group when the normal tax payable as per taxable profit is less than the MAT payable as per book profits. MAT credit earned is the difference between the MAT paid and normal tax payable.

Significant judgement is required to check the utilization of the MAT credit based on the likely growth in profitability of the Group and the likely additions made to the property, plant and equipment upto the expiry of the MAT credit earned.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

## **New and Amended Standards**

### **(i) Ind AS 103: Business combination**

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards\* issued by the Institute of Chartered Accountants of India at the acquisition date.

Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

### **ii) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Group.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 3.1 Property, plant and equipment

Description	(₹ in Lakhs)												
	Freehold Land	Leasehold Land	Building	Leasehold improvements	Plant and machinery	Renovation & Re-construction	Heavy equipments	Vehicles	Office Equipment	Computers & fixtures	Furniture	Electrical Equipment	Total
<b>Gross Block</b>													
<b>Balance as at 1 April 2021</b>	14,278	4,091	52,701	2,923	15,945	-	45,440	938	3,060	5,440	13,131	-	157,949
Additions	-	-	212	101	532	-	105	573	115	417	1,485	-	3,541
On Acquisition of a subsidiary (refer note 28)	-	-	-	-	15	1,754	1,494	128	205	175	198	61	4,029
Disposals	(43)	(3,158)	(3,554)	(77)	(1,936)	-	(10,456)	(93)	(49)	(308)	(332)	-	(20,005)
Asset classified as held for sale	(2,369)	-	(600)	-	-	-	-	-	-	-	-	-	(2,969)
Other adjustments	-	-	(239)	-	-	-	142	-	-	-	-	-	(97)
Exchange differences	-	-	71	(2)	(22)	-	-	-	-	-	57	-	105
<b>Balance as at 31 March 2022</b>	11,867	933	48,592	2,944	14,535	1,754	36,725	1,546	3,331	5,724	14,539	61	142,552
Additions	-	208	265	229	2,021	-	-	58	391	1,094	3,540	-	7,806
Transferred pursuant to demerger	(4,625)	(482)	(27,733)	(338)	(5,216)	(1,754)	(30,460)	(136)	(505)	(521)	(945)	-	(72,715)
Disposals	-	-	(414)	(21)	(2,283)	-	-	(153)	(546)	(1,029)	(2,240)	-	(6,687)
Asset classified as held for sale	(5)	-	(459)	(109)	-	-	-	-	-	-	-	-	(573)
Other Adjustments	-	-	-	-	-	-	-	-	(27)	-	-	-	(27)
Exchange differences	-	-	563	65	148	-	-	-	-	-	322	-	1,099
<b>Balance as at 31 March 2023</b>	7,237	659	20,814	2,770	9,204	-	6,265	1,315	2,645	5,267	15,216	61	71,454
<b>Depreciation</b>													
<b>Balance as at 1 April 2021</b>	-	-	955	8,910	2,309	8,198	-	30,990	474	2,524	4,508	9,314	68,184
Depreciation for the year	-	125	1,792	201	1,152	71	6,032	132	252	597	1,304	3	11,661
Impairment	524	-	-	-	-	-	-	-	-	-	-	-	524
On Acquisition of Subsidiary (refer note 28)	-	-	-	-	-	1,258	482	59	139	138	29	24	2,130
Disposals	-	(938)	(877)	(58)	(844)	-	(8,766)	(71)	(47)	(296)	(189)	-	(12,086)
Asset classified as held for sale	-	-	(119)	-	-	-	-	-	-	-	-	-	(119)
Exchange differences	-	-	(70)	(5)	(14)	-	-	-	-	-	(16)	-	(105)
<b>Balance as at 31 March 2022</b>	524	142	9,636	2,448	8,492	1,329	28,739	595	2,868	4,947	10,441	27	70,189
Depreciation for the year	-	1	958	125	844	-	-	194	224	481	1,480	-	4,306
Impairment	345	-	-	-	-	-	-	-	-	-	-	-	345
Transferred pursuant to demerger	-	(142)	(3,736)	(149)	(3,310)	(1,329)	(23,901)	(71)	(436)	(466)	(774)	-	(34,314)
Disposals	-	-	(83)	(124)	(1,742)	-	-	(58)	(524)	(993)	(1,983)	-	(5,507)
Assets classified as Held for sale	-	-	(57)	-	-	-	-	-	-	-	-	-	(57)
Other Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	364	56	124	-	-	-	-	-	296	-	841
<b>Balance as at 31 March 2023</b>	869	1	5,754	2,355	4,407	-	4,838	660	2,132	3,968	9,461	27	35,803
<b>Net Block</b>													
As at 31 March 2022	11,344	791	38,955	497	6,043	425	7,986	951	463	777	4,097	34	72,364
<b>As at 31 March 2023</b>	6,368	658	13,731	415	4,797	-	1,427	654	513	1,299	5,755	34	35,650

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

- The Company has leased out Cranes and Equipments for a period ranging 6-9 months. The Lease rental income recognised in the Statement of Profit and Loss is NIL (31 March 2022: ₹ 12,635 lakhs). The Net Value of the Assets leased out is NIL (31 March 2022 : ₹ 4,818 Lakhs). The depreciation recognised in the statement of profit and loss for the assets leased out during the year is NIL (31 March 2022: ₹ 3,961 lakhs)
- The gross and net carrying amount of assets acquired under finance leases and included in above is as follows:-

Description	31 March 2023			31 March 2022		
	Gross Block	Accumulated Depreciation	Net block	Gross Block	Accumulated Depreciation	Net block
Building	-	-	-	99	-	99

- The Group has reclassified certain property, plant and equipment as investment properties in previous year as certain subsidiaries have reassessed the presentation basis the use of the properties and accordingly property, plant and equipment pertaining amounting to 31<sup>st</sup> Mar'23 NIL (₹ 66,376 Lakhs 31<sup>st</sup> Mar'22) has been classified as Investment properties.

### 3.2 Right-of-use Assets

(₹ in Lakhs)

Particulars	Land	Building	Heavy Equipments	Furniture & Fixtures	Warehouse	Leasehold Land	Vehicles	Total
<b>Balance as at 1 April 2021</b>	<b>5,081</b>	<b>16,209</b>	<b>5</b>	<b>1,505</b>	<b>6,088</b>	<b>841</b>	<b>855</b>	<b>30,585</b>
Additions	-	17,000	-	1,948	6,275	89	22	25,333
On Acquisition of a Subsidiary (refer note 28)	-	9	-	-	-	794	-	803
Deletions	-	(811)	-	(141)	-	-	(3)	(955)
Modifications to Lease Term	-	(37)	-	-	-	-	-	(37)
Depreciation during the year	(328)	(5,747)	(5)	(1,018)	(2,333)	(103)	(171)	(9,706)
Assets Held for Sale	-	-	-	-	-	(89)	-	(89)
Exchange Difference	66	18	-	(265)	(3)	-	-	(184)
<b>Balances as on 31 March 2022</b>	<b>4,819</b>	<b>26,642</b>	<b>-</b>	<b>2,028</b>	<b>10,026</b>	<b>1,532</b>	<b>703</b>	<b>45,750</b>
Additions	-	15,185	-	428	2,058	6	7	17,684
Transferred pursuant to demerger	-	(5,180)	-	-	-	(249)	-	(5,429)
Deletions	-	(675)	-	-	-	-	(210)	(885)
Depreciation during the year	(306)	(7,738)	-	(849)	(3,013)	(2)	(479)	(12,387)
Assets Held for Sale	-	-	-	-	-	(836)	-	(836)
Exchange Difference	328	(316)	-	107	372	-	-	493
<b>Balances as on 31 March 2023</b>	<b>4,841</b>	<b>27,918</b>	<b>-</b>	<b>1,714</b>	<b>9,443</b>	<b>451</b>	<b>21</b>	<b>44,389</b>

### 3.3 Capital work-in-progress:

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital work-in-progress	206	203

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 4.1 Goodwill

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Opening Balance</b>	<b>68,646</b>	56,643
Additions relating to acquisitions (refer note 28)	<b>6,362</b>	12,479
Less :Transferred pursuant to demerger (refer note B below)	<b>(3,560)</b>	-
Exchange differences	<b>2,889</b>	(476)
<b>Closing Balance</b>	<b>74,337</b>	<b>68,646</b>

### A) Goodwill impairment testing at ISC business :-

The Group performs impairment testing annually at every reporting date. Goodwill as at the year ended 31 March 2023 pertains to ISC business acquired and operated across multiple geographies and entities as part of global service delivery. Accordingly, goodwill is tested at aggregate ISC business level, treating it as one cash generating unit.

The recoverable amount of the ISC business has been determined to be the higher of: (a) fair value calculation using the multiples method (b) value in use determined by using the discounted cash flow (DCF method) based on projections from financial budgets approved by senior management covering a five-year period. The pre tax discount rate applied to cash flow projections for impairment testing is 17.78% (31 March 2022: 13.95% p.a.) and cash flows beyond the five-year period are extrapolated using a 1% growth rate (31 March 2022: 1% p.a.).

Key assumptions used for value in use calculations included EBITDA margins, discount rates, growth rates, capex for the period. The key assumptions in relation to calculation of fair value using the multiples method was the EV / EBITDA multiple. The above assumptions were based on the observed industry trends, projections made by Group's senior management and past performance of the Group.

It was concluded that the fair value less costs of disposal and value in use were both significantly higher than the carrying value of the ISC business and any reasonably possible change would not cause the CGU's carrying value to exceed its recoverable amount. Considering this, the Group has not recognised any charge for impairment of the goodwill.

### B) Goodwill at CFS business :-

Consequent to demerger of CFS business to Allcargo Terminals Limited (ATL), the goodwill recorded for CFS business has been de-recognised.

### C) Goodwill impairment testing at Express Distribution business :-

The Goodwill arising on GATI business acquisition is tested for impairment at the end of the year. It pertains to Express distribution business which ensures assured delivery of goods and services to end users. Accordingly, goodwill is tested treating it as one cash generating unit.

Recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. It is not always necessary to determine both an asset's fair value less costs of disposal and its value in use. If either of these amounts exceeds the asset's carrying amount, the asset is not impaired and it is not necessary to estimate the other amount. Accordingly the methodology used in determining the fair value is based on the market price method which is the closing market price available as on 31 March 2023 on National Stock Exchange and Bombay Stock Exchange of Gati Limited since it is an listed entity.

It was concluded that the fair value less costs of disposal and value in use were both significantly higher than the carrying value of the Express Distribution business and any reasonably possible change would not cause the CGU's carrying value to exceed its recoverable amount. Considering this, the Group has not recognised any charge for impairment of the goodwill.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 4.2 Intangible assets

(₹ in Lakhs)

Description	Marketing and business rights	Non compete Fees	Computer software	Brand	Agent relationship	Customer relationships	Distribution Network	TOTAL
<b>Gross Block</b>								
<b>Balance as at 1<sup>st</sup> April 2021</b>	<b>1,628</b>	<b>737</b>	<b>24,823</b>	<b>36,096</b>	<b>6,544</b>	<b>24,156</b>	<b>26,440</b>	<b>1,20,425</b>
On Acquisition of a Subsidiary (refer note 28)	-	2,441	109	2,362	-	11,797	-	16,709
Additions	-	-	4,146	-	-	-	-	4,146
Disposals	-	-	(577)	-	-	(691)	-	(1,269)
Exchange Difference	(37)	(88)	(399)	(572)	(148)	(765)	-	(2,010)
<b>Balance as at 31 March 2022</b>	<b>1,591</b>	<b>3,090</b>	<b>28,101</b>	<b>37,885</b>	<b>6,396</b>	<b>34,498</b>	<b>26,440</b>	<b>1,38,001</b>
On Acquisition of a Subsidiary (refer note 28)	-	1,051	-	1,975	-	6,277	-	9,303
Transferred pursuant to demerger	-	-	(831)	-	-	(4,400)	-	(5,231)
Additions	-	-	1,894	-	-	-	-	1,894
Disposals	-	-	(961)	-	-	-	-	(961)
Exchange Difference	102	194	1,653	1,509	403	1,938	-	5,799
<b>Balance as at 31 March 2023</b>	<b>1,693</b>	<b>4,335</b>	<b>29,856</b>	<b>41,369</b>	<b>6,799</b>	<b>38,313</b>	<b>26,440</b>	<b>1,48,805</b>
<b>Amortisation</b>								
<b>Balance as at 1<sup>st</sup> April 2021</b>	<b>1,568</b>	<b>737</b>	<b>14,977</b>	<b>22,881</b>	<b>6,544</b>	<b>17,734</b>	<b>2,644</b>	<b>67,087</b>
On Acquisition of a Subsidiary (refer note 28)	-	-	49	-	-	-	-	49
Amortisation for the year	64	550	3,320	1,853	-	2,382	2,644	10,812
Accumulated amortisation on disposals	-	-	(553)	-	-	-	-	(553)
Exchange differences	(41)	(33)	(269)	(537)	(148)	(462)	-	(1,490)
<b>Balance as at 31 March 2022</b>	<b>1,591</b>	<b>1,254</b>	<b>17,523</b>	<b>24,198</b>	<b>6,396</b>	<b>19,654</b>	<b>5,288</b>	<b>75,905</b>
Transferred pursuant to demerger	-	-	(637)	-	-	(345)	-	(982)
Amortisation for the year	-	760	3,324	2,078	-	2,302	2,644	11,108
Accumulated amortisation on disposals	-	-	(704)	-	-	-	-	(704)
Exchange differences	102	131	1,132	1,525	403	1,373	-	4,666
<b>Balance as at 31 March 2023</b>	<b>1,693</b>	<b>2,145</b>	<b>20,638</b>	<b>27,801</b>	<b>6,799</b>	<b>22,984</b>	<b>7,932</b>	<b>89,993</b>
<b>Net book value</b>								
<b>At 31 March 2023</b>	<b>-</b>	<b>2,190</b>	<b>9,219</b>	<b>13,567</b>	<b>-</b>	<b>15,329</b>	<b>18,508</b>	<b>58,812</b>
At 31 March 2022	-	1,836	10,578	13,687	-	14,844	21,152	62,097

### Acquisition during the year:

Brand and Customer Relationship include intangible assets acquired through business combinations.

## 4.3 Intangible Assets Under Development

(₹ in Lakhs)

Description	As at 31 March 2023	As at 31 March 2022
Software Development	1,334	85

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### 5 Investment Property

Description	(₹ in Lakhs)							Total
	Freehold Land	Leasehold land	Office Equipments	Furniture & Fixtures	Electrical Equipments	Plant & Machinery	Building	
<b>Balance as at 1 April 2021</b>	16,904	3,814	885	2	1,625	3,653	44,046	70,928
Additions	-	2,882	295	-	358	1,173	7,670	12,377
<b>Balance as at 31 March 2022</b>	16,904	6,696	1,180	2	1,983	4,826	51,716	83,305
Transferred pursuant to demerger	(16,904)	(6,696)	(1,180)	(2)	(1,983)	(4,826)	(51,716)	(83,305)
<b>Balance as at 31 March 2023</b>	-	-	-	-	-	-	-	-
<b>Depreciation</b>								
<b>Balance as at 1 April 2021</b>	-	170	34	-	156	228	1,768	2,357
For the year	-	111	131	2	171	274	1,468	2,157
<b>Balance as at 31 March 2022</b>	-	281	165	2	327	502	3,236	4,513
Transferred pursuant to demerger	-	(281)	(165)	(2)	(327)	(502)	(3,236)	(4,513)
<b>Balance as at 31 March 2023</b>	-	-	-	-	-	-	-	-
<b>Net Block</b>								
At 31 March 2022	16,904	6,414	1,014	-	1,655	4,324	48,481	78,793
<b>At 31 March 2023</b>	-	-	-	-	-	-	-	-

#### Information regarding income and expenditure of investment property

	(₹ in Lakhs)	
	31 March 2023	31 March 2022
<b>Particulars</b>		
Rental income arising from investment properties before depreciation	-	9,008
Less: Depreciation	-	(2,157)
Rental income arising from investment properties	-	6,851

Investment properties consisted of commercial properties in India.

As at 31 March 2023 the fair values of the properties are ₹ Nil (31 March 2022: ₹ 1,11,457 lakhs). These valuations are based on valuations performed by an accredited independent valuer. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

#### Reconciliation of fair value:

	(₹ in Lakhs)	
	Total	
<b>Particulars</b>		
<b>Balance as at 1 April 2021</b>	85,089	
Additions during the year	12,377	
Fair value difference	13,991	
<b>Balance as at 31 March 2022</b>	1,11,457	
Additions during the year	-	
Less: Transfer Pursuant to demerger	(1,11,457)	
<b>Balance as at 31 March 2023</b>	-	

The objective of using a valuation technique is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

The underlying land plot is valued independently based on the sales comparison/ market survey of plots listed on the market for sale and improvements on the plot are valued for their depreciated construction cost.

In order to maximise use of relevant observable inputs and minimising use of unobservable inputs, Fair Value of the building is considered to be best reflected as a summation of the land value estimated using sales comparison approach and depreciated cost of improvements using the cost approach.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### 5.1 Investment Property under Development

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Investment Property under Development	-	21,526

#### As at 31 March 2022

Particulars	(₹ in Lakhs)				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Rail Link Projects	385	443	-	-	828
Warehousing Projects	8,436	11,938	323	1	20,698
<b>Total</b>	<b>8,821</b>	<b>12,381</b>	<b>323</b>	<b>1</b>	<b>21,526</b>

### 6 Investments in associates and joint ventures

The following table provides aggregated summarized financial information for the group's associates and joint ventures as it relates to the amounts recognized in the group income statement and on the group balance sheet:

Particulars	Investments in joint ventures and associates as at		Share of profits and total comprehensive income for the year ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Avvashya CCI Logistics Private Limited ("ACCI") [Refer Note (b), (c) and (d)]	-	17,736	-
Allcargo Supply Chain Private Limited ("ASCPL") [Refer Note (c) and (d)]	16,554	-	276	-
Other joint ventures	11,526	14,286	878	6,710
Associates	11,175	4,715	590	512
	<b>39,255</b>	<b>36,736</b>	<b>1,744</b>	<b>8,120</b>

Refer note 27 (b) and (c) for the name of associates and joint ventures of the Group

- (a) Pursuant to the shareholders and share subscription agreement dated February 11, 2022 with Haryana Orbital Rail Corporation Limited ('HORCL'), the company had invested ₹ 7600 Lakhs for a stake of 7.6% in HORCL. The Investments has been accounted as per IND AS -28.
- (b) The joint venture / associate that is material to the Group is ACCI. During the year 2016-17, the holding Company, Hindustan Cargo Limited ('HCL'), a wholly owned subsidiary and ACCI has entered into joint venture arrangement. Pursuant to the arrangement, the Group transferred with effect from July 18, 2016, its contract logistics business and an unit of freight forwarding business with book value of ₹ 5,434 lakhs to ACCI for 17.20% shares in ACCI. Additionally, the Group acquired 43.93% shares in ACCI for a consideration of ₹ 13,000 lakhs. Post this transaction, the Group owns 61.13% shares in ACCI. Further, the Group has assessed and determined that it exercises joint control under Ind AS 111 Joint Arrangements. Accordingly, the investment in ACCI is accounted by using equity method.
- (c) On June 11, 2021, the Board of directors of the Company had approved and given its consent to the scheme of demerger under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 whereby the contract logistics business of its joint venture entity namely Avvashya CCI Logistics Private Limited will get transferred to Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited) (ASCPL) a wholly owned subsidiary of the Company, on the going concern basis with mirror shareholding. The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench has sanctioned the Scheme of Demerger. The Certified True Copy of the NCLT order of the Hon'ble National Company Law Tribunal has been filed with the Registrar of the Companies on March 01, 2023 consequently giving effect to the scheme from appointed date i.e. April 01, 2021. Further ASCPL has Issued & allotted the shares as a consideration in accordance with the scheme. ASCPL has become Joint Venture of the Company and the cost of investments in ACCI and ASCPL consequent to demerger have been bifurcated on the basis of respective fair values.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

(d) On May 17, 2023 Share Purchase Agreement (“SPA”) has been entered into between the Holding Company, ACCI and JKS Finance Limited and its affiliates (“JKS Group”) – shareholders of ACCI for the sale of 16,00,994 (Sixteen Lakhs Nine Hundred Ninety Four) Equity Shares i.e. 61.13% stake held by Company in ACCI to JKS Group for consideration of approx. ₹ 3,923 Lakhs. Pursuant to said SPA, the Company has sold its stake to JKS Group in ACCI and ACCI has ceased to be Joint-Venture of the Holding Company. Accordingly, The Company’s investment in ACCI has been classified as Assets Held for Sale.

