CJ Darcl Logistics

2022

ANNUAL REPORT

GLOBAL NETWORK
INDIAN ROOTS

www.cjdarcl.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Krishan Kumar Agarwal
Chairman & Managing Director

Mr. Darshan Kumar Agarwal
Joint Managing Director

Mr. Roshan Lal Agarwal
Joint Managing Director

Mr. Narender Kumar Agarwal
Joint Managing Director

Mr. Sachchida Nand Agrawal
Non-Executive Independent Director

Mrs. Rajni Gupta
Non-Executive Independent Director

Mr. Junghun Baig
Executive Director

Mr. Han Mae Lee
Non-Executive Director

Mr. Young Ho Ko
Non-Executive Director

Mr. Do Young Kim
Non-Executive Independent Director

Mr. Euy Don Park
Non-Executive Independent Director

Mr. Chul Moon Park
Non-Executive Director

BANKERS

State Bank of India
Axis Bank Limited
HDFC Bank Limited
HSBC Bank
IDFC FIRST Bank Limited

STATUTORY AUDITORS

S.R. Batliboi & Associates LLP

SECRETARIAL AUDITORS

Dhananjay Shukla & Associates
Company Secretaries

REGISTERED OFFICE

CJ Darcl Logistics Limited
CIN-U60222HR1986PLC068818
Darcl House, Plot No. 55 P
Sector-44, Institutional Area
Gurugram, Haryana-122003

Website: www.cjdarcl.com
Email: co@cjdarcl.com

HEAD OFFICE

19/3, Tilak Bazar
Hisar, Haryana, 125001
Phone: 01662-232269
Fax: 01662-232269

Chief Financial Officer
Mr. Jae Hee Lee

Company Secretary
Mr. Apoorva Kumar
Mrs. Aarti Bhargava (Joint Company Secretary)

DIRECTOR'S REPORT

To the Members,

The Directors of your Company are pleased to submit the 35th Annual Report on the business and operations of the Company for the year ended March 31, 2022.

FINANCIAL SUMMARY AND OPERATIONAL HIGHLIGHTS

(₹ in Millions)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Freight Income (Turnover)	**36368.22**	28240.76	**36813.89**	28875.69
EBIDTA	**1538.18**	1221.06	**1545.81**	1243.89
Less: Interest	**316.68**	378.65	**309.26**	380.30
Profit before Depreciation, Amortization and Tax	**1221.50**	842.41	**1236.65**	863.59
Less: Depreciation /Amortization	**433.58**	436.93	**436.46**	439.36
Profit before Taxation	**787.93**	405.48	**800.19**	424.23
Less: Tax Provision (Net)	**182.71**	101.88	**186.48**	106.76
Net Profit for the year	**605.22**	303.60	**613.71**	317.47
Other Comprehensive Income	**-6.97**	10.92	**-6.92**	10.94
Total Comprehensive Income	**598.25**	314.52	**606.79**	328.41

STANDALONE AND CONSOLIDATED PERFORMANCE

On standalone basis, Revenue is increased to ₹36368.22 Million as compared to ₹28240.76 Million in the previous year with growth of nearly 29% while Profit before Tax stood at ₹787.93 Million as compared to ₹405.48 Million in the previous year.

On consolidated basis, Revenue remained at ₹36813.89 Million as compared to ₹28875.69 Million for the F.Y. 2021-22. Profit before Tax on consolidated basis remained at ₹800.19 Million as compared to ₹424.23 Million of previous year.

The consolidated EBITDA grew by 24.27%, from Rs. 1243.89 million for the previous financial year to Rs. 1545.81 million for the financial year 2021-22. The consolidated PAT grew by 93.31% to Rs.613.71 million for the financial year 2021-22 as compared to Rs. 317.47 million for the previous financial year.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of Companies Act, 2013 the Consolidated Financial Statement of CJ Darcl as provided is in accordance with the applicable Accounting Standard 'CONSOLIDATED FINANCIAL STATEMENTS.' The Consolidated Financial Statements includes Financial Results of Subsidiary Companies of CJ DARCL. Pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries for the year ended 31st March, 2022 in form AOC-1 is included along with the financial statement in this Annual Report.

SUBSIDIARY COMPANIES

The Company has four Wholly Owned Subsidiaries namely, Transrail Logistics Limited, Darcl Logistics Nepal Pvt. Ltd., Fr8ology Private Limited and CJ Korea Express India Private Limited. The operating and financial performance of the Subsidiary Companies is as provided below:-

Transrail Logistics Limited

Transrail Logistics Limited commenced its business operations in Year 2009, post incorporation in Year 2008. The Company is engaged in transportation through both road and rail operation on asset light basis. Major work is through Road operations. Rail operation was carried out by way of parcel train movement. Subsidiary Company achieved the Turnover (Income from Operations) of Rs. 448.08 Million during F.Y. 2021-22 as against last year Turnover of Rs. 651.32Million. There is profit before tax of Rs. 12.25 Million in F.Y. 2021-22 against last year profit of Rs. 21.19 Million.