The following table provides the summarised financial information related to ACCI & ASCPL:

(₹ in Lakhs)

<b>Summarised balance sheet:</b>	<b>ASCPL 31 March 2023</b>	<b>ACCI 31 March 2023</b>	<b>ACCI 31 March 2022</b>
Current assets	8,780	7,063	14,976
Non-current assets	34,510	2,964	51,744
Current liabilities	(11,037)	(3,656)	(7,367)
Non-Current liabilities	(25,345)	(91)	(30,337)
<b>Equity</b>	<b>6,908</b>	<b>6,280</b>	<b>29,016</b>
Proportion of the Group's ownership	61.13%	61.13%	61.13%
Groups' share of equity in joint venture	4,223	3,838	17,736
<b>Total Carrying value of investments</b>	<b>16,554</b>	<b>2,401</b>	<b>17,736</b>
<b>Additional information:</b>			
Cash and cash equivalent	748	1,658	2,248
Non-current financial liabilities	25,190	91	27,568
<b>Classified as Held for Sale (Refer Note c &amp; d above)</b>	-	2,401	-
<b>Reconciliation of Carrying amount of investments in joint ventures</b>			
Goodwill included in carrying value of investments (Including one time DTL)	12,183	-	8,073
Group's share in total equity	4,223	-	9,515
Fair value adjustments made at the time of acquisition (net of deferred tax)	149	-	149
<b>Summarised statement of profit and loss:</b>	<b>ASCPL 31 March 2023</b>	<b>ACCI 31 March 2023</b>	<b>ACCI 31 March 2022</b>
<b>Revenue</b>			
Sale of services	34,096	22,594	62,730
Finance income	200	64	233
Other income	140	177	174
Cost of services rendered	(18,064)	(19,667)	(42,807)
Depreciation & amortization	(7,889)	(305)	(10,285)
Finance cost	(2,569)	(32)	(1,129)
Employee benefit	(2,797)	(1,672)	(3,537)
Other expense	(1,156)	(701)	(1,688)
<b>Profit before tax</b>	<b>1,961</b>	<b>456</b>	<b>3,691</b>
Income tax expense	(536)	(103)	(952)
<b>Profit for the year</b>	<b>1,424</b>	<b>353</b>	<b>2,739</b>
Group's share of profit	871	216	1,674
Less: Impact of amortisation of assets identified on purchase price allocation	(649)	(162)	(776)
<b>Group's net share of profit for the year recognised in Consolidated Statement of Profit and Loss</b>	<b>222</b>	<b>54</b>	<b>898</b>



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 7 Financial Assets

### 7.1 Investments

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Non-current investments</b>		
<b>Quoted equity instruments at fair value through Statement of Profit and Loss (fully paid-up)</b>		
3,816 (31 March 2022: 3,816) equity shares of ₹10 each in Reliance Industries Limited	89	101
1,800 (31 March 2022: 1,800) equity shares of ₹2 each in Tata Motors Limited	8	8
250 (31 March 2022: 250) equity shares of ₹10 each in TGV SRAAC Limited (formerly Sree Royalaseema Alkalies and Allied chemicals Limited) (Value less than ₹1 lakh)	*	*
<b>Unquoted equity instruments at fair value through statement of profit and loss** (fully paid-up)</b>		
Investment in securities of Stord, Inc, USA	1,710	-
780 (31 March 2022 : 780) Equity Shares of ₹10 (face value) each of AGL Warehousing Pvt. Ltd.	1	-
NIL (31 March 2022: 1,80,000) equity shares of Allcargo Logistics & Industrial Park Private Limited of ₹10 each	-	7
1 (31 March 2022 : 1) equity share of Allcargo Inland Park Private Limited of ₹10 each (Value less than ₹1 lakh)	*	*
NIL (31 March 2022: 60,000) equity shares of Madanahatti Logistics & Industrial Parks Private Limited of ₹10 each (Value less than ₹1 lakh)*	-	*
NIL (31 March 2022: 10,000) equity shares of Kalina Warehousing Private Limited of ₹10 each (Value less than ₹1 lakh)*	-	*
NIL (31 March 2022: 10,000) equity shares of Panvel Warehousing Private Limited of ₹10 each (Value less than ₹1 lakh)*	-	*
**On dilution of its equity stake in two of its Wholly Owned Subsidiaries namely "Madanahatti Logistics and Industrial Park Private Limited" and "Allcargo Logistics and Industrial Park Private Limited" and on subscription of 90% Compulsorily Convertible Debentures (CCDs) in "Kalina Warehousing Private Limited" and Panvel Warehousing Private Limited" by "BRE Asia Private Limited" (hereinafter called 'investor) which carries voting rights as per definitive transaction documents, the Company has opted to fair value its remaining stake in these companies through statement of profit and loss. These equity shares are designated as FVTPL as they are not held for trading purpose and are in similar line of business as the Group.		
<b>Unquoted equity instruments at fair value through other comprehensive income* (fully paid-up)</b>		
200 (31 March 2022: 200) equity shares of ₹10 each in Alltrans Logistic Private Limited (Value less than ₹1 lakh)	*	*
4,000 (31 March 2022: 4,000) equity Shares of ₹25 each in Zorastrian Co-op. Bank Limited	1	1
30 (31 March 2021: 30) Equity Shares of Mandvi Co-op. Bank Limited of ₹10 each (Value less than ₹1 lakh)	*	*
NIL (31 March 2022 : 13,900) Equity shares of NSL Windpower Company (Phoolwadi) Private Limited	-	1
*Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities and quoted debt securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group.		

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Investment in Preference shares (fully paid-up)</b>		
250 (31 March 2022: 250) 0.01% Cumulative Redeemable Preference shares of ₹ 10 each in TGV SRAAC Limited (formerly Sree Royalaseema Alkalies and Allied chemicals Limited) (**Value less than ₹1 lakh)	**	**
<b>Unquoted Class B Optionally Convertible Debentures instruments (fully paid-up)</b>		
NIL (31 March 2022: 66,39,837) 0.0001% Class B Unsecured Optionally Convertible Debentures of ₹10 each fully paid of Kalina Warehousing Private Limited.*	-	664
NIL (31 March 2022: 1,54,94,360) 0.0001% Class B Unsecured Optionally Convertible Debentures of ₹10 each fully paid of Panvel Warehousing Private Limited.*	-	1,549
NIL (31 March 2022: 2,77,91,474) 0.0001% Class B Unsecured Optionally Convertible Debentures of ₹10 each fully paid of Allcargo Logistics & Industrial Park Private Limited*	-	2,779
NIL (31 March 2022: 22,11,934) 0.0001% Class B Unsecured Optionally Convertible Debentures of ₹10 each fully paid of Madanahatti Logistics & Industrial Parks Private Limited*	-	221
<b>Total non-current investments</b>	<b>1,809</b>	<b>5,332</b>
*Transferred pursuant to demerger		
<b>Current investments (at fair value through profit and loss)</b>		
<b>Unquoted mutual funds</b>		
2,39,811.33 (31 March 2022 : 1,52,218.70) units of DSP Overnight Fund-Regular Growth	2,869	1,728
28,18,465.78 (31 March 2022 : 19,61,818.58) units of Nippon India Overnight Fund-Regular Growth	3,378	2,231
2,83,697.03 (31 March 2022 : 1,95,038.28) Units of Tata Overnight Fund Regular Growth	3,341	2,180
43,331.39 (31 March 2022 : 2,21,120.15) Units of ICICI Pru Overnight Fund Regular Growth	522	254
2,86,537.94 (31 March 2022 : NIL) Units of HSBC Overnight Regular Fund	3,342	-
34,12,990.39 (31 March 2022 : NIL) JM Liquid Fund	2,082	-
16,572.67 (31 March 2022 : NIL) Units of Tata Liquid Fund	583	-
4,232.25 (31 March 2022 : 15,437.58) Units of ICICI Pru Liquid Fund Regular Growth	51	48
14,644.06 (31 March 2022 : NIL) units of DSP Liquidity Fund-Regular Growth	467	-
19,373.50 (31 March 2022 : NIL) Units of HSBC Liquid Fund Regular Growth	431	-
NIL (31 March 2022 : 72,312.60) units of Invesco India Liquid Fund - Regular Growth	-	2,101
NIL (31 March 2022 : 175,149.89) units of Kotak Overnight Fund-Regular Growth	-	1,981
NIL (31 March 2022 : 68,606.24) units of UTI Overnight Fund-Regular Growth	-	1,978
NIL (31 March 2022 : 57,460.13) Units of IDFC Money Manager Fund-Regular Growth	-	19
NIL (31 March 2022 : 570.30) Units of Nippon India Liquid Fund- Regular Growth	-	29
NIL (31 March 2022 : 579.37) Units of Nippon India Money Market Fund- Growth	-	19
NIL (31 March 2022 : 1,28,527.07) Units of L&T Overnight Fund Regular Growth	-	2,028
<b>Total current investments</b>	<b>17,066</b>	<b>14,596</b>

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 7.2 Loans

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Unsecured, considered good</b>				
<b>To parties other than related parties</b>				
Loans and advances to employees	24	76	668	560
Other advances	35	8,645	4,728	6,355
Security Deposit	4,948	3,653	-	-
Others	304	325	380	432
	<b>5,311</b>	<b>12,699</b>	<b>5,776</b>	<b>7,347</b>
<b>To related parties</b>				
Loan to associate and joint ventures (refer note 33A)	1,611	-	27	-
Loan to other parties (refer note 33A)	932	-	-	-
	<b>2,543</b>	<b>-</b>	<b>27</b>	<b>-</b>
<b>Total Loans</b>	<b>7,854</b>	<b>12,699</b>	<b>5,803</b>	<b>7,347</b>

## 7.3 Trade receivables

(Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Trade receivables	1,97,069	3,03,196
Receivables from associates, joint ventures and other related parties (refer note 33A)	6,736	4,430
<b>Total trade receivables</b>	<b>2,03,805</b>	<b>3,07,626</b>
<b>Trade receivables</b>		
Secured, considered good	-	-
Considered good	2,07,660	3,07,626
Items which have significant increase in credit risk (From Others)	21,575	14,210
Trade receivables - credit impaired	-	-
Items which have significant increase in credit risk (From Related Parties) (refer note 33A)	-	149
	<b>2,29,235</b>	<b>3,21,985</b>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>		
Impairment allowance (allowance for bad and doubtful debts)	(25,430)	(14,359)
Trade receivables - credit impaired	-	-
	<b>2,03,805</b>	<b>3,07,026</b>

For terms and conditions relating to related party receivables, refer note 33C.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Ageing of trade receivables and credit risk arising there from is as below:

As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed - considered good	27,661	1,62,893	9,804	6,530	561	2	2,07,451
Undisputed - Increase in Credit Risk	-	75	236	169	-	4	484
Undisputed - credit impaired	-	-	8,687	4,595	3,202	323	16,805
Disputed - considered good	-	15	112	65	3	14	209
Disputed - Increase in Credit Risk	-	3	1	223	222	324	772
Disputed - credit impaired	-	18	17	53	266	3,160	3,514
	27,661	1,63,004	18,856	11,634	4,253	3,826	2,29,235

As at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed - considered good	29,568	2,57,812	20,245	-	-	-	3,07,625
Undisputed - Increase in Credit Risk	-	389	917	854	607	418	3,185
Undisputed - credit impaired	-	571	688	2,004	235	154	3,653
Disputed - Increase in Credit Risk	-	397	630	1,405	402	1,187	4,021
Disputed - credit impaired	-	-	-	244	544	2,712	3,500
	29,568	2,59,169	22,479	4,507	1,789	4,471	3,21,984

#### 7.4 Cash and cash equivalents

Particulars	(₹ in Lakhs)	
	31 March 2023	31 March 2022
<b>Balances with banks</b>		
- On current accounts	51,732	55,261
- Deposit with original maturity of less than 3 months	39,103	1,972
- On unpaid dividend account	938	86
Cash on hand	151	192
	91,924	57,511

The Board of Directors at their meeting held on March 06, 2023 approved and declared an Interim Dividend of ₹ 3.25/- per equity share of face value ₹ 2/- each for the financial year 2022-23, aggregating upto ₹ 7,986 Lakhs

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### Changes in liabilities arising from financing activities

(₹ in Lakhs)

Particulars	01 April 2022	Business Combinations	Cash flows	Foreign exchange management	Others *	31 March 2023
Current borrowings	86,765	456	(38,627)	1,090	(11,166)	<b>38,518</b>
Interest on borrowings	577	-	(7,620)	-	7,174	<b>131</b>
Non- current borrowings	98,023	-	(12,720)	3,314	(97,434)	<b>31,998</b>
Dividends payable	86	-	(7,986)	-	@ 7,976	<b>76</b>
<b>Total liabilities from financing activities</b>	<b>1,85,453</b>	<b>456</b>	<b>(66,953)</b>	<b>4,404</b>	<b>(60,610)</b>	<b>62,749</b>

\* The 'Others' column includes the effect of reclassification of non-current borrowings to current borrowings amounting to ₹ 14,868 lakhs and effect to borrowings transferred pursuant to demerger scheme.

@ The Board of Directors in their meeting held on March 06, 2023 has declared Interim Dividend @ 162.5% i.e. ₹ 3.25 per equity share of ₹ 2 each.

(₹ in Lakhs)

Particulars	01 April 2021	Business Combinations	Cash flows	Foreign exchange management	Others *	31 March 2022
Current borrowings	1,03,699	82	(11,778)	(936)	(4,302)	86,765
Interest on borrowings	563	-	(17,456)	6,617	10,853	577
Non- current borrowings	71,669	85	34,724	(451)	(8,004)	98,023
Dividends payable	103	-	(7,369)	-	@ 7,352	86
<b>Total liabilities from financing activities</b>	<b>1,76,034</b>	<b>167</b>	<b>(1,879)</b>	<b>5,230</b>	<b>5,899</b>	<b>185,453</b>

\* The 'Others' column includes the effect of reclassification of non-current borrowings to current borrowings and impact of finance cost pertaining to Commercial Paper amounting to ₹ 151 lakhs and other borrowings amounting to ₹ 10,853 lakhs.

@ The Board of Directors in their meeting held on March 16, 2022 has declared Interim Dividend @ 150% i.e. ₹ 3 per equity share of ₹ 2 each.

### 7.5 Other bank balances

Particulars	31 March 2023	31 March 2022
<b>Other bank balances</b>		
- Deposit with original maturity of more than 3 months but less than 12 months*	<b>38,490</b>	6,764
- Margin money deposit under lien	<b>462</b>	160
	<b>38,952</b>	<b>6,924</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and twelve months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

\*Term deposits of ₹ 2,200 lakhs held by a subsidiary for the Air India Limited litigation matter are restricted and not available for general use in the Company's funds.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 7.6 Other Financial assets

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>To parties other than related parties</b>				
<b>Security deposits</b>				
Unsecured, considered good	46	1,614	1,184	2,230
Unsecured, considered doubtful	-	-	21	21
	46	1,614	1,205	2,251
Less: Provision for doubtful security deposits	-	-	(21)	(21)
<b>(A)</b>	<b>46</b>	<b>1,614</b>	<b>1,184</b>	<b>2,230</b>
<b>Other financial assets at FVTOCI</b>				
Provision for mark to mark gain on Derivative Instrument [(refer note 35(B))]	-	33	-	-
<b>Unsecured, considered good</b>				
Non-current bank balance	311	4,583	-	-
Receivable against sale of property, plant and equipments	-	-	-	60
Interest accrued on fixed deposits	-	-	189	277
Advance to Employees	-	-	10	8
Earnest Money Deposit	-	-	6	10
Other Interest Receivable	-	-	-	12
Interest accrued on loan and advance given	-	-	187	-
Project Logistics business consideration receivable	-	-	2,916	-
Accrued Interest on Deposits, Loans and Investments	-	-	100	-
Others	-	-	78	152
<b>(B)</b>	<b>311</b>	<b>4,616</b>	<b>3,486</b>	<b>519</b>
<b>Others</b>				
Unsecured, considered good	-	-	1,755	42
Unsecured, considered doubtful	-	-	2,419	2,321
Less: Provision on other advances receivable	-	-	(2,419)	(2,321)
<b>(C)</b>	<b>-</b>	<b>-</b>	<b>1,755</b>	<b>42</b>
<b>(D) = (A) + (B) + (C)</b>	<b>357</b>	<b>6,230</b>	<b>6,425</b>	<b>2,791</b>
<b>To related parties</b>				
<b>Unsecured, considered good</b>				
Security deposits (refer note 33A)	540	355	-	-
<b>(E)</b>	<b>540</b>	<b>355</b>	<b>-</b>	<b>-</b>
<b>(D) + (E)</b>	<b>897</b>	<b>6,585</b>	<b>6,425</b>	<b>2,791</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### 8 Deferred tax assets (net)

#### A. Deferred tax:

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	Balance Sheet	
	31 March 2023	31 March 2022
<b>1. Deferred tax asset</b>		
Depreciation and Amortisation of Property, Plant and Equipment, Investment property and Intangibles	168	(6,132)
Depreciation and Amortisation of Property, Plant and Equipment and Intangibles of Foreign Subsidiaries	4,882	3,273
Allowances for impairment of trade receivables and advances	2,825	4,880
Provision for compensated absence	1,249	896
Disallowance u/s. 40(a)(ia)	205	616
Unrealised Gain on Business Transfer	-	2,622
Others	1,306	4,118
	<b>10,635</b>	<b>10,274</b>
MAT Credit entitlement**	10	7,663
<b>Deferred tax assets (net)*</b>	<b>10,645</b>	<b>17,938</b>
** Transferred pursuant to demerger scheme.		
<b>2. Deferred tax liability</b>		
Depreciation and Amortisation of Property, Plant and Equipment, Investment property and Intangibles	(15,515)	(17,515)
Others	(21)	683
<b>Deferred tax liabilities (net)*</b>	<b>(15,536)</b>	<b>(16,832)</b>
<b>Deferred tax Assets</b>	<b>10,645</b>	<b>17,938</b>
<b>Deferred tax (Liabilities)</b>	<b>15,536</b>	<b>16,832</b>

#### B. Reconciliation of deferred tax liabilities (net):

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Opening balance</b>	<b>1,106</b>	<b>4,509</b>
Tax income / (expense) recognised in profit or loss	869	4,247
Transferred pursuant to demerger scheme	(3,756)	-
Business Combination	(2,995)	(3,777)
Tax income (expense) / recognised in OCI including Translation difference	(115)	(227)
MAT Credit recognised / (utilised)	-	(3,645)
<b>Closing balance</b>	<b>(4,891)</b>	<b>1,106</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Accounting profit before income tax	89,534	1,25,013
At India's statutory income tax rate of 25.168% (31 March 2022: 34.944%)	22,534	43,685
Effect of differential tax rates between holding Company and its' subsidiaries	1,017	(4,748)
Income not chargeable to tax	-	(8)
Income Exempt in India	(2,315)	(7,378)
Share of results of associates and joint ventures	-	(2,838)
Items not taxable as business income	177	-
Income taxable at lower rate	-	(1,752)
Income tax on unrecognised losses carried forward	-	(592)
Non-deductible expenses	1,242	4,230
Tax effect of earlier years	385	412
Effect of rate changes	1,004	-
Others	170	(2,454)
<b>At the effective income tax rate of 22.84% (31 March 2022: 22.84%)</b>	<b>24,213</b>	<b>28,555</b>
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>24,213</b>	<b>28,555</b>

\*The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authorities.