Darcl Logistics Nepal Pvt. Ltd.

As reported in previous years report, your Company has incorporated the Subsidiary Company at Nepal. During the Financial Year under report the Company Business operation commenced from 1st April 2013. The Financial year in Nepal is from 16th July to 15th July. Audit of F.Y. for the period 16.07.2021 to 15.07.2022 is in progress. For the purpose of consolidation of accounts of your Company the financial of Darcl Logistics Nepal Pvt. Ltd. for the period April 2021 to March 2022 has been reviewed by the Auditor at Nepal. The Company has recorded very marginal revenue during the period April 2021 to March 2022. Nepal is largely dependent on Import and thus there is regular movement of cargo from various countries including India to Nepal. Your Company has been appointed as an Agent by your Subsidiary Company for execution of business operation in India while transporting from India to Nepal to execute the Work order received by the Subsidiary Company for movement from India to Nepal.

Fr8ology Private Limited

The Company was incorporated on 17.03.2017 with the main objective of carry on the business of technology based logistics solution and products domestically and internationally including aggregation of transport, vehicle tracking solution for providing customers with a platform, in the physical and/or electronic form, by way of facsimile, electronic-mail (e-mail), internet, intranet, e-commerce, m-commerce, mobile applications and/ or any other means enabling the transactions of hiring of all types of Fleets comprising trucks, trailers, lorries, containers, cars, taxies or any other motor vehicles for consideration, commission, service fee, introduction fee and to act as a facilitator, advisor, consultant, platform, agent and service provider. The Company is yet to be operational in full pace. The revenue and profit/loss recorded in the books for period ended 31.3.2022 is very nominal. The scheme of Amalgamation filed by the Company to Hon'ble NCLT for merger of the Company along with Holding Company.

CJ Korea Express India Private Limited

The Company acquired CJ Korea Express India Private Limited from CJ Logistics Corporation on 31st October, 2019 as wholly owned Subsidiary. The revenue of the Company has been down strategically for FY 2022.

OVERALL BUSINESS OPERATION

Your Company is one of the leading domestic multimodal logistics solutions companies in India, with market leadership in full truck load. The Company follows an efficient Asset Light Model with a Fleet of over 800 owned Heavy Vehicles and over 10,000 associated vehicles. Your Company also owns 3 BLL rakes of 40 wagons each and 821 containers as on year end, further 44 containers were added till date making total number to 865 containers

The logistics services provided by your company with multimodal capabilities across verticals include (i) road/ FTL transportation; (ii) rail/multimodal transportation; (iii) air transportation; and (iv) shipping/coastal transportation. Additionally, we offer project logistics, warehousing and distribution ("W&D") and freight forwarding solutions to customers.

Your Company is committed towards reflecting high standards of environment, social and governance ("ESG") corporate behaviour as we believe that it enables long term sustainable growth.

FUTURE OUTLOOK

The Company expects to grow with faster pace in coming years due to various factors including monetary policy easing, lower inflationary expectations, monetary and regulatory reforms. Your Company is in vantage position to grow exponentially with lots of economic reforms by the Government, it is expected to boost the economy which will propel the Logistics business.

Digital Transformation leading to productivity and efficiency, as there is no doubt that moving forward technology will play a key role in enabling better logistics. Artificial Intelligence and a horde of other devices like drones, electric vehicles, automated systems, high-tech security, and efficient management systems have made the processes much easier for the logistics sector as well as the clients. These technologies will help companies manage their resources better and analytics to have better decision making. Your Company will move in this direction and will have the thrust to create digital transformation with technology.

INDUSTRY OVERVIEW AND TRENDS

The new Government policies, enhanced connectivity, dedicated freight corridors, and are fueling the current growth momentum. India's Logistics industry is poised to reach a market size of US$ 380 Billion by 2025. Significant government initiatives like 'Gati Shakti' Master Plan for multimodal connectivity, a smooth logistics infrastructure development is being looked forward to in the coming years. Having monetization and execution plan in-place, this surely is the right move towards creation of an 'Atmanirbhar Bharat'. Proposed Warehousing Policy and to-be released National Logistics Policy, Production Linked Incentive scheme (PLI) will prove to be instrumental in bringing ease of doing business. Other initiatives aimed at driving innovation in the industry include Radiofrequency identification (RFID) tags, and process automation applications such as 'Vahan' and 'Sarathi'.

With the vaccination programme having covered a bulk of the population, building back of economic momentum, and the likely benefits of long-term reforms in the pipeline, the Indian economy is poised to grow at around 8.2% in FY23 as per the latest IMF report. Key risks to the growth outlook include further escalation of Russia–Ukraine conflict, rise in commodity prices, higher inflation and global growth slowdown.

Overview of the Indian economy

As per latest estimates from the Ministry of Statistics & Programme Implementation, the Indian economy was expected to witness real GDP growth of 8.9% in FY22, after contracting by 7.7% in FY21. High frequency indicators showed positive signs, raising both business and consumer optimism. Total consumption is estimated to have grown by ~7% in FY22. India's exports crossed the USD 400 billion mark for the first time in history, and imports recovered strongly owing to the recovery in domestic demand.

Overview of the Global economy

Global trade hit record high of $28.5 trillion in 2021, but it is likely to be subdued in 2022 in the backdrop of the Russia-Ukraine war, as efforts to streamline the supply chains and diversify suppliers could affect global trade patterns. Governments and central banks across the world are mulling over policy response to curb the rise of inflation. According to the World Bank's latest report, global economic growth is expected to moderate from 5.5% in 2021 to 3.2% in 2022 due to the impact of the Russia-Ukraine crisis and higher food as well as energy costs across the world.

DIVIDEND

The Board of Directors has not recommended final dividend for the year.

HUMAN RESOURCES MANAGEMENT

The Human Resource function has ensured that it has driven process excellence by digitizing work processes in tandem with policy changes so that technology-driven engagement, efficiency, simplicity, scalability and empowerment could be achieved. With the great belief that people are our greatest asset, the employer-employee relationship can be characterised as fair, trusting and caring.

Your Company organized various in house training programs on Operational Efficiency, Quality Service, HR policies and Claim Risk Management for employees at all levels Senior Management Personnel participated in various Management Development Programs with special reference to the Logistics; organized by reputed institutions. Your Company has always viewed human resource development as a critical activity for achieving its business goals.

Your Company has been Certified as a Great Place to Work in the month of May-2022, whereby it was

evaluated on the basis of survey to understand the relationship an employee shares with the organisation, own job, and colleagues at work.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT

Your Company has adopted a policy for prevention, prohibition and redressal of sexual harassment. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted the Internal Complaints Committee.

During the year, no complaint with allegations of sexual harassment has been received by the Internal Complaints Committee of the Company.

CREDIT RATING

CRISIL has re-affirmed Long term Credit Rating of A-(minus)/Stable during the current year for total bank loan facilities of Rs. 600 Crores rated by it. Outlook of the Company has been Stable. CRISIL has re-affirmed short term credit rating from A2+. Your Company also got credit rating of Fixed Deposit from CRISIL. It has assigned credit rating of A-/Stable with Stable business outlook.

INTEGRATED MANAGEMENT SYSTEMS (IMS)

Your Company is certified under Quality Management ISO 9001:2015; Health & Safety Management ISO 45001:2018 and Environmental Management ISO 14001:2015. Your company is a member of SEDEX after qualifying SMETA audit & obtaining a score from EcoVadis regarding CSR sustainability compliance looking forward towards developing a carbon reduction strategy. These systems triggered an Environment, Health, Safety and Quality process based approach in the organization, which will have a long and everlasting favourable impact on the Company sustainable supply chain. Efforts on all these systems and compliance consciousness and continuous process developments are going on.

BANKING FACILITIES:

Your Company is presently enjoying regular working capital facility of Rs.475.00 crore from SBI Led Consortium comprising of Fund-based credit facility of Rs.360.00 crore and Non-fund based credit facility of Rs.115.00 crore. SBI Led Consortium comprises six member banks including Axis Bank, HDFC Bank, HSBC Bank, IDFC First Bank, Shinhan Bank. Besides this, the company is also having working capital facility on an unsecured basis from ANZ Bank, KEB Hana Bank, Kotak Bank and some of the consortium banks have also additionally sanctioned working capital facilities outside the consortium on an unsecured basis. Further, your Company has from time to time been taking term loans from various Banks/FI's to meet its requirement of vehicle & container purchase and margin for working capital. Your Directors take this opportunity to sincerely thank all the Banks/ FI's for their continued support which has helped your Company's constant endeavour of business growth.

AWARDS AND RECOGNITIONS

During the year under report till date, your company has received most trusted logistics Company award by National Business pride awards 2021. Also, the Best Brands 2021 by Economic Times and Container Logistics- CFS, ICD, Rail & Logistics Park Category by SCALE- Confederation of Indian Industry 2021. National Logistics Excellence Award 2021 by Government of India (Ministry of Commerce and Industry). Your Company has also received appreciation letter from esteemed Customers during the year under report.

IBA RECOMMENDATION

Your Company is an approved transporter by the Indian Banks' Association since July 05, 1989 and since then its registration has been periodically renewed. IBA has renewed their recommendation to your Company for a further period of 3 years w.e.f. August 01, 2022 valid till July 31, 2025.

ESOP SCHEME

Your Company has maintained a corpus of 12 lac equity shares through TCG ESOP Trust for issue of ESOP to eligible employees of the Company. The Share Holder Agreement (SHA) with CJ Logistics Corporation (which holds 50% shareholding), inter-alia, requires the Company to cancel the shares held in this ESOP trust by obtaining prior approval from NCLT (National Company Law Tribunal). The Company has filed the petition with Hon'ble NCLT Chandigarh for cancelation of shares held by TCG ESOP Trust in July 2021 under the terms of SHA entered with CJ Logistics Limited. The final order from Hon'ble NCLT is yet to be received.