## 9 Other assets

(Unsecured considered good, unless stated otherwise)

(₹ in Lakhs)

Particulars	Non-current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Capital advances</b>				
Unsecured, considered good	218	4,911	-	-
Unsecured, considered doubtful	173	173	-	-
	<b>391</b>	<b>5,084</b>	-	-
Less: Allowance for doubtful advances	(173)	(173)	-	-
	<b>218</b>	<b>4,911</b>	-	-
Deferred lease rent	-	-	-	10
Prepaid expenses	27	210	15,732	24,640
Advances for supply of services	-	-	2,986	4,557
Less: Provision for doubtful advances	-	-	(437)	(486)
	<b>27</b>	<b>210</b>	<b>18,281</b>	<b>28,721</b>
Balance with statutory and government authorities	126	135	6,854	5,155
Balance with customs and port	-	-	232	-
Contractually reimbursement expenses	-	-	2	-
Gratuity assets (refer note 29)	-	7	-	-
Others	128	1,771	280	120
	<b>498</b>	<b>7,034</b>	<b>25,699</b>	<b>33,996</b>



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 10 Inventories

(valued at the lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Stock in Trade	300	304
Less : Provision for Stock in Trade	(56)	(12)
Stores and spares	-	489
Less : Provision for Stores and Spares	-	(210)
	<b>244</b>	<b>571</b>

## 11 Income Tax assets (net)

(₹ in Lakhs)

Particulars	Non-current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Income tax assets	14,234	13,192	1,730	1,086
Income tax liabilities	-	-	(9,936)	(12,688)
	<b>14,234</b>	<b>13,192</b>	<b>(8,206)</b>	<b>(11,602)</b>
Add: Income tax liabilities disclosed under Current Liabilities	-	-	9,936	12,688
<b>Income tax assets (net)</b>	<b>14,234</b>	<b>13,192</b>	<b>1,730</b>	<b>1,086</b>

## 12.1 Equity Share capital

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Authorised capital:</b>		
29,47,25,000 (31 March 2022: 29,47,25,000) equity shares of ₹ 2 each	5,895	5,895
500 (31 March 2022: 500 ) 4% cumulative redeemable preference shares of ₹ 100 each (31 March 2022: ₹ 50,000;) (Value less than ₹ 1 lakh)	*	*
545,500 (31 March 2022: 545,500) redeemable preference shares of ₹ 100 each	545	545
	<b>6,440</b>	<b>6,440</b>
<b>Issued, subscribed and fully paid up:</b>		
24,56,95,524 (31 March 2022: 24,56,95,524) equity shares of ₹ 2 each	4,914	4,914
<b>Total issued, subscribed and fully paid up share capital</b>	<b>4,914</b>	<b>4,914</b>

### Terms/ rights attached to equity shares

The Holding Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

(i) Reconciliation of number of the equity shares and preference shares outstanding at the beginning and at the end of the year:

Equity Shares	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	24,56,95,524	4,914	24,56,95,524	4,914
Add/(Less): Movement during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>24,56,95,524</b>	<b>4,914</b>	<b>24,56,95,524</b>	<b>4,914</b>

(ii) Details of shareholders holding more than 5% class of shares

Name of equity shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity shares of ₹ 2 each fully paid</b>				
Mr. Shashi Kiran Shetty	15,22,41,341	61.96	15,22,41,341	61.96

(iii) Details of promoters' shareholding percentage in the Company is as below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
<b>Name of the Promoter</b>				
Mr. Shashi Kiran Shetty	15,22,41,341	61.96	15,22,41,341	61.96
Mrs. Arathi Shetty	73,51,353	2.99	73,51,353	2.99
Mr. Adarsh Hegde	45,45,500	1.85	45,45,500	1.85
<b>Name of the Promoter Group</b>				
Shloka Shetty Trust	74,56,015	3.03	74,56,015	3.03
Mrs. Priya Adarsh Hegde	1,92,000	0.08	1,50,000	0.08

(iv) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares buy back during the period of five years immediately preceding the reporting date:

Particulars	31 March 2023	31 March 2022
Equity shares of ₹ 2 each, fully paid up, bought back by utilisation of securities premium	-	6,400,000

(v) Cash dividends on equity shares declared and paid:

Particulars	31 March 2023	31 March 2022
Dividend ₹ 3.25 per share (31 March 2022 : ₹ 3 per share)	7,986	7,373
	<b>7,986</b>	<b>7,373</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### 12.2 Other Equity

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Securities premium (refer foot note a and e)	-	32,907
General reserve (refer foot note b)	13,011	13,011
Capital redemption reserve (refer foot note c)	232	232
Tonnage tax reserves (refer foot note d)	60	60
Tonnage tax reserve (utilised) (refer foot note d)	152	152
Retained earnings including remeasurements of gains / (losses) on defined benefit plans (OCI) (foot note f, g and e)	2,45,369	2,55,586
Foreign Currency Translation Reserve (refer foot note h)	14,649	8,084
Hedge reserves (OCI) (refer foot note i)	1,384	114
Share Option Outstanding Account / ESAR (refer foot note j)	1,649	56
Equity Portion of Compound Financial Instruments [(refer note 13.1(4))]	-	930
<b>Total Other Equity</b>	<b>276,507</b>	<b>311,133</b>

#### Nature and Purpose of Reserves

##### a) Securities Premium

Securities premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

##### b) General reserve

General reserve is used from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

##### c) Capital Redemption Reserve

Capital redemption reserve represents amounts set aside on redemption of preference shares.

##### d) Tonnage Tax (utilised) and Tonnage Tax Reserve

These reserves are mandatory under the Income Tax Act, 1961 for companies who opt for the Tonnage Tax Scheme prescribed under the said Act.

##### e) Adjustments to Reserves in accordance with demerger scheme

This reserve represents the difference between net assets derecognised pursuant to demerger. The net assets of divisions transferred pursuant to demerger has been adjusted against the securities premium, capital reserve and retained earnings.

##### f) Retained earnings

Retained earnings represents all accumulated net income netted by all dividends paid to shareholders.

##### g) Remeasurements of gains / (losses) on defined benefit plans (OCI)

It comprises of actuarial gains and losses, differences

between the return on plan assets and interest income on plan assets and changes in the asset ceiling (outside of any changes recorded as net interest).

##### h) Foreign Currency Translation Reserve

Exchange difference arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries, associates and joint ventures are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve.

##### i) Hedge reserves (OCI)

Hedges of net investment in a foreign operation, including a hedge of a monetary item that is accounted for as a part of the net investment. Gains or losses on the hedging instrument relating to the effective portion are recognized in OCI while any gain or losses relating to ineffective portion are recognized in the Consolidated statement of profit and loss. On disposal of foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the Consolidated statement of profit and loss (as a reclassification adjustment) [refer note 35(B)].

##### j) Share Option Outstanding Account / ESAR

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amount recorded in this reserve is transferred to securities premium upon exercise of stock appreciation rights options by employees. The amount outstanding in the "Share based payment reserve" has been transferred to "General Reserve", when the options are lapsed / cancelled.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 13 Financial liabilities

### 13.1 Borrowings

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Borrowings (secured)</b>				
Term loan from banks	23,494	75,251	10,593	21,877
Foreign currency term loan	8,487	11,815	4,234	3,848
Vehicle finance loans	17	87	51	120
Optionally Convertible Debentures	-	10,765	-	-
Public Deposits	-	105	99	299
<b>Total non-current borrowings</b>	<b>31,998</b>	<b>98,023</b>	<b>14,977</b>	<b>26,144</b>

(₹ in Lakhs)

Particulars	Current portion	
	31 March 2023	31 March 2022
<b>The above amount includes</b>		
Amount disclosed under the head "Short Term Borrowings"	(14,977)	(26,144)
	-	-
<b>Short Term Borrowings</b>		
<b>Loan repayable on demand (secured)</b>		
Cash credits from banks and cash pooling/overdraft facilities	380	2,349
Working capital loans	23,161	58,272
Current Maturities of long term Borrowings	14,977	26,144
<b>Total Short Term Borrowings</b>	<b>38,518</b>	<b>86,765</b>
Aggregate secured loans	70,417	1,84,384
Aggregate unsecured loans	99	404

#### 1) Term loans from banks (secured)

- a) Rupee term loans from banks are secured against property, plant and equipment and certain immovable property of the Holding Company and carry interest 6.80% (31 March 2022: 6.25% - 8.80%) and are repayable over four years.

Consequent to Demerger Scheme the Axis Bank rupee term loan has been allocated between the Company, Transindia Reality and Logistics Parks Limited and Allcargo Terminals limited.

As per the terms of borrowing it is secured against land and buildings of The Company, pursuant to demerger scheme, these assets have been transferred to Transindia Reality and Logistics Parks Limited. Accordingly this borrowing is not secured by the Company Assets and secured by land and building of Transindia Reality Limited pursuant to demerger. The Borrowing is disclosed as secured.

- b) Term loans taken by some of the foreign subsidiaries include loans at fixed as well as floating interest rate

denominated in Euro and Singapore Dollars. These loans are secured against Pledge of Shares, mortgage of future warehouse, floating charge on assets of some of the overseas subsidiaries of the Group and in case of building loan, mortgage on the building against which the loan is taken. The Euro term loans taken by the foreign subsidiary have been guaranteed by parent company. During the current and previous year the Group has paid interest @ 1% to 4% p.a. on these loans. These loans are repayable in half yearly / monthly installments over a period of 5 to 20 years.

#### 2) Foreign Currency Term Loan (secured)

The Company has availed Foreign Currency Term Loan carrying interest rate of 3.4% and repayable over a period of 5 years. As per the terms of borrowing it is secured against land and buildings of The Company, pursuant to demerger scheme, these assets have been transferred to Transindia Reality and Logistics Parks Limited. Accordingly this borrowing is not secured by the Company Assets and secured by land and building of Transindia Reality Limited pursuant to demerger. The Borrowing is disclosed as secured.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

### 3) Vehicle finance loans

Vehicle finance loans are secured against vehicle financed by the Bank and carry interest ranging from 8.30% - 10% p.a. (31 March 2022: 8.00% - 10.25% p.a.) and are repayable within a periods ranging from 2-5 years.

### 4) Optionally Convertible Debentures (secured)

11,22,57,917, 0.0001% Secured Optionally Convertible Debentures(Class A OCD) of ₹ 10 each fully paid up were issued with a term of 20 years. These Debentures are redeemable / convertible by the investor at anytime, at its sole discretion by a written notice to the company as one OCD to 1 equity shares or it will be compulsorily redeemed within 30 days post the expiry of the Long Stop Date for Conversion Closing ,within 30 days from the date of redemption notice; and/or on the date of expiry of the Class A OCD term. These instruments are classified as compound financial instruments with reference to the terms and conditions attached with such debentures. Financial liability is recognised at fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument with a similar credit rating. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Refer note 12.2. The same has been transferred pursuant to demerger

### 5) Cash credits from banks and cash pooling/overdraft facilities (secured)

In case of foreign subsidiaries, during the current and previous year the Group paid interest on Cash pooling / OD balances @ 0.60 % to 1% p.a. The security is same as per the Term loan. The Bank Overdraft facilities are USD loans which are secured against pledge of shares, mortgage of future warehouse, floating charge on assets of some of the overseas subsidiaries of the Group. During the current year and previous year the Group has paid interest @ 1.5% p.a. on this loan. The loan is guaranteed by the parent company.

### 6) Working capital demand loan from financial institution (secured)

a) Working capital loan is secured with pari-passu charge on present and future movable assets, inventories and book debts and carry weighted average interest rate

of 7.37% p.a. (31 March 2022: @ 5.00% p.a to 5.25% p.a. ) and are repayable within a period of six months.

b) In case of foreign subsidiaries, these unsecured loans is repayable on demand carries interest ranging from 0.25 % p.a. to 2% p.a. (31 March 2022 : 0.25% p.a. to 2% p.a.).

The Group has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with books of account.

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

#### Loan covenants

Term loans from banks, financial institutions and others (which are secured in nature) contain certain debt covenants to be maintained at a group level relating to limitation on indebtedness, debt-equity ratio, net borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements. The Company has reasonably satisfied all debt covenants prescribed in the terms and conditions of sanction letter of bank loan. The loans which are unsecured in nature does not have any loan covenant attached.

The Group has not defaulted in any loans payable.

In case of a subsidiary, the breach of financial covenants represents instances where the performance indicators did not meet the criteria set by bankers for credit line arrangements. The breach of covenants entails 2% penal interest. These breaches with two banking partners are in existence since the time of loan sanction and renewal. Further, till the date of approval of these financial statements, lenders have not demanded for the penal interest and based on the discussion have agreed to waive off the penal interest. Other than penal interest, there are no other implications. Considering the present financial position, the subsidiary maintains a healthy cash flow to meet it's obligations.

The Company had uncommitted lines of credit of ₹ 10,160 lakhs and ₹ 6,194 lakhs as at March 31, 2023 and March 31, 2022, respectively, from its banks for working capital requirements. The Company draw upon these lines of credit based on its working capital requirements.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 13.2 Trade payables

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Trade payables	1,34,119	1,81,532
Payables to associates, joint ventures and other related parties (refer note 33A)	8,157	9,693
	1,42,276	1,91,225

Ageing Schedule of Trade Payables is as below:

As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Note Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Dues	226	1,34,399	5,533	963	672	1,41,793
Disputed Dues	-	381	34	68	-	483
	226	1,34,780	5,567	1,031	672	1,42,276

As at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Note Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Dues	1,05,078	79,131	4,738	1,283	666	1,90,895
Disputed Dues	-	241	29	34	25	330
	1,05,078	79,373	4,767	1,317	691	1,91,225

## 13.3 Other payables

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Provision for expenses	4,037	10,565
	4,037	10,565

## 13.4 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Other financial liabilities at amortised cost</b>				
Security deposits	5	1,313	2,694	3,410
Purchase consideration payable (business combinations)	-	-	1,590	1,499
Interest accrued on borrowings	-	78	131	577
Unclaimed dividend	-	-	76	86
Investors put option payable *	-	-	-	391
Financial guarantee contracts	-	-	2,360	2,360
Capital Creditors	-	406	18	862
Advance received against redemption of optionally convertible debentures *	-	-	-	1,279

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Director commission payable	-	-	2,040	2,070
Employee related liabilities	-	-	20,917	19,377
Payable to TransIndia Reality Ltd & Allcargo Terminals Ltd pursuant to demerger scheme (refer note 33)	-	-	18,049	-
Others	4	13	5,162	3,943
<b>Total other financial liabilities (A)</b>	<b>9</b>	<b>1,810</b>	<b>53,037</b>	<b>35,854</b>
<b>From related parties</b>				
<b>Unsecured, considered good</b>				
Security deposits (refer note 33A) (B)	-	565	-	-
	-	565	-	-
<b>(A + B)</b>	<b>9</b>	<b>2,375</b>	<b>53,037</b>	<b>35,854</b>

\* Transferred pursuant to demerger scheme

## 14 Long Term Provisions

(₹ in Lakhs)

Particulars	Non-current portion	
	31 March 2023	31 March 2022
Provision for decommissioning	268	252
	268	252

## 15 Net employee defined benefit liabilities

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provision for gratuity (refer note 29)	1,556	1,453	4,110	2,878
Provision for Compensated absences	580	606	5,545	3,846
	2,136	2,059	9,655	6,724

## 16 Other liabilities

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Rent equalisation reserve	-	1,232	-	-
Statutory dues payable	86	-	8,028	8,798
Advances received from customers	-	-	535	1,639
Advance against sale of property, plant and equipment	-	-	-	68
Capital creditors	-	-	-	223
Security deposit	-	-	16	-
Others	6	-	3,372	2,144
	92	1,232	11,951	12,872

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 17 Revenue from operations

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Sale of services (disaggregation of revenue basis type of service)</b>		
Multimodal transport operations	1,629,747	1,757,282
Express Distribution	171,778	148,258
	<b>1,801,525</b>	<b>1,905,539</b>
Other operating revenue	3,552	667
	<b>1,805,077</b>	<b>1,906,206</b>
<b>Continuing Operations</b>	<b>1,805,077</b>	<b>1,906,206</b>
<b>Discontinued Operations (Refer Note 43A) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>101,001</b>

## 18 Other income

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Other non-operating income</b>		
Foreign exchange Loss / (gain) (net)	477	-
Profit on sale of property, plant and equipment (net)	23	267
Fair value gain on financial instruments through profit or loss	214	33
Profit on sale of current investment (net)	502	67
Rental income	314	811
Liability no longer required written back	1,691	-
Miscellaneous income	355	187
	<b>3,576</b>	<b>1,365</b>
<b>Finance income</b>		
Interest income on		
- Income tax refund	161	281
- Fixed deposits with banks	1,948	921
- Loan given to other parties	620	453
Dividend Income	160	19
	<b>2,889</b>	<b>1,674</b>
	<b>6,466</b>	<b>3,039</b>
<b>Continuing Operations</b>	<b>6,466</b>	<b>3,039</b>
<b>Discontinued Operations (Refer Note 43B) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>1,195</b>



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 19 Cost of services rendered

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Multimodal and transport expenses</b>		
Freight and other ancillary cost	12,99,973	14,43,714
<b>A</b>	<b>12,99,973</b>	<b>14,43,714</b>
<b>Express Distribution</b>		
Freight expenses	94,957	83,432
Purchase of stock-in-trade	24,744	22,162
Fleet running expenses	-	656
Vehicles trip expenses	2,328	2,161
Handling charges	4,528	2,390
Supply chain management expenses	2,803	2,855
Claims for loss & damages (net)	120	230
Other operating expenses	1,218	973
<b>B</b>	<b>1,30,698</b>	<b>1,14,859</b>
<b>A+B</b>	<b>14,30,671</b>	<b>15,58,574</b>
<b>Continuing Operations</b>	<b>1,430,671</b>	<b>15,58,574</b>
<b>Discontinued Operations (Refer Note 43C) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>61,910</b>

## 20 Change in inventories of stock-in-trade

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Inventories at the end of the year</b>		
Stock in trade	523	559
<b>Inventories at the beginning of the year</b>		
Stock in trade	559	612
<b>(Increase) / decrease</b>	<b>36</b>	<b>53</b>

## 21 Employee benefits expense

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Salaries, wages and bonus	1,63,045	1,40,846
Contributions to provident and other funds (refer note 29)	17,357	13,605
Gratuity (refer note 29)	694	646
Compensated absences	2,252	1,068
Staff welfare expenses	7,365	5,246
	<b>1,90,713</b>	<b>161,411</b>
<b>Continuing Operations</b>	<b>1,90,713</b>	<b>161,411</b>
<b>Discontinued Operations (Refer Note 43D) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>5,905</b>
	<b>1,90,713</b>	<b>1,67,316</b>

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 22 Depreciation and amortisation

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	4,306	3,929
Amortisation of intangible assets	11,108	10,405
Depreciation on Right of use assets	12,387	9,423
	<b>27,801</b>	<b>23,757</b>
<b>Continuing Operations</b>	<b>27,801</b>	<b>23,757</b>
<b>Discontinued Operations (Refer Note 43E) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>10,579</b>
	<b>27,801</b>	<b>34,336</b>

## 23 Finance costs

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Interest expense</b>		
- term loan	2,339	2,133
- commercial paper	-	151
- finance lease obligations	22	22
- working capital demand loan	2,315	3,452
- lease liabilities [refer note 36 (b)]	2,764	1,790
- public deposits	30	54
- others	13	1,027
	<b>7,483</b>	<b>8,629</b>
Processing Fees and Stamp Duty	55	64
<b>Total interest expenses</b>	<b>7,538</b>	<b>8,693</b>
<b>Continuing Operations</b>	<b>7,538</b>	<b>8,693</b>
<b>Discontinued Operations (Refer Note 43F) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>2,311</b>
	<b>7,538</b>	<b>11,004</b>

## 24 Other expenses

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Rent	7,034	6,906
Travelling expenses	6,185	2,745
Legal and professional fees	15,201	18,399
Repairs to building and others	4,188	5,470
Business promotion	4,599	2,576
Rates and taxes	6,648	3,542
Printing and stationery	2,064	1,721
Office expenses	4,165	2,852
Communication charges	2,776	2,059
Impairment loss recognised / (reversed) under expected credit loss model (net)	7,028	5,558
Electricity charges	2,039	1,793

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Payments to auditors (refer note below)	1,305	1,242
Insurance	1,808	1,448
CSR expense (refer note 38)	579	433
Security expenses	3	-
Bank charges	1,019	928
Bad debts / advances written off	766	595
Membership and subscription	470	409
Directors fees and commission	158	146
Loss on sale of property, plant and equipments	55	411
Management Fees	624	-
Advertising	478	-
Miscellaneous expenses	1,519	148
	<b>70,711</b>	<b>59,381</b>
<b>Continuing Operations</b>	<b>70,711</b>	<b>59,381</b>
<b>Discontinued Operations (Refer Note 43G) (Pursuant to demerger scheme)</b>	<b>-</b>	<b>8,410</b>
	<b>70,711</b>	<b>67,791</b>

(₹ in Lakhs)

Note: Payments to auditors	31 March 2023	31 March 2022
<b>As auditors'</b>		
Statutory audit	800	821
Tax audit	15	5
Tax related services	146	234
Limited review of quarterly results	95	104
In other capacity - Certification matters	244	76
Reimbursement of expenses	5	2
	<b>1,305</b>	<b>1,242</b>

## 25 Exceptional items

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Gain on disposal of Subsidiary (Net)*	-	5,567
Profit/ (Loss) on sale of Land	-	1,152
Severance Payment (net off provisions for reversals)	-	(500)
Provision for claims receivable and advance	-	(74)
Gain / (loss) on realised & fair value of assets held for sale and loss on write off property, plant and equipment in a subsidiary	96	(1,851)
Reversal of Impairment provision	1,103	-
Gain on sale of Project Logistics Business	2,883	-
Others	(365)	(1,683)
	<b>3,717</b>	<b>2,611</b>