SCHEME OF ARRANGEMENT

The Company has filed application with Hon'ble National Company Law Tribunal on 18 July 2021 seeking sanction of the Scheme of Arrangement among amongst CJ Darcl Logistics Limited ('Transferee Company' or 'CJDL'), ASM (India) Investments Private Limited ('Transferor Company 1' or 'ASM'), Gargo Investments Private Limited ('Transferor Company 2' or 'GIPL') and Fr8ology Private Limited ('Transferor Company 3' or 'FPL'), and their respective shareholders and creditors (hereinafter referred to as the 'Scheme'), for

a. the amalgamation of ASM, GIPL, FPL into and with CJDL with effect from the Appointed Date as mentioned in the Scheme.

b. the reduction of the paid up share capital of CJDL by cancellation of 12,00,000 fully paid up equity shares of INR 10 each of the Company held by TCG ESOP Trust without payment of any consideration to TCG ESOP Trust.

Appointed date is opening hours of business on 1 April 2021 and Effective Date will be pursuant to Order Of Hon'ble NCLT.

The final order towards scheme is yet to be received from Hon'ble NCLT.

EXTRACT OF ANNUAL REPORT

The extract of Annual Return as provided under sub-section (3) of Section 92 of Companies Act, 2013 read with Rule 12 of companies (management & administration rules) 2014 as prescribed in Form MGT-9 is set out as

Annexure- I to this Report and is also available on the web link **https://www.cjdarcl.com/Investor-Relations.php**

COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Disclosure of composition of the Corporate Social Responsibility Committee, contents of the CSR Policy and the format as provided under section 135 of Companies Act, 2013 read along with Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure- II to this Report.

PARTICULARS OF CONTRACTS/ARRANGEMENT WITH RELATED PARTIES

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its approval and the particulars of contracts entered during the year as per Form AOC-2 is given as Annexure- III.

FIXED DEPOSITS

The total deposits as on 31.03.2022 were Rs. 29.69 Crores, out of which Rs. 12.20 Crores (including interest) is repayable within one year. The amount of unclaimed deposits as on 31.03.2022 was Rs. 23.40 lakhs which Rs. 22.00 lakhs is still pending.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS

The composition of Board of Directors of your company is in conformity with the Companies Act, 2013. As at the end of the Financial Year, the Board comprised of 12 Directors including Three Non-Executive and Four Independent Directors. Brief Profile of the Directors on the Board is as under:-

S. No.	Name	Designation	DIN	Date of appointment	Qualification	Experience (Years)
1	Mr. Krishan Kumar Agarwal	Chairman and Managing Director	00151179	10.12.1986	B.Com	48
2	Mr. Darshan Kumar Aggarwal	Joint Managing Director	00151560	10.12.1986	Undergraduate	46
3	Mr. Roshan Lal Aggarwal	Joint Managing Director	00151657	10.12.1986	Undergraduate	45
4	Mr. Narender Kumar Agarwal	Joint Managing Director	00052456	10.12.1986	B.Com	42
5	Mr. Sachchida Nand Agrawal	Independent Director	08194608	19.10.2021	B.Tech	40
6	Mr. Junghun Baig	Executive Director	09268841	25.08.2021	Degree of Engineering	14
7	Mr. Euy Don Park	Independent Director	02763067	10.08.2017	B Sc, M sc, Ph.d	36
8	Mrs. Rajni Gupta	Independent Director	02135443	17.09.2018	B.com, C.A. & CMA	28
9	Mr. Do Young Kim	Independent Director	08204199	17.09.2018	Doctorate in English	35
10	Mr. Jonathan Park	Non-Executive Director	08389524	15.03.2019	Bachelors in Accounting	23
11	Mr. Sang Hyun Yoon	Non-Executive Director	08791522	27.07.2020	Bachelors	22
12	Mr. Chul Moon Park	Non-Executive Director	07875018	25.08.2021	Bachelors degree of science	21

Appointments

During the year under review, Executive Director and non- executive director namely, Mr. Junghun Baig, (DIN:09268841) and Mr. Chul Moon Park, (DIN:07875018) respectively were appointed w.e.f 25th August, 2021 which was further regularized in Annual General Meeting. They were appointed in lieu of resignation of Mr. Hyoung Gun Kang (DIN: 07875012) and Mr. Sung Young Hong (DIN:08389474) has resigned from the Board w.e.f. 24th August, 2021 respectively.

Mr. Amandeep (00226905) has resigned from the Board w.e.f. 18th October, 2021 and Mr. Sachchida Nand Agrawal was appointed as an Independent Director w.e.f 19th October, 2021.

Further Mr. Han Mae Lee (09566320) was appointed w.e.f. 12th April, 2022 as Additional Director and the Board recommends for his appointment as Regular director under category of Non-Executive Director.

Mr. Young Ho Ko (09629467) was appointed w.e.f 6th June, 2022 as Additional Director and the Board recommends for his appointment as Regular director under category of Non-Executive Director.