\*One of the Subsidiaries of the Group, Gati Limited has sold its 69.79% stake in its subsidiary Gati Kausar India Limited ("Gati Kausar") by way of entering into Share Purchase Agreement ("SPA") among the Contracting Parties i.e. (i) Gati Limited as a Promoter, (ii) Mandala Capital AG Limited as an Investor, and (iii) Gati Kausar India Limited as a Company. Accordingly Gati Kausar has ceased to be the Gati's Subsidiary with effect from July 14, 2021.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### 26 Earnings per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Net profit after tax attributable to equity shareholders	62,959	92,572
Net profit after tax attributable to equity shareholders (Continued operations)	62,959	78,518
Net profit after tax attributable to equity shareholders (Discontinued operations)	-	14,054
Weighted average number of equity shares for calculating basic EPS	24,56,95,524	24,56,95,524
Weighted average number of equity shares for calculating diluted EPS	24,56,95,524	24,56,95,524
Nominal value of shares, fully paid up	2	2
Basic and diluted EPS, in ₹	25.62	37.68
Basic and diluted EPS (continued operations), in ₹	25.62	31.96
Basic and diluted EPS (discontinued operations), in ₹	-	5.72

### 27 List of entities consolidated

(a) The list of subsidiary Companies, controlled by the group, which are included in the CFS are as under :

Indian subsidiaries (Companies incorporated/registered in India) :-

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
<b>A) Wholly owned subsidiaries</b>			
1	Contech Logistics Solutions Private Limited	100%	100%
2	Allcargo Multimodal Private Limited (formerly known as Transindia Warehousing Private Limited)	*	100%
3	AGL Warehousing Private Limited	*	100%
4	Transindia Logistic Park Private Limited	100%	100%
5	Ecu International (Asia) Private Limited	100%	100%
6	Allcargo Inland Park Private Limited (formerly known as Transindia Inland Park Private Limited)	*	100%
7	Avvashya Supply Chain Private Limited (formerly known as South Asia Terminals Private Limited)	**	100%
8	Malur Logistics and Industrial Parks Private Limited	*	100%
9	Jhajjar Warehousing Private Limited	*	100%
10	Koprolu Warehousing Private Limited	*	100%
11	Bhiwandi Multimodal Private Limited	*	100%
12	Allcargo Warehousing Management Private Limited	*	100%
13	Marasandra Logistics and Industrial Parks Private Limited	*	100%
14	Venkatapura Logistics and Industrial Parks Private Limited	*	100%
15	Allcargo Terminals Limited (Formerly known as Allcargo Projects Private Limited )	*	100%
16	Avvashya Projects Private Limited	*	100%
17	Avvashya Inland Park Private Limited	*	100%
18	Panvel Industrial Parks Private Limited	*	100%
19	ALX Shipping Agencies India Private Limited	100%	100%
20	Dankuni Industrial Parks Private Limited	*	100%

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
21	Hoskote Warehousing Private Limited	*	100%
22	TransIndia Realty & Logistics Parks Limited (Incorporated on December 03, 2021)	*	100%
<b>B) Partly owned subsidiaries</b>			
23	Comptech Solutions Private Limited	48.28%	48.28%
24	Gati Limited	50.20%	47.30%
25	Zen Cargo Movers Private Limited	50.20%	47.30%
26	Gati Projects Private Limited	50.20%	47.30%
27	Gati- Kintetsu Express Private Limited	35.14%	33.11%
28	Gati Import Export Trading Limited	50.20%	47.30%
29	Gati Logistics Park Private Limited	50.20%	47.30%
30	Speedy Multimodes Limited (w.e.f. October 1, 2021)	*	85.00%

\*Transferred Pursuant to Demerger scheme

\*\*Consequent to demerger scheme, the company has become a Joint venture during the year

### Foreign subsidiaries (Companies incorporated/registered outside India) :-

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
<b>A) Wholly owned subsidiaries</b>			
1	Allcargo Belgium N.V.	100%	100%
2	Administradora House Line C.A.	100%	100%
3	AGL N.V.	100%	100%
4	Asia Line Ltd	100%	100%
5	CELM Logistics SA de CV	100%	100%
6	CLD Compania Logistica de Distribucion SA.	100%	100%
7	Contech Transport Services (Pvt) Ltd	100%	100%
8	ECI Customs Brokerage, Inc	100%	100%
9	Econocaribe Consolidators, Inc	100%	100%
10	Econoline Storage Corp	100%	100%
11	Ecu Global Services N.V.	100%	100%
12	Ecu International Far East Ltd.	100%	100%
13	Ecu International N.V.	100%	100%
14	Ecu Shipping Logistics (K) Ltd.	100%	100%
15	Ecuhold N.V.	100%	100%
16	Ecu-Line Algeria sarl	100%	100%
17	Ecu-Line Doha W.L.L.	100%	100%
18	Ecu-Line Paraguay SA	100%	100%
19	Ecu-Line Peru SA	100%	100%
20	Ecu-Line Spain S.L.	100%	100%

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
21	Eculine Worldwide Logistics Co. Ltd.	100%	100%
22	ELWA Ghana Limited	100%	100%
23	Eurocentre Milan srl.	100%	100%
24	FCL Marine Agencies B.V.	100%	100%
25	Flamingo Line Chile S.A.	100%	100%
26	Flamingo Line del Ecuador SA	100%	100%
27	Flamingo Line Del Peru SA	100%	100%
28	Guldary S.A.	100%	100%
29	HCL Logistics N.V.	100%	100%
30	Integrity Enterprises Pty Ltd	100%	100%
31	OTI Cargo, Inc	100%	100%
32	Prism Global Ltd. (formerly known as Ecu Line Limited)	100%	100%
33	PRISM Global, LLC	100%	100%
34	Rotterdam Freight Station BV	100%	100%
35	Société Ecu-Line Tunisie Sarl	100%	100%
36	Ecu Worldwide (Uganda) Limited	100%	100%
37	FMA-Line Holding N. V. (formerly known as Ecubro N.V.)	100%	100%
38	FMA-LINE Nigeria Ltd.	100%	100%
39	Jordan Gulf for Freight Services Agencies Co. LLC	100%	100%
40	Ports International, Inc.	100%	100%
41	Star Express Company Ltd	100%	100%
42	Ecu - Worldwide - (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.)	100%	100%
43	Ecu - Worldwide (Singapore) Pte. Ltd (formerly known as Ecu-Line Singapore Pte. Ltd.)	100%	100%
44	Ecu World Wide Egypt Ltd (formerly known as Ecu Line Egypt Ltd.)	100%	100%
45	Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)	100%	100%
46	Ecu Worldwide (Belgium) N.V.(formerly known as Ecu-Line N.V).	100%	100%
47	Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)	100%	100%
48	Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S)	100%	100%
49	Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl)	100%	100%
50	Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o).	100%	100%
51	Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV)	100%	100%
52	Ecu Worldwide (Germany) GmbH (formerly known as Ecu-Line Germany GmbH)	100%	100%
53	Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)	100%	100%
54	Ecu Worldwide (Guatemala) S.A. (formerly Flamingo Line de Guatemala S.A.)	100%	100%
55	Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.)	100%	100%
56	Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia Sdn. Bhd.)	100%	100%

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
57	Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.)	100%	100%
58	Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV)	100%	100%
59	Ecu Worldwide (Panama) SA (formerly Ecu-Line de Panama SA)	100%	100%
60	Ecu Worldwide (Philippines) Inc. (formerly known as Ecu-Line Philippines Inc.)	100%	100%
61	Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.)	100%	100%
62	Ecu Worldwide (South Africa) Pty Ltd (formerly known as Ecu-Line South Africa (Pty.) Ltd.)	100%	100%
63	Ecu Worldwide (UK) Ltd (formerly known as Ecu-Line UK Ltd)	100%	100%
64	Ecu Worldwide (Uruguay) SA (formerly known as DEOLIX S.A.)	100%	100%
65	Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.)	100%	100%
66	Ecu Worldwide Canada Inc (formerly known as Ecu-Line Canada Inc)	100%	100%
67	Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.)	100%	100%
68	ECU Worldwide Lanka (Private) Ltd. (formerly known as Ecu Line Lanka (Pvt) Ltd.)	100%	100%
69	Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)	100%	100%
70	Ecu Worldwide Mexico (formerly known as Ecu Logistics de Mexico SA de CV)	100%	100%
71	Ecu Worldwide Morocco S.A. (formerly known as Ecu-Line Maroc S.A.)	100%	100%
72	Ecu Worldwide New Zealand Ltd (formerly known as Ecu-Line NZ Ltd.)	100%	100%
73	Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	100%	100%
74	PT Ecu Worldwide Indonesia (formerly known as PT EKA Consol Utama Line)	100%	100%
75	FCL Marine Agencies Belgium bvba	100%	100%
76	FMA Line Agencies Do Brasil Ltda	100%	100%
77	Oconca Container Line S.A. Ltd.	100%	100%
78	Allcargo HongKong Limited (Formerly known as Oconca Shipping (HK) Ltd.)	100%	100%
79	Allcargo Logistics Africa (PTY) LTD (Formerly known as FMA Line SA (PTY) LTD)	100%	100%
80	Almacen y Maniobras LCL SA de CV	100%	100%
81	ECU WORLDWIDE SERVICIOS SA DE CV	100%	100%
82	ECU TRUCKING, INC	100%	100%
83	ECU Worldwide CEE S.R.L	100%	100%
84	Ecu Worldwide (Kenya) Ltd (formerly known as Ecu-Line Kenya Ltd.)	100%	100%
85	AGL Bangladesh Private Limited	100%	100%
86	Ecu Worldwide (Bahrain) Co. W.L.L.	100%	100%
87	East Total Logistics B.V.	100%	100%
88	Allcargo Logistics FZE	100%	100%
89	Asiapac Logistics Mexico SA de CV	100%	100%
90	ASIA PAC LOGISTICS DE GUATEMALA S.A. (w.e.f. Mar 2022)	100%	100%
91	Ecu Worldwide Vietnam Joint Stock Company (Formerly known as Ecu Worldwide Vietnam Co. Ltd and Ecu-Line Vietnam Co. Ltd)	100%	100%

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
92	Asiapac Equity Investments Ltd (w.e.f. Dec 2022)	100%	NA
93	Asiapac Turkey Tasimacilik A.S. (w.e.f. Dec 2022)	100%	NA
94	Allcargo Tanzania (w.e.f. Jan 2023)	100%	NA
95	Asiapac Logistics El Salvador (w.e.f. Feb 2023)	100%	NA
<b>B) Partly owned subsidiaries</b>			
96	Allcargo Logistics LLC (Consolidated entirely as per test of control and voting rights)	49%	49%
97	Ecu-Line Middle East LLC	86.60%	86.60%
98	Eurocentre FZCO	84.62%	84.62%
99	Ecu-Line Abu Dhabi LLC	75.50%	75.50%
100	CCS Shipping Ltd.	75%	75%
101	Ecu-Line Saudi Arabia LLC	70%	70%
102	Ecu-Line Zimbabwe (Pvt) Ltd.	70%	70%
103	European Customs Broker N.V.	70%	70%
104	Ecu Worldwide (Japan) Ltd. (formerly known as Ecu-Line Japan Ltd.)	65%	65%
105	Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)	57%	57%
106	Ecu Worldwide (Cyprus) Ltd. (formerly known as Ecu-Line Mediterranean Ltd.)	55%	55%
107	Ocean House Ltd.	NA	51%
108	Ecu Worldwide Baltics	50%	50%
109	PAK DA (HK) LOGISTIC Ltd	75%	75%
110	ECU Worldwide Tianjin Ltd.	75%	75%
111	SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD	41.25%	41.25%
112	Allcargo Logistics China Ltd. (wef 1 <sup>st</sup> October 2019)	41.25%	41.25%
113	Ecu Worldwide (BD) Limited	76%	76%
114	Gati Hong Kong Limited	75%	75%
115	Gati Asia Pacific Pte Ltd.	75%	75%
116	Gati Cargo Express (Shanghai) Co. Ltd.	75%	75%
117	Ecunordicon AB (w.e.f. June 2021)	65%	65%
118	PFC Nordic AB (Disposed during the year)	-	80%
119	Fair Trade GmbH Schiffahrt, Handel und Logistik (w.e.f. Dec 2022)	75%	-
120	Asia Express GmbH (w.e.f. Dec 2022)	75%	-
121	Nordicon AB (w.e.f. July 29, 2021)	65%	65%
122	NORDICON A/S (w.e.f. July 29, 2021)	65%	65%
123	Nordicon Terminals AB (w.e.f. July 29, 2021)	65%	65%
124	RailGate Nordic AB (w.e.f. July 29, 2021)	65%	65%
125	China Consolidation Services Shipping Ltd	75%	75%
126	Ecu Worldwide China Ltd (formerly known as China Consolidation Services Limited)	75%	75%
127	ALX Shipping Agency LC (w.e.f. March 25, 2021)	49%	49%



# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

(b) The list of Associate Companies, significantly influenced (directly or indirect) by the Group, considered in the CFS is as under:

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
1	FCL Marine Agencies GMBH (Bermen)	50%	50%
2	Allcargo Logistics Lanka (Private) Limited	40%	40%
3	RailGate Europe B.V (including Reailgate Europe Poland w.e.f. July 29, 2021)	21.67%	33.33%
4	Trade Xcelerators LLC (w.e.f. February 09, 2022)	20%	20%
5	Haryana Orbital Rail Corporation Limited (w.e.f. February 11, 2022)	7.60%	10.02%

(c) The list of Joint ventures (directly or indirect) considered in CFS is as under:

Sr. No.	Name	% equity interest	
		31 March 2023	31 March 2022
1	Fasder S.A	50%	50%
2	Ecu Worldwide Peru S.A.C. (formerly known as Ecu Logistics Peru SAC)	50%	50%
3	Ecu Worldwide Korea Co., Ltd.	49%	49%
4	Allcargo Logistics Korea Co., Ltd.	49%	49%
5	Avvashya CCI Logistics Private Limited (formerly known as CCI Integrated Logistics Private Limited )	61.13%	61.13%
6	Allcargo Logistics Park Private Limited	*	51%
7	Transnepal Freight Services Private Limited	*	50%
8	Altcargo Oil & Gas Private Limited	74%	74%
9	Aladin Group Holdings Limited (w.e.f. April 6, 2021)	20.70%	20.70%
10	Aladin Express DMCC (w.e.f. April 6, 2021)	20.70%	20.70%
11	Allcargo Supply Chain Private Limited	61.13%	-

\*Transferred Pursuant to Demerger scheme

## 28 Material Business combinations and acquisition of non-controlling interests

Acquisition during the year ended 31 March 2023

### A. Acquisition of of Fair Trade GmbH

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

Particulars	Fair value recognised on acquisition
<b>Assets Acquired</b>	<b>₹ in Lakhs</b>
Tangible/Intangible assets	7,554
Trade Receivables	4,105
Cash and cash equivalents	571
Other assets	830
<b>Fair Value of assets acquired (A)</b>	<b>13,060</b>
<b>Liabilities Taken up</b>	
Trade payables	4,179
Other liabilities	1,173
Deferred Tax Liability	2,553
<b>Fair value of liabilities acquired (B)</b>	<b>7,905</b>
<b>Total identified Net Assets acquired</b>	<b>5,155</b>
Purchase consideration transferred	10,799
Non-controlling interest measured at fair value	(103)
<b>Goodwill arising on acquisition</b>	<b>5,747</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### Acquisition during the year ended 31 March 2022

#### A. Acquisition of Nordicon Entities

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

Particulars	Fair value recognised on acquisition
<b>Assets Acquired</b>	<b>₹ in Lakhs</b>
Tangible assets	151
Intangible assets	1,223
Trade Receivables	5,486
Cash and cash equivalents	2,823
Other assets	1,419
<b>Fair Value of assets acquired (A)</b>	<b>22,110</b>
<b>Liabilities Taken up</b>	
Trade payables	4,974
Other liabilities	2,386
Deferred Tax Liability	2,440
<b>Fair value of liabilities acquired (B)</b>	<b>9,800</b>
<b>Total identified Net Assets acquired</b>	<b>12,310</b>
Purchase consideration transferred	20,390
Non-controlling interest measured at fair value	(1,141)
<b>Goodwill arising on acquisition</b>	<b>9,221</b>

#### B. Acquisition of additional interest in - Ecu Worldwide Vietnam Co., Ltd.(formerly known as Ecu-Line Vietnam Co.Ltd)

In April 2021, the Group acquired an additional 10% interest in the voting shares of - Ecu Worldwide Vietnam Co., Ltd., increasing its ownership interest to 100% from 90%.

Particulars	Amount (in Lakhs)
Consideration paid to non-controlling shareholders	312
Carrying value of the additional interest in Ecu Worldwide Vietnam Co., Ltd.(formerly known as Ecu-Line Vietnam Co.Ltd)	(33)
<b>Difference recognised in reserve within equity</b>	<b>279</b>

#### C. Acquisition of additional interest in Gati Limited

In June 2021, the Group acquired an additional 0.44% interest in Gati Limited, increasing its ownership interest to 47.30% from 46.86%.

Particulars	Amount (in Lakhs)
Consideration paid	1,000
Value of non-controlling shareholders	100
<b>Difference recognised in reserve within equity</b>	<b>900</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### D. Acquisition of Speedy Multimodes Limited

The Company through its Wholly owned subsidiary, Allcargo Terminals Limited has acquired 85% of equity stake in Speedy Multimodes Limited at a total consideration of ₹ 102 Crores. The fair values of the identifiable assets and liabilities as at the date of acquisition were:

Particulars	Fair value recognised on acquisition
	₹ in Lakhs
<b>Assets Acquired</b>	
Tangible assets	2,547
Intangible Assets	4,429
Cash and cash equivalents	1,052
Net Working Capital	2,144
Others	400
<b>Fair Value of assets acquired (A)</b>	<b>10,572</b>
<b>Liabilities Taken up</b>	
Debt	167
Lease Liability	954
Deferred Tax Liability	47
<b>Fair Value of liabilities acquired</b>	<b>1,168</b>
Deferred tax on Acquisition	1,281
<b>Total identified Net Assets acquired</b>	<b>8,123</b>
Consideration Transferred	10,200
Non Controlling interest	1,180
Less: Net identifiable assets	(8,123)
<b>Goodwill on Acquisition</b>	<b>3,257</b>

## 29 Net employee defined benefit liabilities

### (a) Defined Contributions Plans

For the Holding Company and Indian subsidiaries an amount of ₹ 2,044 lakhs (31 March 2022: ₹ 1,832 lakhs) contributed to provident funds, ESIC and other funds (refer note 21) is recognised by as an expense and included in "Contribution to Provident & Other Funds" under "Employee benefits expense" in the Consolidated Statement of Profit and Loss. In relation to foreign subsidiaries, the Group has contributed ₹ 15,313 lakhs (31 March 2022: ₹ 12,030 lakhs) towards foreign defined contribution plans and pension fund in accordance with local laws.

### (b) Defined Benefit Plans

As per the Payment of Gratuity Act, 1972, the Holding Company and its Indian Subsidiaries have a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

The following table's summaries the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the group.

(₹ in Lakhs)		
Particulars	31 March 2023	31 March 2022
<b>I Consolidated Statement of profit and loss - Net employee benefit expense recognised in employee cost</b>		
Current service cost	293	347
Interest cost on defined benefit obligations	148	103
Interest income on plan assets	(77)	(58)
<b>Net benefit expenses recognised in the statement of profit and loss</b>	<b>364</b>	<b>392</b>
<b>II Balance sheet - Details of provision and fair value of plan assets</b>		
Benefit obligation	3,604	3,818
Fair value of plan assets	(1,028)	(2,011)
<b>Net liability recognised in the balance sheet</b>	<b>2,576</b>	<b>1,807</b>
* The liability for the defined benefit obligation includes liabilities of ₹ 3,090 lakhs (31 March 2022: ₹ 2,518 lakhs ) relating to unfunded gratuity obligations in relation to some of the entities in the Group.		
<b>III Change in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit obligations	3,818	2,955
Business Combination / Demerger	(1,096)	388
Adjustment to opening value	-	(22)
Interest cost	148	172
Current service cost	293	347
Benefits paid	(432)	(534)
Acquisitions / Divestiture	5	(1)
<b>OCI</b>		
Actuarial changes arising from changes in demographic assumptions	(15)	-
Actuarial changes arising from changes in financial assumptions	(120)	(35)
Actuarial changes arising from changes in experience assumptions	1,003	548
<b>Liability at the end of the year</b>	<b>3,604</b>	<b>3,818</b>
<b>IV Change in the Fair Value of Plan Assets</b>		
Opening fair value of plan assets	2,011	2,059
Business Combination / Demerger	(864)	154
Interest income on plan assets	77	127
Contributions by employer	177	46
Benefits Paid	(346)	(374)
Actuarial gain / (loss) on plan assets	(27)	(1)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,028</b>	<b>2,011</b>

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>V Total Cost recognised in Comprehensive Income</b>		
Cost recognised in P&L	364	393
Remeasurement effects recognised in OCI	893	517
	<b>1,257</b>	<b>910</b>
<b>VI Investment details of Plan Assets:</b>		
Investment with LIC	36	198
Corporate Bonds	20	31
Insurer Managed Funds	971	1,782
<b>Total Plan Assets</b>	<b>1,028</b>	<b>2,011</b>

**Maturity profile of defined benefit obligation:**

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Year 1	1,037	776
Year 2	1,648	571
Year 3	96	541
Year 4	133	394
Year 5	96	361
Year 6 to 10	929	1,194

**The principal assumptions used in determining gratuity obligations for the plans of the Company are as follows:**

Actuarial assumptions	31 March 2023	31 March 2022
Discount rate	7.3% - 7.44%	5.66% - 7.31%
Salary escalation	5% for first year and 8% thereafter	5% for first year and 8% thereafter

A quantitative sensitivity analysis for the significant assumptions are as follows:

(₹ in Lakhs)

Defined benefit obligation	31 March 2023	31 March 2022
Delta effect of +1% change in the rate of discounting	(1,131)	(1,690)
Delta effect of -1% change in the rate of discounting	1,321	1,932
Delta effect of +1% change in the rate of salary increase	1,176	1,909
Delta effect of -1% change in the rate of salary increase	(1,285)	(1,700)
Delta effect of +1% change in employee turnover rate	(1,160)	(1,727)
Delta effect of -1% change in employee turnover rate	1,187	1,744

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of reporting period.