Retirement by Rotation

In accordance with the provisions of section 152 of the Companies Act, 2013 Mr. Krishan Kumar Agarwal (DIN 00151179), Chairman and Managing Director ,Mr. Roshan Lal Aggarwal (DIN 00151657), Joint Managing Director and Mr. Narender Kumar Agarwal (DIN 00052456), Joint Managing Director, retires by rotation and being eligible, has offered themselves for re-appointment. Board of Directors of your Company recommends their re-appointment.

Resignation

Mr. Hyoung Gun Kang (DIN: 07875012) and Mr. Sung Young Hong (DIN:08389474) has resigned from the Board w.e.f. 25th August, 2021 and Mr. Amandeep (DIN 00226905) has resigned from the Board w.e.f. 18th October, 2021

The Board takes on record the association of Mr. Hyoung Gun Kang (DIN: 07875012) and Mr. Sung Young Hong (DIN:08389474) and Mr. Amandeep (DIN: 00226905) and their valuable inputs and contribution as member of the Board.

Further Mr. Sang Hyun Yoon has resigned w.e.f. 12th April, 2022 and Mr. Jonathan Park has resigned w.e.f. 6th June, 2022.

DECLARATION BY INDEPENDENT DIRECTOR(S)

All Independent Directors have given declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Rules made thereunder.

MEETING OF DIRECTORS

During the financial year 2021-22, Board of Directors of your Company met four (4) times on the following dates:-

Sr. No.	No. of Board Meeting	Date of Board Meeting	No. of Directors Present
1	370th	21.04.2021	10
2	371st	24.08.2021	11
3	372nd	18.10.2021	10
4	373rd	21.12.2021	10

Attendance of Directors at the Board meetings held during the financial year 2021-2022 are as under:-

Sr. No.	Director	Designation	No. of Board meeting attended
1	Mr. Krishan Kumar Agarwal	Chairman and Managing Director	4
2	Mr. Darshan Kumar Aggarwal	Joint Managing Director	4
3	Mr. Roshan Lal Aggarwal	Joint Managing Director	3
4	Mr. Narender Kumar Agarwal	Joint Managing Director	4
5	Mr. Sachchida Nand Agrawal	Independent Director	1
6	Mr. Junghun Baig	Executive Director	2
7	Mr. Euy Don Park	Independent Director	4
8	Mrs. Rajni Gupta	Independent Director	3
9	Mr. Do Young Kim	Independent Director	4
10	Mr. Jonathan Park	Non-Executive Director	4
11	Mr. Chul Moon Park	Non-Executive Director	2
12	Mr. Sang Hyun Yoon	Non-Executive Director	0

AUDIT COMMITTEE

Composition

In order to widen the Committee taking expertise of Director your Company has appointed three new members in the Audit Committee. The Audit Committee constituted under Section 177 of the Companies Act, 2013 comprises of the following members:

1. Mrs. Rajni Gupta, Independent Director, Chairman;
2. Mr. Narender Kumar Agarwal, Joint Managing Director, Member;
3. Mr. Euy Don Park, Independent Director, Member
4. Mr. Do Young Kim, Independent Director, Member

Mr. Jae Hee Lee (CFO) and Mr. Puneet Agarwal, President IT, will be permanent invitee for the meeting

Company Secretary as Secretary of the Committee.

Statutory Auditors and Internal Auditors with non-voting rights.

MEETINGS OF AUDIT COMMITTEE

During the financial year 2021-22, Audit Committee of the Board of Directors of your Company met 4 times on the following dates:-

S. No.	No of meeting	Date of Meeting	No. of Directors Present
1	62nd	21.04.2021	4
2	63rd	24.08.2021	5
3	64th	21.12.2021	4
4	65th	31.03.2022	4

Attendance of Members at the Audit Committee meetings held during the financial year 2021-22 are as under:-

Sr. No.	Name of Director	Designation	No. of Meetings Attended
1	Mr. Amandeep*	Non-Executive Director	2
2	Mr. Narender Kumar Agarwal	Joint Managing Director	4
3	Mr. Euy Don Park	Independent Director	4
4	Mrs. Rajni Gupta	Independent Director	3
5	Mr. Do Young Kim	Independent Director	4

Mr. Amandeep resigned during the year w.e.f 18th October, 2021.

NOMINATION & REMUNERATION COMMITTEE & POLICY RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

The Nomination and Remuneration Committee (NRC) constituted under Section 178 of the Companies Act, 2013 comprises of the following members:-

1. Mr. Euy Don Park, Independent Director (Chairman),
2. Mr. Sachchida Nand Agrawal, Independent Director, Member,
3. Mrs. Rajni Gupta, Independent Director, Member,
4. Mr. Do Young Kim, Independent Director, Member

The scope of NRC is to identify the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the laid down criteria, recommend to the Board their appointment and renewal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

The Committee formulates the criteria for determining qualifications, positive attributes and independence of a Director and recommends to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Remuneration policy for selection and appointment of Directors including determining qualifications, independence of Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under section 178(3) of the Companies Act, 2013 has been framed by NRC and approved by the Board.

MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE

During the financial year 2021-22, Remuneration Committee of the Board of Directors of your Company met once on the below date:-

Sr. No.	No of meeting	Date of Meeting	No. of Directors Present
1	14th	18.10.2021	3

Attendance of Members at the Nomination and Remuneration Committee meetings held during the financial year 2021-22 are as under:-

Sr. No.	Name of Director	Designation	No. of Meetings Attended
1	Mr. Euy Don Park	Independent Director	1
2	Mrs. Rajni Gupta	Independent Director	1
3	Mr. Do Young Kim	Independent Director	1

INDEPENDENT DIRECTOR MEETING

For the Financial Year 2021-22, 01 (one) separate meeting of the Independent Directors was held on Wednesday, 28th Day of March, 2022. All Independent Directors i.e. Mrs. Rajni Gupta, Mr. Euy Don Park, Mr. Sachchida Nand Agrawal and Mr. Do Young Kim attended the meeting.

BOARD ANNNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance and the Directors individually. A discussion was done considering the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties and governance. For the Board and committees, the process seems usually to involve questionnaires devised in house. The result of the process is then reported to the Chairman of the Board.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on the parameters such as level of leadership, Interpersonal skills, Board contribution, strategic thinking etc. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The performance evaluation of the Chairman, Non Independent Directors and the Board as a whole was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013 & RULES MADE THEREUNDER

The details of loans, investments or guarantees under Section 186 of the Companies Act 2013 and Rules made thereunder are given in the notes to the Financial Statements. (Refer to Note No. 37 to the Standalone financial statements as part of Related Party list).

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Audit Committee and Board of Directors of your Company has framed and implemented the Vigil Mechanism/ whistleblower policy:-

1. To encourage the employees to report to the Audit Committee about suspected unethical behaviours, malpractices, wrongful conduct, fraud violation of the company's policy including code of ethics and conduct, violation of law or questionable accounting or auditing matters by any employees/Director in the company without any fear of retaliation.
2. To build and strengthen a culture of transparency and trust in the organization.
3. Disclosure of alleged wrongful conduct to the team members of the whistle blower policy.

Mr. Jae Hee Lee, CFO has been appointed by the Board as Nodal Officer. Any person can send information as per the policy at the mail id: whistleblower@cjdarcl.com.

The Company affirms that no employee/director of the Company has been denied access to the Audit Committee.

Complaint received under Whistle Blower Policy/Vigil Mechanism was attended and the status update was placed in the Audit Committee for suitable advice. The Board has also reviewed and has taken suitable action wherever required.

RISK MANAGEMENT

Effective risk management is an intrinsic part of the operations of the Company. Your Company adopts a comprehensive system of Risk Management. The Company adopted Risk Management Policy. It ensures that all risks are defined and mitigated in accordance with well structures risk Management Process. The risk management framework is periodically reviewed by the Board and the Audit committee. Risk evaluation and management is an ongoing process. As a diversified enterprise, the Company continues to focus on a system based approach to business risk management.

INTERNAL CONTROL SYSTEMS AND INTERNAL FINANCIAL CONTROL

The Company has an internal control system including financial controls, commensurate with the size, scale and complexity of its operations for ensuring the orderly and efficient conduct of its business, including adherence to 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 & these are sufficient and are functioning efficiently. The efficacy of the internal control systems is verified by the Internal and Statutory Auditors of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

MATERIAL CHANGE IN NATURE OF BUSINESS

There was no material change in the nature of Company's business during the year under review.

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO RULE 5 (2) of COMPANIES (APPOINTMENT AND REMUNERATION OF KEY MANAGERGIAL PERSONNEL) RULES, 2014

List of Top 10 employees in terms of remuneration in FY 2021-22

Sr. No.	Name	Qualification	Date of Birth	Designation	Remuneration in crores	Experience in years
1	Krishan Kumar Agarwal	B.Com	05.06.1954	CMD	3.52	48
2	Darshan Kumar Agarwal	Undergraduate	15.05.1956	Joint Managing Director	2.99	46
3	Roshan Lal Agarwal	Undergraduate	02.05.1957	Joint Managing Director	2.95	45
4	Narender Kumar Agarwal	B.Com	01.09.1959	Joint Managing Director	2.99	42
5	Dinesh Radheshyam Goyal	B.A	18.01.1974	President	2.79	20
6	Nikhil Agarwal	Master degree in Arts (Finance & Investment)	29.08.1985	President	1.58	14
7	Sung wook Jung	Master's degree in engineering	01.07.1975	Co-COO	1.57	22
8	Vineet Agarwal	B. Com., MBA	02.01.1982	President	1.23	16
9	Junghun Baig	Degree of Engineering	21.10.1977	Deputy CEO	1.12	14
10	Puneet Agarwal	B.Com (H), M. Sc.	14.09.1978	President-IT & Strategy	1.11	17

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

INVESTOR SERVICES

Dematerialization of Shares

Equity Shares of the Company has been admitted into the depository system of both NSDL and CDSL, the two depositories in India, thereby enabling the shareholders of the Company to make scrip-less transaction in shares ensuring speedy processing and cost efficient share transfer. The ISIN No. allotted to the equity shares of your Company for transaction in dematerialization mode is INE088I01010. More than 95% of Shares of the Company have been dematerialized.