In relation to some of the foreign subsidiaries, the Group estimates the gratuity liability in accordance with the local law applicable to the respective subsidiary. The Group has recognised gratuity liability of ₹ 3,090 lakhs (31 March 2022: ₹ 2,518 lakhs) and charge to the Consolidated Statement of Profit and Loss of ₹ 330 lakhs (31 March 2022: ₹ 262 lakhs) and charge to Other Comprehensive Income of ₹ 216 Lakhs in relation to employees of these foreign subsidiaries.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 30 Leases

### (a) Operating lease commitments – Group as lessor

The Group had given warehouse and commercial properties on cancellable / non-cancellable operating lease. The lease agreement provides an option to the Group to renew the lease period at the end of non-cancellable period.

The Table below provides details of Maturity Analysis of Lease Payments to be received on undiscounted basis:-

(₹ in Lakhs)		
Particulars	31 March 2023	31 March 2022
Within one year	-	3,919
After one year but not more than five years	-	11,175
More than five years	-	4,359
	-	<b>19,454</b>

For Group as lessee, refer note 36

## 31 A) Contingent liabilities

(₹ in Lakhs)		
Particulars	31 March 2023	31 March 2022
<b>a. Pending litigations (refer note below)</b>		
- Income Tax	4,001	7,044
- Service Tax**	4,768	4,940
- Entry Tax	41	41
- Customs	9	-
- VAT	-	169
- Others	704	316
- Claims against the Group, not acknowledged as debts	430	662
<b>b. Bank guarantees</b>	<b>2,805</b>	9,426
<b>c. Bond remaining in force executed in favour of president of India, through the Commissioner of Customs as per clause 5(3) &amp; 5(4) of Cargo Handling in Customs Area Regulation, 2009, notification no. 26/2009-Cus (NT), dated 17-03-2009.</b>	-	66,910

\*\* The Group has received various show cause notices in respect of certain Service tax matters amounting to ₹ 6,008 Lakhs. The Group has evaluated the legal position in respect of the same and believes that it has a strong case and hence no adjustment are required in the Financial Statements.

The Group has reviewed all its pending litigations and proceedings and has adequately created provisions wherever required and disclosed as contingent liability, where applicable in the financial statements. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Group's results of operations or financial condition.

## B) Contingent Assets

(₹ in Lakhs)		
Particulars	31 March 2023	31 March 2022
Additional consideration on the disposal of Investment in Brown Tape Technology Pvt Ltd*	-	56

\* In respect of the disposal of investment in Brown Tape Technology Pvt Ltd, additional consideration will be payable to the Group if the future performance of Brown Tape Technology reaches to a specified revenue level. Recognition of additional consideration which is not virtually certain, is dependent on the aggregate specified revenue of Brown Tape Technology for the 18-months period ending July 2022, these conditions were not fulfilled during year ended 31 March 2023.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 32 Commitments

(₹ in Lakhs)

Particulars	31-Mar-23	31-Mar-22
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	5,523	7,792
Additional Investment in Haryana Orbital Rail Corporation Limited	3,800	9,400

## 33 Related party disclosures

### I. Associates (direct and indirect)

#### Direct associates -

Allcargo Logistics Lanka (Private) Limited  
Haryana Orbital Rail Corporation Limited (w.e.f. February 11, 2022)

#### Indirect associates -

FCL Marine Agencies Gmbh (Bermen)  
RailGate Europe B.V (including RailGate Europe Poland (w.e.f June 2021)  
Trade Xcelerators LLC (w.e.f February 09, 2022)

### II. Joint ventures (direct and indirect)

#### Direct joint venture -

Avvashya CCI Logistics Private Limited (formerly known CCI Integrated Logistics Private Limited)  
Allcargo Supply chain ((formerly known as Avvashya CCI Logistics Private Limited)  
Altcargo Oil & Gas Private Limited (Under strike off)  
Aladin Group Holdings Limited (w.e.f April 6, 2021)  
Aladin Express DMCC (w.e.f April 6, 2021)

#### Indirect joint venture -

Fasder S.A.  
Ecu Worldwide Peru S.A.C. (formerly known as Ecu Logistics Peru SAC)  
Ecu Worldwide Korea Co., Ltd. (w.e.f 17<sup>th</sup> December 2020)  
Allcargo Logistics Korea Co., Ltd. (w.e.f 3<sup>rd</sup> March 2022)

### III. Entities over which key managerial personnel or their relative's exercises significant influence:

ACGL Benefit Trust  
Allcargo Movers (Bombay) LLP  
Allnet Financial Services Private Limited (Formerly Allnet Infotech Private Limited)  
Avadh Marketing LLP  
Avash Builders And Infrastructure Private Limited  
Avvashya Foundation Trust  
Contech Estate LLP  
Greatship (India ) Limited  
Maneksha & Sethna  
Panna Estates LLP  
Meridien Tradeplace Private Limited  
Sealand Crane Private Limited  
Shloka Shetty Trust  
Talentos (India) Private Limited  
Transindia Freight LLP  
Transindia Freight Services Private Limited  
Blacksoil Capital Private Limited  
Saraloan Technologies Private Limited  
Container Freight Station Association of India  
Allcargo Terminals Limited  
Transindia Real Estate Ltd  
Speedy Multimodes Limited  
Conserve Buildcon LLP

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

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## IV. Key Managerial Personnel

Mr. Shashi Kiran Shetty\*  
Mrs. Arathi Shetty  
Mr. Adarsh Hegde  
Mr. Mohinder Pal Bansal  
Capt. Sandeep Anand  
Mr. Deepal Shah  
Mr. Devanand Mojidra  
Mr. Martin Muller  
Mr. Parthasarthy Vankipuram Srinivasa (Appointed as Non-executive, Non-Independent Director w.e.f. May 11, 2021)  
Mr. Kaiwan Kalyaniwalla (Appointed as Non-executive, Non-Independent Director w.e.f. August 6, 2021)  
Mr. Mahendra Kumar Chouhan (Appointed as Independent Director w.e.f. February 11, 2022)  
Mrs. Radha Ahluwalia (Appointed as Independent Director w.e.f. February 11, 2022)  
Mr. Ravi Jakhar (Appointed as CSO w.e.f. February 11, 2022)  
Mrs. Cynthia Dsouza (Ceased to be director w.e.f. June 29, 2022)  
Mr. Nilesh Vikamsey (Appointed as Independent Director w.e.f. June 30, 2022)  
Mr. Suresh Kumar Ramiah

## V. Relatives of Key Management Personnel

Mr. Vaishnav Kiran Shetty  
Mr. Umesh Kumar Shetty  
Mrs. Usha Shetty  
Ms. Shloka Shetty  
Mrs. Subhashini Shetty  
Mrs. Shobha Shetty  
Mrs. Asha Shetty  
Mrs. Priya Hegde

\* Person having controlling interest in the entity.



# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## A. Summary of transactions with related parties:

Particulars	Associates		Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence				Key Managerial Personnel (KMP) and their relatives		Total
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	
	(₹ in Lakhs)										
<b>Income</b>											
Multimodal Transport Income	215	478	18,799	17,372	4,826	-	-	-	23,840	17,850	
Project & Engineering solutions income	-	-	-	13	-	64	-	-	-	77	
Container freight station income	-	-	-	639	-	-	-	-	-	639	
Management fees received	42	43	1,608	1,518	-	-	-	-	1,650	1,562	
Business support charges received	-	-	311	160	1,407	-	-	-	1,718	160	
Logistics Park	-	-	-	2,993	-	-	-	-	-	2,993	
Commission Income	-	-	-	144	-	-	-	-	-	144	
Dividend Income	142	-	1,513	2,180	-	-	-	-	1,655	2,180	
Interest Income	-	-	115	-	469	-	-	-	583	-	
Rent Income	-	-	-	433	1	-	-	-	1	433	
Other Income	-	-	-	328	-	-	-	-	-	328	
Sale of Property, Plant and Equipment	-	-	-	-	-	440	-	-	-	440	
<b>Expenses</b>											
Multimodal Transport operation expenses	1,016	1,323	22,207	34,940	3,365	-	-	-	26,588	36,263	
Project & Engineering solutions expenses	-	-	-	640	-	83	-	-	-	723	
Container freight station expenses	-	-	-	29	-	306	-	-	-	335	
Business support charges paid	-	-	4	94	1	-	-	-	5	94	
Corporate cost allocation	-	-	-	-	2,307	-	-	-	2,307	-	
Management Fees	-	-	-	214	-	-	-	-	214	-	
Legal and professional fees	-	-	-	-	39	53	324	61	363	114	
Guarantee security fee	-	-	-	1	-	-	48	-	48	1	
Remuneration to Directors	-	-	-	-	-	-	1,886	514	1,886	514	
Remuneration to KMP	-	-	-	-	-	-	883	600	883	600	
Remuneration to relatives of KMP	-	-	-	-	-	-	-	29	-	29	
Commission to Directors	-	-	-	-	-	-	2,065	2,070	2,065	2,070	
Sitting fees to Directors	-	-	-	-	-	-	80	74	80	74	
Rent paid	-	-	-	-	654	396	74	-	728	396	
Dividend paid	-	-	-	-	-	224	5,334	4,937	5,334	5,161	
Interest on Inter-corporate loan	18	11	-	-	-	-	-	-	18	11	
Expenditure towards CSR / Donations	-	-	-	-	214	200	-	-	214	200	

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

Particulars	(₹ in Lakhs)											
	Associates		Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence				Key Managerial Personnel (KMP) and their relatives		Total	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
<b>Others</b>												
Transactions pursuant to demerger	-	-	-	-	14,479	-	-	-	-	-	14,479	-
Deposits given	-	-	-	-	6	-	-	-	-	-	6	-
Deposits Repaid	-	-	-	-	-	120	-	-	-	-	-	120
Acquisition of Shares	7,600	-	-	-	-	10,200	-	-	-	-	7,600	10,200
<b>Closing Balances with related parties</b>												
Loan payable	-	-	-	-	-	-	-	-	-	1	-	1
Loan Receivables	-	-	1,638	-	932	-	-	-	-	-	2,570	-
Interest receivable on loan	-	-	161	-	-	-	-	-	-	-	161	-
Deposits given	-	-	-	10	540	345	-	-	-	-	540	355
Deposits taken	-	-	-	565	-	-	-	-	-	-	-	565
Other Receivables	-	-	506	-	102	-	-	-	-	-	608	-
Other Payables	3,576	2,186	437	-	275	-	-	-	-	-	4,288	2,186
Trade receivables	65	230	5,670	4,113	1,001	87	-	-	-	-	6,736	4,430
Trade payables	323	160	7,073	9,358	758	146	3	28	-	-	8,157	9,693
Capital Expenditure	-	-	-	-	35	-	-	-	-	-	35	-
Payable pursuant to demerger scheme	-	-	-	-	18,049	-	-	-	-	-	18,049	-
Sitting Fees Payable	-	-	-	-	-	-	-	8	2	-	8	2
Directors commission payable	-	-	-	-	-	-	2,040	2,070	-	-	2,040	2,070
Post employment benefits	-	-	-	-	-	-	837	80	-	-	837	80
Receivable against sale of Property, Plant and Equipment	-	-	-	-	-	63	-	-	-	-	-	63
Provision recognised for receivables	-	149	-	-	-	-	-	-	-	-	-	149

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### B. Details of material related party transactions which are more than 10% of the total transactions of the same nature during the year ended:

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Multimodal Transport Income</b>		
Ecu Worldwide Korea Co., Ltd.	9,288	7,812
Fasder S.A.	8,765	7,461
Allcargo Terminals Limited	4,154	-
<b>Project and Engineering Income</b>		
Avvashya CCI Logistics Private Limited	-	13
Meridien Tradeplace Private Limited	-	64
<b>Container freight station income</b>		
Avvashya CCI Logistics Private Limited	-	639
<b>Management fees received</b>		
Fasder S.A.	151	156
Ecu Worldwide Korea Co., Ltd.	1,457	1,362
FCL Marine Agencies Gmbh (Bermen)	42	43
<b>Business support charges received</b>		
Avvashya CCI Logistics Private Limited	-	152
Transindia Realty and Logistics Park Private Limited	901	-
Allcargo Terminals Limited	505	-
<b>Logistics Park</b>		
Avvashya CCI Logistics Private Limited	-	2,993
<b>Dividend income</b>		
Avvashya CCI Logistics Private Limited	-	160
Fasder S.A.	1,353	1,485
Railgate Europe B.V	142	-
Allcargo Logistics Park Pvt.Ltd.	-	483
<b>Rent Income</b>		
Avvashya CCI Logistics Private Limited	-	433
Transindia Realty and Logistics Park Private Limited	1	-
<b>Other Income</b>		
Avvashya CCI Logistics Private Limited	-	328
<b>Sale of Property, Plant and Equipment</b>		
Meridien Tradeplace Private Limited	-	440
<b>Commission Income</b>		
Aladin Express DMCC	-	144
<b>Interest received or accrued on loan</b>		
Allcargo Terminals Limited	469	-
<b>Multimodal Transport Expenses</b>		
Avvashya CCI Logistics Private Limited	-	1,240
FCL Marine Agencies Gmbh (Bermen)	852	1,323

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Fasder S.A.	2,108	2,060
Allcargo Korea	1,311	-
Ecu Worldwide Korea Co., Ltd.	16,405	30,246
<b>Project and Engineering Expenses</b>		
Meridien Tradeplace Private Limited	-	83
Avvashya CCI Logistics Private Limited	-	640
<b>Container freight station Expenses</b>		
Meridien Tradeplace Private Limited	-	306
Avvashya CCI Logistics Private Limited	-	11
<b>Business support charges paid</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	-	94
Allcargo Terminals Limited	1	-
Avvashya CCI Logistics Private Limited	4	-
<b>Legal and professional fees</b>		
Maneksha & Sethna	39	53
Mrs. Shobha Shetty	-	7
Shloka Shetty	17	-
Mr. Parthasarthy Vankipuram Srinivasa	300	54
<b>Management Fees</b>		
Conserve Buildcon LLP	214	-
<b>Other expenses</b>		
Allcargo Logistics Park Pvt.Ltd.	-	1
<b>Remuneration to Directors</b>		
Mr. Shashi Kiran Shetty	1,146	273
Mr. Adarsh Hegde	740	241
<b>Remuneration to KMP</b>		
Mr. Ravi Jakhar	238	-
Capt. Sandeep Anand	118	108
Mr. Deepal Shah	166	194
Mr. Suresh Kumar Ramiah	323	251
<b>Remuneration to relative of Key managerial Personnel</b>		
Mr. Vaishnav Kiran Shetty	-	29
<b>Commission to Directors</b>		
Mr. Shashi Kiran Shetty	1,350	1,350
Mr. Adarsh Hegde	650	650
<b>Sitting fees paid to Directors</b>		
Mrs Arathi Shetty	8	6
Mr. Mohinder Pal Bansal	13	18
Mr Mahendra Kumar Chouhan	10	-

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Mrs Radha Ahluwalia	9	-
Mr. Kaiwan Kalyaniwalla	7	5
Mr. Mathew Cyriac	-	1
Mr. Martin Muller	13	16
Mr. Parthasarthy Vankipuram Srinivasa	14	17
Mrs.Cynthia D Souza	2	10
<b>Provision for impairment of Loan</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Private Limited)	769	-
<b>Rent paid</b>		
Avash Builders and Infrastructure Private Limited	107	107
Sealand Crane Private Limited	87	87
Allnet Financial Services Private Limited (Formerly Allnet Infotech Private Limited)	84	84
Transindia Realty and Logistics Park Private Limited	284	-
Talentos (India) Private Limited	71	88
Mr. Shashi Kiran Shetty	74	-
<b>Dividend Paid</b>		
Mr. Shashi Kiran Shetty	4,948	4,567
<b>Interest on Inter-corporate loan</b>		
FCL Marine Agencies Gmbh (Bermen)	-	11
<b>Deposits Repaid</b>		
Talentos (India) Private Limited	-	-
Allcargo Movers (Bombay) LLP	-	18
Transindia Freight LLP	-	18
Talentos (India) Private Limited	-	84
<b>Acquisition of Shares</b>		
Pirkon Properties Private Limited	-	10,200
Expenditure towards CSR/donations		
Avvashya Foundation Trust	214	200
<b>Corporate Cost allocation</b>		
Allcargo Terminals Limited	2,197	-
<b>Miscellaneous Expenses (Cross collateralisation expense)</b>		
Transindia Realty and Logistics Park Private Limited	110	-
<b>Additional Investment in Associate</b>		
Haryana Orbital Rail Corporation Limited	5,600	-
<b>Loans given</b>		
Transindia Logistic Park Pvt Ltd.	9	-
<b>Deposits given</b>		
Transindia Freight Services Private Limited	1	-

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>BALANCES AS AT:</b>		
<b>Loans</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	238	0
Transindia Logistic Park Pvt Ltd.	91	0
Allcargo Terminals Limited	932	0
Allcargo Korea	822	0
<b>Interest receivable on Loans</b>		
Avvashya Supply Chain Private Limited (Formerly South Asia Terminals Pvt.Ltd.)	109	-
Transindia Logistic Park Pvt Ltd.	14	-
Allcargo Terminals Limited	10	-
<b>Payable pursuant to demerger scheme</b>		
Allcargo Terminals Limited	2,740	-
Transindia Realty and Logistics Park Private Limited	15,309	-
<b>Transactions pursuant to demerger</b>		
Allcargo Terminals Limited	14,479	-
<b>Expected Credit Loss on Trade Receivables</b>		
Allcargo Logistics Lanka (Private) Limited	149	149
<b>Deposits given</b>		
Avash Builders and Infrastructure Private Limited	107	107
Talentos (India) Private Limited	39	39
Sealand Crane Private Limited	87	87
Allnet Financial Services Private Limited (Formerly Allnet Infotech Private Limited)	84	84
<b>Deposits taken</b>		
Avvashya CCI Logistics Private Limited	-	564
<b>Other Payables</b>		
FCL Marine Agencies Gmbh (Bermen)	-	2,186
<b>Trade receivables</b>		
Allcargo Terminals Limited	711	-
Ecu Worldwide Korea Co., Ltd.	3,950	1,352
Ecu Worldwide (BD) Limited	-	599
Avvashya CCI Logistics Private Limited	-	824
Fasder S.A.	1,643	1,162
<b>Capital Expenditure</b>		
Conserve Buildcon LLP	35	-
<b>Trade payables</b>		
Fasder S.A.	415	339
Avvashya CCI Logistics Private Limited	-	150
FCL Marine Agencies Gmbh (Bermen)	294	160
Ecu Worldwide Korea Co., Ltd.	6,157	8,257

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
<b>Other Payables</b>		
FCL Marine Agencies Gmbh (Bermen)	3,576	-
Ecu Worldwide Korea Co., Ltd.	426	
Transindia Realty and Logistics Park Private Limited	255	
Shloka Shetty	2	-
<b>Directors commission payable</b>		
Mr. Shashi Kiran Shetty	1,350	1,350
Mr. Adarsh Hegde	650	650
<b>Directors Sitting fees payable</b>		
Mr. Martin Muller	1	-
Mrs. Radha Ahluwalia	1	-
Mrs. Arathi Shetty	2	-
Mr. Mohinder Pal Bansal	2	-
Mr Mahendra Kumar Chouhan	1	-
Mr. Nilesh Vikamsey	2	-
Mr. Parthasarthy Srinivasa	1	-
<b>Post employment benefits</b>		
Mr. Shashi Kiran Shetty	405	19
Mr. Adarsh Hegde	303	19
Capt. Sandeep Anand	-	19
Mr. Deepal Shah	-	15

## C. Terms and conditions of trade transactions with related parties

The services provided to and services received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

## 34 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities.

### Quantitative disclosures fair value measurement hierarchy as at 31 March 2023:

Particulars	Total	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>FVTPL financial investments</b>				
- Unquoted mutual funds	17,066	17,066	-	-
- Quoted Equity Shares	97	97	-	-
- Unquoted equity Shares	1,711	-	1,711	-
<b>FVTOCI financial assets</b>				
- Unquoted equity Shares	1	1	-	-
<b>Total Financial Assets measured at fair value</b>	<b>18,875</b>	<b>17,164</b>	<b>1,711</b>	<b>-</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### Quantitative disclosures fair value measurement hierarchy as at 31 March 2022:

(₹ in Lakhs)

Particulars	Total	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>FVTPL Financial Investments</b>				
- Unquoted mutual funds	14,596	14,596	-	-
- Quoted Equity Shares	108	108	-	-
- Unquoted equity Shares	7	-	7	-
<b>FVTOCI financial assets</b>				
- Unquoted equity Shares	1	-	1	-
Provision for mark-to-market gain on derivatives instruments [refer note 35(b)]	33	-	33	-
<b>Total Financial Assets measured at fair value</b>	<b>14,745</b>	<b>14,704</b>	<b>42</b>	<b>-</b>
<b>FVTPL Financial Liabilities</b>				
- Investors Put Option Payable	391	-	-	391
<b>Total financial liability measured at fair value</b>	<b>391</b>	<b>-</b>	<b>-</b>	<b>391</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, bank overdrafts and other current liabilities approximate their 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.