REGISTRAR AND TRANSFER AGENT

Contact detail of the Registrar and Transfer Agent is:

Link Intime India Private Limited	Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 **Phone: 022-25963838** **Fax: 022-25946969** Email: rnt.helpdesk@linkintime.co.in **Contact Person: Mr. Haren N Modi**	Noble Heights. 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi-110058 **Telephone: 011-41410592/93/94** Fax : 011-41410591 **Contact person: Mr. Bharat Bhusan**

For investor services related to change of address, change in Bank Mandate, transfer of shares, Mandate for ECS etc., investors may contact the Registrar and Transfer Agent at either of the above addresses.

For any grievance, Investors may contact Mr. Apoorva Kumar, Company Secretary, at the following address, for early resolution of their grievances:

CJ Darcl Logistics Limited

Darcl House, Plot No. 55P,
Sector-44, Institutional Area, Gurugram
(Gurgaon)-122003

Phone: 9015202121, 25-26

Fax: 0124-4034162

E-mail: investorgrievance@cjdarcl.com

AUDITORS

STATUTORY AUDITORS AS PER SEC 141(3)(G) OF COMPANIES ACT 2013

Pursuant to Companies Act, 2013, your company has Appointed Statutory Auditors S.R. Batliboi & Associates LLP to hold office from the Conclusion of 31st AGM till the Conclusion of 36th AGM.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year, the company has duly complied with all the applicable Secretarial Standards as issued by ICSI from time to time.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013& rules made thereunder, the Company has appointed Mr. Dhananjay Shukla, practicing Company Secretary as Secretarial Auditor to undertake Secretarial Audit of the Company for the Financial Year 2021-22.

The Report of the Secretarial Audit is annexed herewith as **Annexure- IV**

COST AUDITORS

Central Government has not specified Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for the services of the Company and accordingly such accounts and records are not made and maintained

AUDITORS OBERSERVATION AND MANAGEMENT EXPLANATION THERETO

Management has taken corrective and proactive action to strengthen internal control system in the Company during the year under report in respect of CARO reporting and Auditors overall report.

SEGMENT DATA

Your Company has not shown segmental data as not applicable.

PARTICULARS REQUIRED TO BE FURNISHED UNDER SECTION 134(3) (M) OF COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. **Conservation of Energy:** Reasonable efforts are made for conservation of electric energy used in office, increase fuel efficiency of vehicles deployed by the Company.

B. **Technology Absorption:** Company is installing GPS and GPRS enabled devices in the vehicles carrying the goods to track their movement.

C. **Foreign Exchange Earnings & Outgo**

Foreign Exchange Earnings: Rs. 131.49 million

Foreign Exchange Outgo: Rs. 358.42 million

The amount of foreign exchange earning is mainly from customers on account of revenue. The amount spent in foreign exchange is majorly for Ocean freight expense.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134(3)(C.) read with Section 134(5) of Companies Act, 2013, with respect to Directors' responsibility statement, it is hereby confirmed:-

(i) that in the preparation of annual financial statements for the financial year ended March 31, 2022, all the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(ii) that the Directors 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 at the end of the financial year and of the profit of the Company for the year ended on that date;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors have prepared the accounts for the financial year ended March 31, 2022 on a going concern basis.

(v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks and appreciation to Government authorities, Regulatory bodies and all stakeholders including Banks, Financial institutions, Customers, Agents, Truck suppliers / operators, of the company.

Your Directors also take this opportunity to express their gratitude for the valuable services rendered by the employees at all levels towards the continuous growth of the Company.

Regd. Office: -
Darcl House, Plot No. 55 P
Institutional Area,Sector-44
Gurugram, Haryana-122003

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman & Managing Director)
DIN – 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN - 00052456