### 35(A) Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds investments in debt and equity instruments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2023 and 31 March 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2023.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The following assumptions have been made in calculating the sensitivity analyses:



# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

- a) The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022 including the effect of hedge accounting.
- b) The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges and hedges of a net investment in a foreign subsidiary at 31 March 2023 for the effects of the assumed changes of the underlying risk.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's policy is to keep maximum of its borrowings at fixed rates of interest. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2023, after taking into account the effect of interest rate swaps, Group's borrowings are at a fixed rate of interest except one subsidiary which has availed at borrowings at variable rate.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Effect on Profit before tax	Effect on total equity
Variable rate instruments - decrease by 100 basis points	123	123
Variable rate instruments - increase by 100 basis points	(123)	(123)

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's foreign currency borrowings.

The Group hedges its exposure of net borrowings in foreign currencies by using foreign currency swaps and forwards. The Group has applied the hedge accounting as per principles set out in Ind AS - 109 'Financial Instruments' in respect of combined hedging instrument, designated in a net investment hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to the net investment in foreign operations. [Refer Note 35(B)].

### Foreign currency sensitivity

The table below demonstrates sensitivity impact on the group's profit after tax and total equity due to every 5% depreciation / appreciation in foreign exchange rates of currencies where it has significant exposure:

In respect of combined hedging instrument for the year ended March 31, 2023, that were designated and effective as net investment hedge, Gain / (loss) aggregating to ₹ 1,270 Lakhs (March 31, 2022 : ₹ 684 lakhs (net of deferred tax of ₹ 181 Lakhs (March 31, 2022 - 318 lakhs) has been recognized in other comprehensive income as Foreign Currency Translation Reserve (FCTR) so as to offset the change in value of the net investment being hedged. During year ended March 31, 2023 the derivative contracts were cancelled and the gain has been recorded in OCI.

Currency	31-Mar-23	31-Mar-22
Euro to INR	-	986
<b>Total</b>	<b>-</b>	<b>986</b>

The above sensitivity impact gain (loss) is due to appreciation or depreciation in the exchange rate of respective currencies, with all other variables held constant. Sensitivity impact is computed based on change in value of monetary assets and liabilities denominated in above respective currency, where the functional currency of the entity is a currency other than above respective currency and entity's with functional currency as above respective currency where transactions are in foreign currencies. This does not include the incremental impact of revaluation of intercompany receivables and payables. The Group's exposure to foreign currency changes for all other currencies is not material.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group only deals with parties which has good credit rating/ worthiness based on groups internal assessment.

## Trade receivables and Contract Assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Group has diversified customer base considering the nature and type of business.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7.3. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

## Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and commercial papers. 55% of the Group's borrowing including current maturity of non-current loans will mature in less than one year at 31 March 2023 (31 March 2022: 47%) based on the carrying value of borrowings including current maturity of non-current loans reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Particulars	On demand	Less than 1 year	More than 1 year
Borrowings	23,541	14,977	31,998
Other financial liabilities	-	53,037	9
Trade and other payables	-	1,46,313	-
<b>Total</b>	<b>23,541</b>	<b>2,14,237</b>	<b>32,007</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022

Particulars	On demand	Less than 1 year	More than 1 year
Borrowings	60,621	26,144	98,023
Other financial liabilities	-	35,854	2,375
Trade and other payables	-	2,07,346	-
<b>Total</b>	<b>60,621</b>	<b>2,69,344</b>	<b>1,00,398</b>

## Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## Capital management

The Group's objective for Capital Management is to maximise shareholder's value, support the strategic objectives of the Group. The Group determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows generated.

## 35(B) Hedge Accounting

The Company has applied the hedge accounting as per principles set out in Ind AS – 109 'Financial Instruments' in respect of combined hedging instrument, designated in a net investment hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to the net investment in foreign operations. Accordingly, in respect of combined hedging instrument for the year ended March 31, 2022, that were designated and effective as net investment hedge, Gain aggregating to ₹ 1,270 Lakhs (March 31, 2022 Gain of ₹ 1,002 lakhs (net of deferred tax of ₹ 181 Lakhs ; March 31, 2022 : ₹ 318 lakhs) has been recognized in other comprehensive income as Foreign Currency Translation Reserve (FCTR) so as to offset the change in value of the net investment being hedged. During year ended March 31, 2023 the derivative contracts were cancelled and the gain has been recorded in OCI. These gains would be recycled to Profit & Loss only upon disposal / part disposal of the WOS.

Hedged instrument	Hedged item
Foreign Currency Term Loan of USD 260 lakhs (Amount in ₹ 19,111 lakhs) and Euro-USD Cross currency Interest rate swap. During the year ended 31 <sup>st</sup> March, 2023, the Interest rate swap has been settled and the gain of ₹ 1,756 Lakhs has been accounted under Other Comprehensive Income.	Net investments in the wholly owned subsidiary (WOS) Company namely Allcargo Belgium N.V.

The USD Borrowings as at 31 March 2021 has been designated as a hedge of the net investments in its WOS in Allcargo Belgium N.V. This borrowing is being used to hedge the Group's exposure to the USD foreign exchange risk on these investments. Gains or losses on the translation of this borrowing are transferred to OCI to offset any gains or losses on translation of the net investments in the WOS. There is no ineffectiveness during the years ended 31 March 2022. During year ended March 31, 2023 the derivative contracts were cancelled and the gain has been recorded in OCI. These gains would be recycled to Profit & Loss only upon disposal / part disposal of the WOS. The gains or losses on translation of these borrowings post cancellation of derivative contracts during year ended 31<sup>st</sup> March 2023, have been recorded in the Profit and loss account.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the USD borrowing. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the fixed rate borrowing.

The impact of the hedging instrument on the balance sheet is, as follows:-

### As at March 31, 2023

Particulars	Nominal Value	Carrying Amounts		Changes in Fair Value	Hedge Maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign currency Borrowings (refer note above)	12,826	-	12,721	1,318	October 2025	Non-current Liabilities – Financial Liabilities – Borrowings

### As at 31<sup>st</sup> March 2022

Particulars	Nominal Value	Carrying Amounts		Changes in Fair Value	Hedge Maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign currency Borrowings	15,315	-	15,663	1,002	October 2025	Non-current Liabilities – Financial Liabilities – Borrowings

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

The impact of hedged item in the balance sheet is, as follows-

## As at 31<sup>st</sup> March 2023

Particulars	Change in value used for calculating hedge ineffectiveness	Exchange differences on translating the financial statements of a foreign operation
Investments in Allcargo belgium N.V.	1,756	6,565

## As at 31<sup>st</sup> March 2022

Particulars	Change in value used for calculating hedge ineffectiveness	Exchange differences on translating the financial statements of a foreign operation
Investments in Allcargo belgium N.V.	1,002	1,126

## 36 Leases:

### Company as Lessee

Changes in carrying value of Right - Of - Use Assets for the year ended March 31, 2022 is given separately in Note No 3.2

(a) The following is the movement in lease liabilities:

Particulars	(₹ in Lakhs)	
	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	9,472	10,061
Non-Current lease liabilities	37,962	36,882
<b>Closing Balances</b>	<b>47,434</b>	<b>46,943</b>

(b) The following is the movement in lease liabilities:

Particulars	(₹ in Lakhs)	
	As at 31 March 2023	As at 31 March 2022
<b>Opening Balance</b>	<b>46,943</b>	31,169
On Acquisition of Subsidiary	-	954
Transferred pursuant to demerger	(5,988)	-
Additions	17,358	24,817
Deletions	(913)	(1,255)
Finance cost accrued during the year	2,764	2,286
Modifications in lease terms during the year	(169)	-
Lease payments made during the year	(13,629)	(10,804)
Exchange Difference	1,069	(224)
<b>Closing Balances</b>	<b>47,434</b>	<b>46,943</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

- (c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ in Lakhs)	
	As at 31 March 2023	As at 31 March 2022
Within 1 year	12,061	11,671
Between 1 to 5 years	33,687	25,999
More than 5 years	13,744	28,266
<b>Closing Balances</b>	<b>59,492</b>	<b>65,936</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- (d) Lease payments for less than 1 year lease contracts as well as for low value items for the year ended 31 March 2023 is ₹ 7,034 lakhs (31 March 2022 is ₹ 7,273 lakhs) (Refer Note 24).
- (e) Rental income given on operating leases to joint venture companies was NIL (31 March 2022 ₹ 3,419 lakhs) for the year ended 31 March 2023.
- (f) The Group had total cash flows for leases of ₹ 13,629 lakhs (31 March 2022 10,804 lakhs) for the year ended 31 March 2023. The Group does not have non-cash additions to right-of-use assets and lease liabilities for the year ended 31 March 2023. There are no future cash outflows relating to leases that have not yet commenced.

**(g) Total Expense on Leases**

Particulars	(₹ in Lakhs)	
	As at 31 March 2023	As at 31 March 2022*
Lease expense on short term leases (rent)	7,034	7,273
Interest expense on lease liabilities	2,764	2,286
Depreciation on ROU Assets	12,387	9,706
<b>Total</b>	<b>22,185</b>	<b>19,266</b>

\* Including Continuing and discontinued operations

### 37 Assets Held for Sale:

- a) During the year ended March 31, 2023, Gati Limited, a subsidiary of the Group has adopted an Asset Light Strategy, basis which the decision was taken to sell the all the non-core immovable properties and use the proceeds from such sale to pay the debt. Net carrying value of assets classified held for sale as at March 31, 2023 amounts to ₹7,388 Lakhs (March 31, 2022 - ₹13,264 lakhs). Exceptional item refers to loss on fair value of such assets as at March 31, 2023 in line with Ind AS 105. The Company has taken necessary steps and negotiation is ongoing with the prospective buyers for the sale of assets classified as AHS which is expected to be concluded in next one year.

Particulars	31 March 2023	31 March 2022
A) Property, Plant and Equipment		
Land & Building	7,388	12,819
Plant & Machinery	-	59
Furniture & Fixtures	-	327
Office Equipment	-	47
Commercial vehicles	-	13
B) Investment in Avvashya CCI Logistics Private Limited ("ACCI") (Refer Note 6)	2,400	-
C) Assets held for sale pertaining to Projects Logistics business (Refer Note (b) below)	-	11,385
<b>Total</b>	<b>9,788</b>	<b>24,650</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

- b) The Board of directors of the Company at its meeting held on February 11, 2022 considered and approved the firm binding offer dated February 10, 2022 received from J M Baxi Heavy Private Limited (hereinafter referred as “Buyer”) for sale of Projects Logistics business through Business Transfer Agreement under slump sale basis for lumpsum consideration of ₹9,864 Lakhs and recorded gain as an exceptional item. The related Conditions Precedents as mentioned in Business Transfer Agreement has been complied by the Company to the satisfaction of the buyer on May 9, 2022.

The Major classes of assets and liabilities as at 31<sup>st</sup> March 2022 are as follows:

Particulars	31 March 2023
<b>ASSETS</b>	
Property, Plant and Equipment	142
Right of use (net)	15
Capital work-in-progress	5
Other intangible assets	32
Intangible fixed assets under development	3
<b>Financial assets (Non current)</b>	
Long term Other financial assets	5
	202
<b>Current assets</b>	
<b>Financial Assets (Current)</b>	
Short term Loans/Advances	21
Trade and other receivables	9,244
Cash and cash equivalents	(206)
Short term Other financial assets	16
Contract assets	1,168
Other current assets	938
	11,182
<b>Assets held for sale</b>	11,385
<b>LIABILITIES</b>	
<b>Financial liabilities</b>	
Lease liability	19
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
Trade payables	820
Other payables	4,735
Other current liabilities	201
<b>Liabilities directly associated with assets held for sale</b>	5,774
<b>Net Assets directly associated with disposal group</b>	5,611
<b>Reserve of disposal group classified as held for sale</b>	
<b>Retained earnings</b>	129

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 38 Corporate Social Responsibility

As per section 135 of the Act, a CSR committee has been formed by the Group. The funds are utilised throughout the year on activities which are specified in Schedule VII of the Act. The utilisation is done either by way of direct contribution towards various activities or by way of contribution to a trust - Avvashya Foundation.

(a) Gross amount required to be spent by the Group during the year: ₹458 lakhs (previous year: ₹365 lakhs)

(b) The areas of CSR activities and contributions made thereto are as follows:

Amount spent during the year on	31 March 2023	31 March 2022
1) Construction / Acquisition of any assets	-	-
2) For purposes other than (1) above:		
- Promoting and preventive health care	205	147
- Promoting education including special education and employment enhancing vocational fees	228	153
- Others	146	151
<b>Total</b>	<b>579</b>	<b>451</b>

(c) Includes a sum of ₹ 214 lakhs (previous year: ₹ 200 lakhs) as contribution to a trust Avvashya Foundation, (where key managerial personnel and relatives are able to exercise significant influence) (refer note 33B).

(d) As per the rules contained and notified under Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 as at March 31, 2023 the Group do not have any unspent Corporate Social Responsibility amount which needs to be transferred to a separate account maintained with scheduled bank within a period of 30 days from the end of financial year.

## 39 Segment Reporting

Segment reporting is based on the management approach with regard to segment identification, under which information regularly provided to the chief operating decision maker (CODM) for decision-making purposes is considered decisive. The executive directors are the chief operating decision maker of the company, who assess the financial position, performance and make strategic decisions.

For management purpose, the Group is organised into business units based on the nature services rendered, the differing risks and returns and the internal business reporting system. During the year, pursuant to demerger there are two reportable segments:

- Multimodal transport operations, which involves non-vessel owning common carrier operations related to less than container load consolidation and full container load forwarding activities in India and across the globe.
- Container freight stations, which includes inland container depot, acts as a supplier of service related to import / export cargo stuffing, de-stuffing, custom clearance and other related ancillary services to both importers and exporters. Pursuant to demerger this business has been transferred to Allcargo Terminals Limited.
- Project and engineering solutions, which provides integrated end-to-end project, engineering and logistic services through a diverse fleet of owned / rented special equipments as well as project engineering solutions across various sector. Pursuant to demerger, the equipments business has been transferred to TransIndia Realty and Parks Limited.
- Logistics Park, which provides state of the art strategically located logistics park across India. Pursuant to demerger, this business has been transferred to TransIndia Realty and Parks Limited.
- Express Distribution, which provides express distribution and supply chain solutions.

No other operating segments have been aggregated to form the above reportable operating segments.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable expenditure" and "Other income".

Segment results represent pure business profits excluding other income.

Segment Assets and Segment Liabilities represents amounts directly identifiable to each of the operating segments. Segment Assets does not include deferred tax assets and segment liabilities does not include deferred tax liabilities and borrowings.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## Year ended 31 March 2023

Particulars	International Supply Chain (previously known as Multimodal Transport Operations)	Container freight stations <sup>@</sup>	Equipment Hiring (Previously known as Project and Engineering Solutions) <sup>@</sup>	Logistics Park <sup>@</sup>	Express Distribution	Other & Unallocable	Total
<b>Revenue</b>							
External revenue	16,33,319	-	-	-	1,72,317	-	18,05,636
Inter segment revenue	-	-	-	-	-	(559)	(559)
<b>Total revenue</b>	<b>16,33,319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,72,317</b>	<b>(559)</b>	<b>18,05,077</b>
Segment Results	87,514	-	-	-	(2,414)	46	85,145
Less: Unallocable expenditure							-
Less: Finance cost							(7,538)
Add: Other income							6,466
<b>Profit before share of profit from associates, joint ventures &amp; tax</b>							<b>84,073</b>
Add: Share of profits from associates and joint ventures							1,744
Add: Exceptional Items							3,717
Less: Tax expense							(24,213)
<b>Profit for the year</b>							<b>65,321</b>
<b>Non Cash Items</b>							
Depreciation and amortisation expenses	18,390	-	-	-	9,409	2	27,801
Non cash expenses other than depreciation and amortisation	-	-	-	-	-	-	-
Segment assets	5,22,610	-	-	-	1,32,281	68,138	7,23,029
Segment Liabilities	2,79,232	-	-	-	47,698	9,270	3,36,200
<b>Other disclosures</b>							
Additions to non-current assets*	18,681	-	-	-	10,592	-	29,274

<sup>@</sup>Transfer Pursuant to demerger



# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### Year ended 31 March 2022

Particulars	Multimodal transport operations	Container freight stations	Project and engineering solutions	Logistics Park	Express Distribution	Unallocable	Total
<b>Revenue</b>							
External revenue	17,59,654	54,955	34,658	9,008	148,778	154	20,07,207
Inter segment revenue	4,649	2,831	3,846	-	216	4,290	15,833
<b>Total revenue</b>	<b>17,64,303</b>	<b>57,786</b>	<b>38,504</b>	<b>9,008</b>	<b>148,994</b>	<b>4,444</b>	<b>20,23,040</b>
Segment Results	1,14,889	13,074	(2,139)	3,763	(3,535)	-	1,26,052
Less: Unallocable expenditure							(8,817)
Less: Finance cost							(11,011)
Add: Other income							4,234
<b>Profit before share of profit from associates, joint ventures &amp; tax</b>							1,10,458
Add: Share of profits from associates and joint ventures							8,120
Add: Exceptional Items							6,437
Less: Tax expense							(28,355)
<b>Profit for the year</b>							69,460
<b>Non Cash Items</b>							
Depreciation and amortisation expenses	15,602	2,468	5,967	2,144	1,176	6,979	34,336
Non cash expenses other than depreciation and amortisation	4,306	4	2,002	63	69	2,176	8,620
Segment assets	5,42,963	63,743	25,129	1,11,848	1,15,059	1,00,330	9,59,072
Segment Liabilities	3,22,652	16,267	8,487	5,189	43,978	24,278	4,20,849
<b>Other disclosures</b>							
Additions to non-current assets*	17,720	221	259	12,429	876	759	32,264

Inter - segment revenues are eliminated upon consolidation. All other adjustments and eliminations are part of detailed reconciliations presented further below.

### Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial asset are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on group basis.

Capital Expenditure consists of addition of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.

<b>Reconciliation of segment assets</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Segment operating assets</b>	<b>7,23,029</b>	9,59,072
Deferred tax assets	<b>10,645</b>	17,938
<b>Total assets</b>	<b>7,33,674</b>	<b>9,77,010</b>
<b>Reconciliation of segment liabilities</b>		
<b>Segment operating liabilities</b>	<b>3,36,200</b>	4,20,849
Deferred tax liabilities	<b>15,536</b>	16,832
Borrowings (including current maturities of long-term borrowings)	<b>70,516</b>	1,84,788
<b>Total Liabilities</b>	<b>4,22,252</b>	<b>6,22,469</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Information about geographical areas based on location of assets

<b>Revenue from external customers</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
India	368,093	504,567
America	385,647	375,440
Far East	391,966	527,841
Europe	467,099	432,593
Others	192,831	166,766
<b>Total revenue per Consolidated Statement of Profit or Loss</b>	<b>18,05,636</b>	<b>20,07,207</b>
<b>Non-current assets*</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
India	74,565	2,02,223
America	7,482	7,459
Far East	8,225	8,297
Europe	39,880	35,393
Others	8,699	6,635
<b>Total</b>	<b>1,38,851</b>	<b>2,60,007</b>

\* Non-current assets for this purpose consist of property, plant and equipment, investment properties, intangible assets and Right of use assets.

#### 40 Other Statutory Information

- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iii) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- iv) The Company has not entered any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- v) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- vi) Balances Outstanding with nature of transactions with Struck Off Companies as per Section 248 of the Companies Act, 2013 (only Indian Company)

<b>Name of Struck Off Company</b>	<b>Nature of Transactions</b>	<b>Balance as at March 31, 2023</b>	<b>Balance as at March 31, 2022</b>
Nova Enterprises Private Limited	Receivables	-	22
Synthiko Formulations And Chemicals Limited	Receivables	-	1
A.S. Enterprises Private Limited	Receivables	-	1
Welcome Trademart Private Limited	Receivables	-	1
Indo American Vitamin Foods Private Limited	Receivables	310	1
Alok Leasing Private Limited	Receivables	1	-
Apurva Organics Limited	Receivables	1	-

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Name of Struck Off Company	Nature of Transactions	Balance as at March 31, 2023	Balance as at March 31, 2022
Brgg Electrosoft Private Limited	Receivables	1	-
Crown Closures Private Limited	Receivables	0	-
Danfoss Industries Private Limited	Receivables	67	-
Ford India Private Limited	Receivables	73	-
Gilard Electronics Private Limited	Receivables	0	-
Inox India Private Limited	Receivables	2	-
Jassonia Enterprises India Private Limited	Receivables	2	-
Madura Coats	Receivables	2	-
Thermadyne Private Limited	Receivables	0	-
Welspun India Limited	Receivables	1	-
<b>Total</b>		<b>460</b>	<b>25</b>
DRS Enterprises Private Limited	Payables	-	4
Sangam Enterprises Private Limited	Payables	-	0
Rana Trading And Exports P.Ltd.	Payables	-	0
Ashwavega Couriers & Cargos Private Limited	Payables	-	0
Mangalam Automobiles Private Limited	Payables	-	0
D G Raj Commercial Private Limited	Payables	-	3
<b>Total</b>		<b>-</b>	<b>7</b>

### 41 Additional Information to be disclosed as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries / associates / jointly controlled entities (before elimination of inter group transactions):

Name of the entity	31 March 2023							
	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b>								
Allcargo Logistics Limited	36.62%	1,03,054	32.30%	20,334	11.77%	904	30.06%	21,238
<b>Subsidiaries</b>								
<b>Indian:</b>								
Contech Logistics Solutions Private Limited	0.89%	2,508	0.34%	216	0.0	(3)	0.30%	213
Transindia Logistic Park Private Limited	1.28%	3,593	0.22%	140	0.00%	-	0.20%	140
ECU International (Asia) Private Limited	0.26%	737	0.52%	330	(0.30%)	(23)	0.43%	307
Comptech Solutions Private Limited	0.40%	1,123	0.15%	96	0.00%	-	0.14%	96
ALX Shipping Agencies India Private Limited	0.08%	221	0.29%	186	(0.03%)	(3)	0.26%	83
Gati Limited	24.70%	69,503	(0.86%)	(543)	(0.20%)	(15)	(0.79%)	(558)
Gati-Kintetsu Express Pvt. Ltd.	8.70%	24,479	(0.60%)	(380)	(5.44%)	(418)	(1.61%)	(1,140)
Gati Import Export Trading Ltd.	0.02%	47	(0.01%)	(5)	0.00%	-	(0.01%)	(5)
Zen Cargo Movers Pvt. Ltd.	(0.02%)	(44)	0.00%	(3)	0.00%	-	0.00%	(3)
Gati Logistics Parks Pvt. Ltd.	(0.51%)	(1,445)	0.00%	(1)	0.00%	-	0.00%	(1)
Gati Projects Pvt. Ltd.	0.00%	(3)	0.00%	(1)	0.00%	-	0.00%	(1)
<b>Foreign:</b>								
AGL N.V.	14.04%	39,499	60.92%	38,353	0.00%	-	54.29%	38,353
Allcargo belgium N.V.	24.21%	68,120	57.65%	36,296	0.00%	-	51.38%	36,296
Asia Line Ltd	0.04%	100	(0.08%)	(51)	0.07%	5	(0.06%)	(46)

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Name of the entity	31 March 2023							
	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Allargo Logistics LLC	0.43%	1,196	0.72%	451	(0.35%)	(27)	0.60%	425
CCS Shipping Ltd.	0.25%	699	0.00%	-	0.14%	10	0.01%	10
CELM Logistics SA de CV	(0.04%)	(108)	0.00%	(1)	(0.13%)	(10)	(0.02%)	(11)
China Consolidation Services Shipping Ltd	0.02%	65	(1.96%)	(1,233)	(3.15%)	(242)	(2.09%)	(1,474)
CLD Compania Logistica de Distribucion SA.	0.00%	(12)	(0.03%)	(19)	0.00%	(0)	(0.03%)	(19)
Contech Transport Services (Private) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
ECI Customs Brokerage, Inc	0.24%	687	(0.99%)	(621)	0.23%	17	(0.86%)	(604)
Econocaribe Consolidators, Inc	9.68%	27,240	(3.07%)	(1,931)	9.55%	733	(1.70%)	(1,197)
Econoline Storage Corp	0.59%	1,656	(0.15%)	(94)	0.54%	42	(0.07%)	(52)
Ecu Global Services n.v.	8.96%	25,207	2.52%	1,589	0.00%	-	2.25%	1,589
Ecu International Far East Ltd.	1.37%	3,861	1.85%	1,167	0.22%	17	1.68%	1,185
Ecu International N.V.	0.90%	2,523	(0.04%)	(26)	0.00%	-	(0.04%)	(26)
Ecu Shipping Logistics (K) Ltd.	0.00%	4	0.00%	(1)	(0.01%)	(0)	0.00%	(0)
Ecuhold N.V.	33.89%	95,363	69.37%	43,673	0.41%	32	61.87%	43,705
Ecu-Line Abu Dhabi LLC	0.01%	16	(0.01%)	(9)	0.01%	1	(0.01%)	(8)
Ecu-Line Algerie sarl	0.17%	489	0.76%	479	(0.40%)	(31)	0.63%	448
Ecu-Line Doha W.L.L.	0.23%	656	0.43%	270	(0.13%)	(10)	0.37%	261
Ecu-Line Middle East LLC	0.06%	164	0.74%	468	(0.01%)	(1)	0.66%	468
Ecu-Line Paraguay SA	(0.01%)	(16)	(0.03%)	(18)	0.00%	(0)	(0.03%)	(18)
Ecu-Line Peru SA	0.15%	435	0.00%	-	0.04%	3	0.00%	2
Ecu-Line Saudi Arabia LLC	0.82%	2,312	2.21%	1,389	(0.73%)	(56)	1.89%	1,332
Ecu-Line Spain S.L.	0.14%	388	0.94%	591	0.00%	-	0.84%	591
Eculine Worldwide Logistics Co. Ltd. (Incorporated on 28.01.2016)	0.10%	286	0.14%	87	(0.04%)	(3)	0.12%	85
Ecu-Line Zimbabwe (Pvt) Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
ELWA Ghana Limited	0.00%	13	0.15%	92	0.25%	19	0.16%	111
Eurocentre FZCO	0.19%	536	0.54%	339	0.10%	7	0.49%	347
Eurocentre Milan srl.	0.08%	227	0.11%	67	0.00%	-	0.09%	67
European Customs Broker N.V.	0.05%	139	0.05%	32	0.00%	-	0.04%	31
FCL Marine Agencies B.V.	0.69%	1,929	10.19%	6,413	0.00%	-	9.08%	6,413
Flamingo Line Chile S.A.	0.00%	10	0.00%	(1)	0.00%	0	0.00%	(1)
Flamingo Line del Ecuador SA	(0.01%)	(19)	(0.06%)	(36)	0.01%	1	(0.05%)	(35)
Flamingo Line Del Peru SA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Guldary S.A.	0.14%	384	1.47%	928	(0.24%)	(18)	1.29%	909
HCL Logistics N.V.	0.02%	44	(0.06%)	(37)	0.00%	-	(0.05%)	(37)
Integrity Enterprises Pty Ltd	0.01%	22	0.00%	-	(0.03%)	(2)	0.00%	(1)
Ocean House Ltd.	0.00%	-	(0.21%)	(134)	(0.07%)	(6)	(0.20%)	(140)
OTI Cargo Inc	0.30%	832	(1.01%)	(634)	0.27%	21	(0.87%)	(613)
PRISM Global Ltd.	2.05%	5,778	(1.61%)	(1,014)	1.12%	86	(1.31%)	(928)
PRISM Global, LLC	(7.19%)	(20,224)	(1.75%)	(1,104)	(7.32%)	(562)	(2.36%)	(1,666)
Rotterdam Freight Station BV	0.05%	139	0.39%	246	0.00%	-	0.35%	246

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Name of the entity	31 March 2023							
	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Société Ecu-Line Tunisie Sarl	0.25%	708	0.32%	199	(0.18%)	(14)	0.26%	185
Centro Brasileiro de Armazenagem E Distribuicao Ltda (Bracenter)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ecu Worldwide (Uganda) Limited (incorporated on December 15, 2015)	(0.01%)	(19)	0.00%	(0)	0.01%	1	0.00%	1
FMA-Line Holding N. V. (formerly Ecubro N.V.)	(0.06%)	(165)	(0.01%)	(7)	0.00%	-	(0.01%)	(7)
FMA-LINE Nigeria Ltd.(incorporated on July 27,2015)	0.00%	11	0.00%	(0)	(0.01%)	(1)	0.00%	(1)
Jordan Gulf for Freight Services Agencies Co.LLC	(0.11%)	(301)	0.00%	-	(0.08%)	(6)	(0.01%)	(6)
Ports International, Inc.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Star Express Company Ltd	0.79%	2,221	(0.03%)	(18)	0.59%	45	0.04%	28
Ecu - Worldwide - (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.)	0.10%	280	0.37%	233	(0.14%)	(11)	0.31%	221
Ecu - Worldwide (Singapore) Pte. Ltd (formerly known as Ecu-Line Singapore Pte. Ltd.)	1.18%	3,309	3.55%	2,238	(6.59%)	(506)	2.45%	1,731
Ecu World Wide Egypt Ltd (formerly known as Ecu Line Egypt Ltd.)	0.14%	388	0.95%	598	(2.18%)	(167)	0.61%	431
Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)	0.11%	318	(0.56%)	(354)	(20.13%)	(1,546)	(2.69%)	(1,900)
Ecu Worldwide (Belgium) (formerly known as Ecu-Line N.V).	3.77%	10,615	9.99%	6,292	0.00%	-	8.91%	6,292
Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)	0.38%	1,083	0.58%	364	0.47%	36	0.57%	401
Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S)	0.01%	42	0.42%	264	(0.49%)	(38)	0.32%	227
Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl)	0.00%	13	(0.02%)	(14)	(0.02%)	(1)	(0.02%)	(15)
Ecu Worldwide (Cyprus) Ltd. (formerly known as Ecu-Line Mediterranean Ltd.)	0.01%	18	0.13%	83	0.00%	0	0.12%	83
Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o).	0.06%	158	0.10%	62	0.09%	7	0.10%	70
Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV)	0.04%	108	0.14%	87	(0.08%)	(6)	0.11%	81
Ecu Worldwide (Germany) GmbH (formerly known as Ecu-Line Germany GmbH)	0.89%	2,517	0.76%	478	0.00%	-	0.68%	478
Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)	0.75%	2,115	9.90%	6,235	(9.31%)	(715)	7.81%	5,519
Ecu Worldwide (Guatemala) S.A. (formerly Flamingo Line de Guatemala S.A.)	0.05%	147	(0.01%)	(9)	(0.03%)	(2)	(0.02%)	(12)
Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.)	0.04%	104	12.57%	7,913	(5.77%)	(443)	10.57%	7,470
Ecu Worldwide (Japan) Ltd. (formerly known as Ecu-Line Japan Ltd.)	(0.24%)	(689)	(2.52%)	(1,585)	(0.21%)	(16)	(2.27%)	(1,601)
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu-Line Kenya Ltd.)	0.02%	64	0.35%	222	0.77%	59	0.40%	281

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Name of the entity	31 March 2023							
	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia Sdn. Bhd.)	0.24%	672	1.71%	1,074	(0.09%)	(7)	1.51%	1,068
Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.)	0.02%	57	0.02%	15	0.04%	3	0.03%	18
Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV)	0.20%	551	1.41%	890	0.00%	-	1.26%	890
Ecu Worldwide (Panama) SA (formerly Ecu-Line de Panama SA)	0.08%	222	0.26%	165	(0.08%)	(6)	0.22%	158
Ecu Worldwide (Philippines) Inc. (formerly known as Ecu-Line Philippines Inc.)	0.35%	976	0.13%	85	(0.32%)	(24)	0.09%	60
Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.)	0.31%	885	0.96%	605	0.11%	8	0.87%	613
Ecu Worldwide (South Africa) Pty Ltd (formerly known as Ecu-Line South Africa (Pty.) Ltd.)	0.16%	445	0.37%	234	(0.91%)	(70)	0.23%	164
Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)	0.04%	110	1.72%	1,081	(0.35%)	(27)	1.49%	1,053
Ecu Worldwide (UK) Ltd (formerly known as Ecu-Line UK Ltd)	0.90%	2,529	9.79%	6,162	(0.56%)	(43)	8.66%	6,119
Ecu Worldwide (Uruguay) SA (formerly known as DEOLIX S.A.)	0.03%	87	0.05%	33	(0.17%)	(13)	0.03%	20
Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.)	(0.11%)	(305)	(0.54%)	(342)	(0.03%)	(2)	(0.49%)	(344)
Ecu Worldwide Canada Inc (formerly known as Ecu-Line Canada Inc) (Acquired balance 30% w.e.f. January 1, 2017)	0.50%	1,401	1.54%	972	(1.32%)	(101)	1.23%	870
Ecu Worldwide China (Shanghai) Ltd (formerly known as China Consolidation Services Ltd.)	0.73%	2,065	0.62%	387	(1.21%)	(93)	0.42%	294
Ecu Worldwide Costa Rica S.A.(formerly known as Conecili International S.A)	0.00%	-	0.00%	0	0.00%	-	0.00%	0
Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.)	0.37%	1,042	1.40%	879	0.00%	-	1.24%	879
ECU Worldwide Lanka (Private) Ltd. (foremerly known as Ecu Line Lanka (Pvt) Ltd.)	0.24%	675	0.45%	282	(0.43%)	(33)	0.35%	248
Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)	(0.10%)	(279)	4.14%	2,607	(6.54%)	(502)	2.98%	2,105
Ecu Worldwide Mexico (formerly known as Ecu Logistics de Mexico SA de CV)	0.86%	2,409	2.06%	1,295	3.82%	293	2.25%	1,587
Ecu Worldwide Morocco (formerly known as Ecu-Line Maroc S.A.)	0.37%	1,032	1.00%	630	(0.47%)	(36)	0.84%	594
Ecu Worldwide New Zealand Ltd (formerly known as Ecu-Line NZ Ltd.)	(0.02%)	(61)	0.06%	38	0.07%	6	0.06%	44
Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	(0.32%)	(913)	(1.43%)	(899)	6.03%	463	(0.62%)	(436)
Ecu Worldwide Vietnam Co., Ltd.(formerly known as Ecu-Line Vietnam Co.Ltd)	0.68%	1,913	1.90%	1,197	(1.49%)	(114)	1.53%	1,083

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Name of the entity	31 March 2023							
	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
PT Ecu Worldwide Indonesia (formerly known as PT EKA Consol Utama Line)	1.56%	4,379	1.37%	861	(2.36%)	(181)	0.96%	679
FCL Marine Agencies Belgium bvba (became subsidiary w.e.f. September 7, 2016)	0.11%	298	1.54%	969	0.00%	-	1.37%	969
FMA Line Agencies Do Brasil Ltda. (incorporated on March 11, 2016)	0.00%	-	0.00%	-	0.00%	-	0.00%	(1)
Oconca Container Line S.A. Ltd. (w.e.f. December 30, 2016)	0.00%	10	0.00%	-	0.00%	0	0.00%	0
Allcargo Hong Kong Ltd (Formerly known as Oconca Shipping (HK) Ltd.)	0.07%	207	1.68%	1,061	(0.46%)	(35)	1.45%	1,025
ECU Worldwide Servicios SA de CV	0.00%	13	(0.01%)	(9)	0.01%	1	-0.01%	(9)
Almacen y Maniobras LCL SA de CV	0.13%	370	1.50%	943	(0.02%)	(2)	1.33%	941
Ecu Trucking, Inc.	1.17%	3,296	1.93%	1,217	1.08%	83	1.84%	1,300
Ecu Worldwide (Bahrain) Co. W.L.L.	0.01%	22	0.10%	65	0.01%	0	0.09%	65
Ecu Worldwide Baltics	(0.05%)	(152)	0.07%	43	0.00%	-	0.06%	43
Ecu Worldwide CEE SRL	0.06%	169	0.55%	348	(0.02%)	(1)	0.49%	347
SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD	0.11%	300	0.44%	278	(0.02%)	(1)	0.39%	277
Pak Da (HK)	0.01%	27	3.57%	2,248	0.00%	0	3.18%	2,248
Allcargo WH- FZE	0.50%	1,412	1.36%	858	(0.12%)	(9)	1.20%	848
East Total Logistics B.V	0.32%	902	(0.03%)	(17)	0.00%	-	(0.02%)	(17)
Asiapack Mexico	(0.10%)	(288)	0.49%	307	(0.86%)	(66)	0.34%	241
Ecu Worldwide (BD) Limited	0.17%	468	0.36%	225	(0.98%)	(76)	0.21%	150
ECU Worldwide Tianjin Ltd.	0.34%	958	(1.86%)	(1,174)	(1.54%)	(119)	(1.83%)	(1,293)
Allcargo Logistics China Ltd.	0.22%	618	5.33%	3,359	(2.01%)	(154)	4.54%	3,205
Gati Cargo Express (Shanghai) Co. Ltd.	0.05%	142	0.01%	3	(0.09%)	(7)	(0.01%)	(4)
Gati HongKong Limited	0.00%	(7)	0.00%	2	0.00%	(0)	0.00%	2
Gati Asia Pacific Pte Ltd.	(0.01%)	(28)	(0.02%)	(10)	(0.02%)	(1)	(0.02%)	(11)
Nordicon AB	2.75%	7,736	7.06%	4,444	(3.82%)	(294)	5.88%	4,150
RailGate Nordic AB	0.00%	10	0.00%	(0)	(0.01%)	(1)	0.00%	(1)
Ecu Worldwide (Nordicon) AB	12.80%	36,018	19.51%	12,283	(21.13%)	(1,623)	15.09%	10,660
Nordicon Terminals AB	(0.01%)	(23)	0.12%	73	(0.14%)	(11)	0.09%	63
NORDICON A/S	0.36%	1,025	0.25%	158	(0.01%)	(1)	0.22%	157
PFC Nordic AB	0.00%	-	(0.33%)	(205)	0.02%	2	(0.29%)	(203)
Asiapac Turkey Tasimacilik A.S.	0.80%	2,257	0.37%	236	(1.30%)	(100)	0.19%	136
Asiapac Equity Investments Ltd	(0.08%)	(226)	(0.01%)	(3)	0.05%	4	0.00%	0
Fair Trade GmbH Schifffahrt, Handel und Logistik	(0.08%)	(228)	(0.92%)	(580)	0.00%	-	(0.82%)	(580)
Asia Express GmbH	0.01%	31	(0.02%)	(14)	0.00%	-	(0.02%)	(14)
ASIA PAC EL SALVADOR	(0.02%)	(58)	(0.03%)	(22)	0.01%	1	(0.03%)	(21)
Allcargo Tanzania	0.00%	-	0.00%	-	0.00%	-	0.00%	-
ASIA PAC LOGISTICS DE GUATEMALA S.A.	(0.03%)	(72)	(0.11%)	(70)	0.03%	2	(0.10%)	(67)
ALX Shipping Agency LC	0.00%	(2)	(0.11%)	(66)	0.02%	2	(0.09%)	(65)
<b>Less: Eliminations / consolidation adjustments</b>	<b>(95.36%)</b>	<b>(268,356)</b>	<b>(238.19%)</b>	<b>(149,962)</b>	<b>167.77%</b>	<b>12,885</b>	<b>(194.05%)</b>	<b>(137,077)</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Name of the entity	31 March 2023							
	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Non-controlling interest in all subsidiaries:</b>								
<b>Indian:</b>								
Comptech Solutions Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
GATI Limited	(12.30%)	(34,612)	0.43%	270	0.00%	-	0.38%	270
Gati Kintetsu Express Pvt Ltd.	(4.33%)	(12,191)	0.43%	270	0.00%	-	0.38%	270
Gati Import Export Trading Limited	(0.01%)	(23)	0.00%	2	0.00%	-	0.00%	2
Gati Logistics park Pvt Ltd.	0.26%	720	0.00%	0	0.00%	-	0.00%	0
Gati Projects Pvt Ltd	0.00%	1	0.00%	0	0.00%	-	0.00%	0
Zen Cargo Movers Pvt Ltd	0.01%	22	0.00%	1	0.00%	-	0.00%	1
<b>Foreign:</b>								
Ecu Worldwide Canada Inc (formerly known as Ecu-Line Canada Inc) (Acquired balance 30% w.e.f. January 1, 2017)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ecu Worldwide (Cyprus) Ltd. (formerly known as Ecu-Line Mediterranean Ltd.)	0.00%	(8)	(0.06%)	(37)	0.00%	(0)	(0.05%)	(38)
Ecu-Line Middle East LLC	(0.10%)	(281)	(0.10%)	(65)	(0.04%)	(3)	(0.10%)	(69)
Ecu-Line Abu Dhabi LLC	0.00%	(4)	0.00%	2	0.00%	(0)	0.00%	2
Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)	(0.05%)	(135)	(0.74%)	(465)	0.01%	1	(0.66%)	(464)
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu-Line Kenya Ltd.) (Acquired 18% w.e.f. February, 2018)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ecu Worldwide (Japan) Ltd. (formerly known as Ecu-Line Japan Ltd.)	0.06%	178	0.88%	555	(0.02%)	(1)	0.78%	553
Eurocentre FZCO	(0.03%)	(81)	(0.08%)	(48)	0.01%	1	(0.07%)	(47)
Ecu Worldwide Vietnam Co., Ltd.(formerly known as Ecu-Line Vietnam Co.Ltd)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Centro Brasileiro de Armazenagem E Distribuicao Ltda (Bracenter)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ecu Shipping Logistics (K) Ltd. (Acquired 0.01% w.e.f. February, 2018)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
China Consolidation Services Shipping Ltd	(0.01%)	(16)	0.49%	308	0.02%	2	0.44%	310
CCS Shipping Ltd.	(0.06%)	(175)	0.00%	-	(0.05%)	(3)	(0.01%)	(4)
Ecu Worldwide China (Shanghai) Ltd (formerly known as China Consolidation Services Ltd.)	(0.18%)	(516)	(0.15%)	(97)	0.37%	29	(0.10%)	(68)
Ocean House Ltd.	0.00%	-	0.10%	66	(0.04%)	(3)	0.09%	63
Ecu-Line Saudi Arabia LLC	(0.25%)	(705)	(0.66%)	(417)	0.03%	2	(0.59%)	(414)
European Customs Broker N.V.	(0.01%)	(42)	(0.02%)	(9)	0.00%	-	(0.01%)	(9)
Ecu Worldwide Baltics	0.02%	66	(0.03%)	(22)	0.00%	-	(0.03%)	(22)
SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD	(0.06%)	(176)	(0.26%)	(163)	0.02%	2	(0.23%)	(161)
Pak Da (HK)	0.00%	(7)	(0.89%)	(562)	0.22%	17	(0.77%)	(546)
Ecu Worldwide (BD) Limited	(0.04%)	(118)	(0.09%)	(54)	0.31%	24	(0.04%)	(30)
ECU Worldwide Tianjin Ltd.	(0.09%)	(267)	0.47%	293	0.39%	30	0.46%	323
Allcargo Logistics China Ltd.	(0.13%)	(364)	(3.13%)	(1,973)	3.13%	240	(2.45%)	(1,733)



# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

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	Net assets i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Gati Cargo Express (Shanghai) Co. Ltd.	(0.01%)	(38)	0.00%	(1)	0.03%	2	0.00%	1
Gati HongKong Limited	0.00%	2	0.00%	(1)	0.00%	0	0.00%	(0)
Gati Asia Pacific Pte Ltd.	0.00%	7	0.00%	2	0.00%	0	0.00%	2
Nordicon AB	(1.03%)	(2,893)	(2.40%)	(1,511)	4.70%	361	(1.63%)	(1,149)
RailGate Nordic AB	0.00%	(4)	0.00%	0	0.00%	0	0.00%	0
Ecu Worldwide (Nordicon) AB	0.00%	(0)	0.00%	1	0.00%	-	0.00%	1
Nordicon Terminals AB	(0.02%)	(68)	(0.04%)	(26)	0.07%	6	(0.03%)	(20)
NORDICON A/S	(0.13%)	(364)	(0.08%)	(50)	0.01%	1	(0.07%)	(50)
PFC Nordic AB	0.00%	-	0.16%	98	0.04%	3	0.14%	102
Fair Trade GmbH Schifffahrt, Handel und Logistik	0.02%	57	0.23%	145	0.00%	-	0.21%	145
Asia Express GmbH	0.00%	(8)	0.01%	3	0.00%	-	0.00%	3
<b>Associates</b>								
<b>Foreign:</b>								
FCL Marine Agencies GmbH (Bremen)	1.15%	3,231	0.91%	574	0.00%	-	0.81%	574
RailGate Europe B.V	0.01%	35	0.04%	22	0.00%	-	0.03%	22
Trade Xcelerators LLC	0.10%	293	(0.04%)	(24)	0.00%	-	(0.03%)	(24)
<b>Indian:</b>								
Haryana Orbital Rail Corporation Limited	2.71%	7,617	0.03%	17	0.00%	-	0.02%	17
<b>Joint ventures</b>								
<b>Indian:</b>								
Avvashya CCI Logistics Private Limited*	0.00%	-	0.44%	276	0.00%	-	0.39%	276
Allcargo Supply Chain Private Limited ("ASCPL")	5.88%	16,554	0.00%	-	0.00%	-	0.00%	-
<b>Foreign:</b>								
Fasder S.A.	0.07%	211	0.90%	569	0.00%	-	0.81%	569
Ecu Worldwide Peru S.A.C.	0.14%	408	0.53%	336	0.00%	-	0.48%	336
Allcargo Logistics Korea Co., Ltd.	0.73%	2,047	0.28%	177	0.00%	-	0.25%	177
Ecu Worldwide Korea Co., Ltd.	2.02%	5,674	0.97%	608	0.00%	-	0.86%	608
Aladin Group Holdings Limited	1.13%	3,185	(1.29%)	(813)	0.00%	-	(1.15%)	(813)
<b>Total</b>	<b>100%</b>	<b>2,81,422</b>	<b>100%</b>	<b>62,959</b>	<b>100%</b>	<b>7,681</b>	<b>100%</b>	<b>70,640</b>

\*Classified as asset held for sale

## 42 Employee share-based payment:

During the quarter ended March 31, 2022, the shareholders of the subsidiary named GATI Ltd have approved the 'Gati - Employees stock Appreciation Rights Plan 2021 ('ESAR 2021'/'Plan') on January 27, 2022 and the Company has also obtained the in-principle approval from the BSE Limited and the National Stock Exchange of India Limited for the granting of Employee Stock Appreciation Rights ("ESARs") under the Plan to the employees of the Company, its Holding Company, Subsidiary Company(ies). Further, the Nomination and Remuneration Committee of the Board of Directors of the Company vide its meeting held on March 17, 2022 have granted 31,05,000 ESARs to the Employees of the Company, its Holding Company and Subsidiary Company. The necessary accounting for the above has been made in the books of accounts in the respective periods. Furthermore, the Nomination and Remuneration Committee of the Board of Directors of the Company vide its meeting held on February 08, 2023 have granted 7,75,000 ESARs to the Employees of the Holding Company and Subsidiary Company with effect from April 01, 2023.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

Details of grants given in Gati Limited, one of the subsidiary of the Group, under various series are summarised below

### A) Details of ESAR grants are summarised below -

S.No.	Description	Year ended March 31, 2023
1	Date of shareholders' approval	1/27/2022
2	Total number of options approved under ESARs scheme	4,200,000
3	Vesting requirements	Vesting period of one year but not later than 4 years from the date of grant
4	Exercise price or pricing formula	85
5	Source of shares (primary, secondary or combination)	Primary
6	Variation of terms of options	No Variations
7	Method used to account for ESOS - Intrinsic or fair value	Fair Value Method

S.No.	Description	Year ended March 31, 2023
1	Number of options outstanding at the beginning of the year	0
2	Number of options granted during the year	31,05,000
3	Number of options forfeited/lapsed during the year	2,25,000
4	Number of options vested during the year	-
5	Number of options exercised during the year	-
6	Number of shares arising as a result of exercise of options	NA
7	Amount realized by exercise of options (₹)	-
8	Loan repaid by the Trust during the year from exercise price received	NA
9	Number of options outstanding at the end of the year (out of total number of options approved under scheme)	28,80,000
10	Number of options exercisable at the end of the year (out of total number of options approved under scheme)	28,80,000

11 Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information

The Black Scholes option-pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option-pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.

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

Stock Options granted on	1-Apr-23
Weighted average exercise price (in ₹)	85.00
Weighted average Fair value (in ₹)	88.82
Volatility (%)	54.02%
Dividend yield (%)	0.57%
Life of Options granted (Years)	5.01
Risk free interest rate (%)	6.12%

13 The volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the options and is based on the daily volatility of the Company's stock price on NSE.

14 There are no market conditions attached to the grant and vest.

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### 43 The results of Discontinued Operations pursuant to Demerger Scheme are presented below (refer note 48):

(₹ in Lakhs)

Particulars	31 March 2022
Revenue	101,001
Other income	1,195
<b>Total Income</b>	<b>102,196</b>
Cost of services rendered	61,910
Employee benefits expenses	5,905
Depreciation and amortisation	10,579
Finance costs	2,311
Other expenses	8,410
<b>Total Expenses</b>	<b>89,115</b>
<b>Profit before exceptional items and tax</b>	<b>13,081</b>
Exceptional items	3,825
<b>Profit/(loss) before tax from a discontinued operation</b>	<b>16,906</b>
Tax expense of discontinued operations	(2,852)
<b>Profit/(loss) for the year from a discontinued operation</b>	<b>14,054</b>

#### A Revenue from operations (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
Sale of services (disaggregation of revenue basis type of service)	
Container freight stations	55,641
Project and engineering solutions	36,037
Logistics Park	9,008
	<b>1,00,686</b>
Other operating revenue	315
	<b>1,01,001</b>

#### B Other income (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
<b>Other non-operating income</b>	
Profit on sale of property, plant and equipment (net)	875
Rental income	103
Miscellaneous income	113
	<b>1,091</b>
<b>Finance income</b>	
Interest income on	
- Fixed deposits with banks	42
- Others	62
	<b>104</b>
	<b>1,195</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### C Cost of services rendered (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
<b>Container freight stations expenses</b>	
Handling and Transportation charges	28,360
Power and fuel costs	2,488
Repairs and maintenance	552
<b>A</b>	<b>31,400</b>
<b>Project and engineering solutions expenses</b>	
Project operating and hiring expenses	23,736
Repairs and maintenance - machinery	2,689
Power and fuel costs	2,164
Stores and spares consumed	1,127
Insurance	245
<b>B</b>	<b>29,910</b>
<b>Logistics Park</b>	
Contract Logistics Expenses	600
<b>C</b>	<b>600</b>
<b>(A)+(B)+(C)</b>	<b>61,910</b>

### D Employee benefits expenses (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
Salaries, wages and bonus	5,318
Contributions to provident and other funds	257
Gratuity	9
Compensated absences	99
Staff welfare expenses	222
<b>5,905</b>	<b>5,905</b>

### E Depreciation and amortisation (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
Depreciation of property, plant and equipment	7,731
Amortisation of intangible assets	407
Depreciation on investment properties	2,157
Depreciation on Right of use assets	284
<b>10,579</b>	<b>10,579</b>

### F Finance costs (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
<b>Interest expense</b>	
- term loan	1,802
- lease liabilities [refer note 36 (b)]	497
- others	13
<b>Total interest expenses</b>	<b>2,311</b>

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

### G Other expenses (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
Rent	367
Travelling expenses	655
Legal and professional fees	1,122
Repairs to building and others	504
Business promotion	56
Rates and taxes	572
Printing and stationery	55
Office expenses	284
Communication charges	93
Impairment loss recognised / (reversed) under expected credit loss model (net)	2,009
Electricity charges	802
Payments to auditors (refer note below)	35
Insurance	312
CSR expense (refer note 38)	18
Security expenses	594
Bank charges	19
Bad debts / advances written off	-
Membership and subscription	4
Loss on sale of property, plant and equipments	59
Miscellaneous expenses	850
	<b>8,410</b>

### H Exceptional items (From Discontinued Operations pursuant to Demerger Scheme refer note 48)

Particulars	31 March 2022
Container Freight Station revenue of prior year as entitlement is established pursuant to court order	3,825
	<b>3,825</b>

**44** The following events relates to one of the subsidiary of the Group Gati Limited and its step down subsidiaries

- a) With respect to the appeal filed by the Air India against arbitral award of ₹ 2,200 Lakhs, an immovable property was given as collateral in the financial year 2015-16. Based on the application for release of the collateral, the Hon'ble High Court of Delhi, vide the order dated April 18<sup>th</sup> 2022, released the said immovable property in lieu of Bank Guarantee of equivalent amount (with 100% margin) as security.
- b) The Board of Directors of the GATI at its Meeting held on May 19, 2023 granted an in-principle approval for the sale of its Fuel Station business consisting of 3 Fuel Pumps located at Bengaluru, Belgaum and Indore to Gati Projects Private Limited, wholly-owned subsidiary or such other party(ies) as may be determined by the Board of Directors of GATI from time to time. The aforesaid transaction shall materialise only upon receipt of required approvals from Oil Marketing Companies (OMCs) followed by formal approval of the Board and the shareholders of the Company for the effective implementation of sale / transfer / disposal of the undertaking of the Company at a future date.

**45** On June 11, 2021, the Board of directors of the Company had approved and given its consent to the scheme of demerger under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 whereby the contract logistics business of its joint venture entity namely Avvashya CCI Logistics Private Limited will get transferred to Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited) (ASCPL) a wholly owned subsidiary of the Company, on the going concern basis with mirror shareholding. The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench has sanctioned the Scheme of Demerger. The Certified True Copy of the NCLT order of the Hon'ble National Company Law Tribunal has been filed with the Registrar of the Companies on March 01, 2023 consequently giving effect to the scheme from appointed date i.e. April 01, 2021. Further ASCPL has Issued & allotted the shares as a consideration in accordance with the scheme.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

- 46** Further on May 17, 2023 Share Purchase Agreement (“SPA”) has been executed between the Company, Allcargo Supply Chain Private Limited (“ASCPL”) and JKS Group – shareholders of ASCPL for the purpose of acquisition of 8,90,69,138 (Eight Crores Ninety Lakhs Sixty Nine Thousand One Hundred and Thirty Eight) Equity Shares i.e. 38.87% stake by the Company from from JKS Group, for consideration of approx. ₹16,305 Lakhs. Pursuant to said SPA, the Company has acquired 38.87% stake in ASCPL from JKS Group and ASCPL has become wholly owned subsidiary of the Company
- 47** On May 17, 2023 Share Purchase Agreement (“SPA”) has been entered into between the Company, ACCI and JKS Finance Limited and its affiliates (“JKS Group”) – shareholders of ACCI for the sale of 16,00,994 (Sixteen Lakhs Nine Hundred Ninety Four) Equity Shares i.e. 61.13% stake held by Company in ACCI to JKS Group for consideration of approx. ₹ 3,923 Lakhs. Pursuant to said SPA, the Company has sold its stake to JKS Group in ACCI and ACCI has ceased to be Joint-Venture of the Company. Accordingly the Company’s investment in ACCI of ₹ 2401 Lakhs has been classified as Assets Held for Sale as of 31<sup>st</sup> March, 2023.
- 48** On December 23, 2021, the Board of Directors of the Company considered and approved the restructuring of the business of the Company by way of a scheme of arrangements and demerger (“Scheme”) whereby (1) Container Freight Station/Inland Container Depot businesses and their related business as defined under scheme would be demerged into Allcargo Terminals Limited (“ATL”), wholly owned subsidiary WOS”) of the Company; and (2) Construction & leasing of Logistics Parks, leasing of land & commercial properties, Engineering Solutions (hiring and leasing of equipment’s) business and other related business as defined under scheme would be demerged into TransIndia Real Estate Limited (formerly known as TransIndia Realty & Logistics Parks Limited) (“TRL”) WOS of the Company, on a going concern basis. The Scheme was approved by BSE Limited ( “BSE”) and National Stock Exchange of India Limited (“NSE”). The Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”), approved the Scheme on January 05, 2023 and the Certified True Copy of the Order along with sanctioned Scheme was received on March 10, 2023. The Company filed the Certified True Copy of the Order with Registrar Of Companies (ROC) on April 01, 2023. As per the provisions of the Scheme, the demerger has been given effect from the Appointed Date of April 01, 2022. ATL and TRL have issued and allotted the shares to the shareholders of the Company as on the record date i.e. April 18, 2023 as a consideration in accordance with Scheme. ATL and TRL shares would be listed on BSE and NSE post necessary regulatory and other approvals. As per the scheme, the following assets and liabilities pertaining to the transferor company have been transferred and vested to the company at their book values as on April 01, 2022, Further, as per the scheme, the difference between book values of assets, liabilities, reserves of Transferor company and cancellation of the Investments made by the company is adjusted against reserves and securities premium. The Total debit to reserves on account of the aforesaid demerger scheme is ₹ 1,00,127 Lakhs.

The major classes of assets and liabilities as at 1<sup>st</sup> April 2022 are, as follows :

Particulars	₹ in lakhs
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	38,401
Right of use assets (net)	5,429
Capital work-in-progress	168
Goodwill	3,560
Intangible assets (net)	4,249
Intangible assets under development	23
Investment property	78,792
Investment property under development (net)	21,526
Investments in joint ventures	2,814
<b>Financial assets</b>	
Investments	5,214
Other financial assets	5,390
Deferred tax assets (net)	3,756
Income tax assets (net)	1,199
Other non-current assets	6,472
	<b>1,76,994</b>

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

Particulars	₹ in lakhs
<b>Current assets</b>	
Inventories	275
Contract Assets	3,244
<b>Financial assets</b>	
Current investments	38
Loans	7,015
Trade receivables	8,597
Cash and cash equivalents and other bank balances	3,952
Other financial assets	1,656
Other current assets	2,218
	<b>26,995</b>
	<b>2,03,988</b>
<b>Non-current liabilities</b>	
<b>Financial liabilities</b>	
Lease liabilities (Non-current + Current)	5,988
Borrowings	65,850
Other financial liabilities and Other non-current liabilities	3,441
	<b>75,279</b>
<b>Current liabilities</b>	
Contract Liabilities	541
Borrowings	823
Trade payables ,other payables , other financial liabilities and other current liabilities	26,639
Net employment defined benefit liabilities	578
	<b>28,581</b>
	<b>1,03,861</b>
<b>Net Assets transferred pursuant to demerger scheme</b>	<b>1,00,127</b>

**49** On March 27, 2023 a Share Purchase Agreement (“SPA”) has been executed between The Company and Shareholders GatiKintetsu Express Private Limited (“GKEPL”), one of the subsidiaries for acquisition of 30% stake of GKEPL, for an aggregate consideration of ₹ 40,670 Lakhs.

**50** During the year ended March 2022, the Company has entered into an agreement with Shareholders of Haryana Orbital Rail Corporation Limited (HORCL) to acquire 7.6% equity stake. Accordingly, during the year ended March 31, 2023, the Company has invested ₹ 5,600 Lakhs in equity of HORCL. The Total Investment in HORCL as on March 31, 2023 amounts to ₹ 7,600 Lakhs.

**51** The overseas subsidiary of the company acquired controlling stake in Fair Trade GmbH and Asiapac Equity Investments for a total consideration of Euro 16.6 Million.

## 52 Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year’s classification.

### As per our report of even date

#### For S.R. Batliboi & Associates LLP

ICAI firm registration No: 101049W/E300004  
Chartered Accountants

#### For and on behalf of Board of directors of Allcargo Logistics Limited

CIN No:L63010MH2004PLC073508

#### Shashi Kiran Shetty

Founder & Executive Chairman  
DIN: 00012754

#### Mohinder Pal Bansal

Independent Director  
DIN:01626343

#### Deepal Shah

Deputy Group Chief Financial Officer  
M.N.: 101639

#### per Aniket Sohani

Partner  
Membership No: 117142

**Capt. Sandeep R. Anand**  
Chief Executive Officer-Marketing

**Devanand Mojindra**  
Company Secretary & Compliance Officer  
M.N.: A14644

Place: Mumbai  
Date: May 30, 2023

Place: Mumbai  
Date: May 30, 2023















allcargo  
LOGISTICS

**Allcargo Logistics Limited,**  
6<sup>th</sup> Floor, Allcargo House, CST Road, Kalina, Santacruz (E),  
Mumbai – 400098, Maharashtra, India