Date: 05.08.2022
Place: Gurugram

Annexure-I to Directors Report

Form No. MGT-9

Extract of Annual Returns of the Financial Year Ended on 31.03.2022

[Pursuant to section 92(30 of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U60222HR1986PLC068818
ii.	Registration Date	10.12.1986
iii.	Name of the Company	CJ DARCL LOGISTICS LIMITED (Formerly known as DARCL Logistics Limited
iv.	Category / Sub-Category of the Company	Public company limited by Shares
v.	Address of the Registered office and contact details	Darcl House, Plot No. 55 P, Institutional Area, Sector-44, Gurugram, Haryana
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	**M/s. Link Intime India Private Limited,** Noble Heights, 1st Floor, Plot Nt. NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi -110058. **Telephone:- 011-41410592/93/94**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Road Transport Services	996511	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Transrail Logistics Limited	U74210HR2008PLC068824	Subsidiary	100%	2(86) (ii)
2.	Darcl Logistics Nepal Private Limited	NA	Subsidiary	100%	2(86) (ii)
3.	Fr8ology Private Limited	U60232HR2017PTC068204	Subsidiary	100%	2(86) (ii)
4.	CJ Korea Express India Private Limited	U63000DL2011FTC218913	Subsidiary	100%	2(86) (ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. *Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoter									
1) Indian									
a) Individual/ HUF	1297802	-	1297802	5.44%	1368170	-	1368170	5.73%	0.29%
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-	**1297802**	**-**	**1297802**	**5.44%**	**1368170**	**-**	**1368170**	**5.73%**	**0.29%**
2) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.	11931071	-	11931071	50%	11931071	-	11931071	50%	0.00%
j) Banks / FI									
k) Any Other....									
Sub-total (A)(2):-	**11931071**	**-**	**11931071**	**50%**	**11931071**	**-**	**11931071**	**50%**	**0.00%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds	-	-	-	-					-
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1)	-	-	--	-					-
2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	5173594	2035275	7208869	30.21%	5477094	1805275	7282369	30.52%	0.31
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	52768	-	52768	0.22%	53900	-	53900	0.23%	0.01
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3371632	-	3371632	14.13%	3226632	-	3226632	13.52%	-0.61%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others(Specify)									
Sub-total (B)(2)	**8597994**	**2035275**	**10633269**	**44.56%**	**8757626**	**1805275**	**10562901**	**44.27%**	**-0.29%**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**8597994**	**2035275**	**10633269**	**44.56%**	**8757626**	**1805275**	**10562901**	**44.27%**	**-0.29%**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**21826867**	**2035275**	**23862142**	**100%**	**22056867**	**1805275**	**23862142**	**100%**	**-**

i. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Mr. Krishan Kumar Agarwal	296490	1.24%	0	396832	1.66%	0	0.42%
2.	Mr. Darshan Kumar Agarwal	192708	0.81%	0	162050	0.68%	0	-0.13%
3.	Mr. Roshan Lal Agarwal	278049	1.17%	0	278391	1.17%	0	0
4.	Mr. Narender Kumar Agarwal	530555	2.22%	0	530897	2.22%	0	0
5.	CJ Logistics Corporation	11931071	50.00%	0	11931071	50.00%	0	0
	Total	**13228873**	**55.44%**	**0**	**13299241**	**55.73%**	**0**	**0**

ii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mr. Krishan Kumar Agarwal** At the beginning of the year	296490	1.24%	396832	1.24%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	15.04.2021 (Transfer from Kanishk Gupta)	35000	0.42%	35000	0.42%
	15.04.2021 (Transfer from Dheeraj Gupta)	35000		35000	
	15.04.2021 (Transfer from Harish Gupta)	30000		30000	
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the End of the year	396832	1.66%	396832	1.66%

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Mr. Darshan Kumar Agarwal At the beginning of the year	192708	0.81%	192708	0.81%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	16.04.2021 (Transfer to ASM India Investments Private Limited)	(31000)	(0.13%)	(31000)	(0.13%)
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the End of the year	162050	0.68%	162050	0.68%
3.	Mr. Roshan Lal Aggarwal At the beginning of the year	278049	1.17%	278049	1.17%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the End of the year	278391	1.17%	278391	1.17%
4.	Mr. Narender Kumar Agarwal At the beginning of the year	530555	2.22%	530555	2.22%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the End of the year	530897	2.22%	530897	2.22%
5.	CJ Logistics Corporation At the beginning of the year	11931071	50.00%	11931071	50.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	11931071	50.00%	11931071	50.00%

iii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASM (India) Investments Private Limited				
	At the beginning of the year	3238064	13.57	3238064	13.57
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	3238064	13.57	3238064	13.57

Sr. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	Gargo Investments Private Limited				
	At the beginning of the year	2770805	11.61	2770805	11.61
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	2770805	11.61	2770805	11.61
3	TCG ESOP Trust				
	At the beginning of the year	1200000	5.03	1200000	5.03
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	1200000	5.03	1200000	5.03
4	Puneet Agarwal				
	At the beginning of the year	379676	1.49	379676	1.49
	Date wise increase/(decrease) 25.10.2021	250000	1.15	250000	1.15
	At the end of the year	629676	2.64	629676	2.64
5	Sushma Agarwal				
	At the beginning of the year	320000	1.34	320000	1.34
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	320000	1.34	320000	1.34
6	Tek Chand Agarwal (HUF)				
	At the beginning of the year	328980	1.38	328980	1.38
	Date wise increase/(decrease) 13.04.2021	42500	-0.18	42500	-0.18
	At the end of the year	286480	1.20	286480	1.20
7	Krishan Kumar Agarwal & Sons				
	At the beginning of the year	252420	1.06	252420	1.06
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	252420	1.06	252420	1.06
8	Nitesh Agarwal				
	At the beginning of the year	201000	0.84	201000	0.84
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	201000	0.84	201000	0.84
9	Vibha Gupta				
	At the beginning of the year	162430	0.68	162430	0.68
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	162430	0.68	162430	0.68
10	Ishant Agarwal				
	At the beginning of the year	160000	0.67	160000	0.67
	Date wise increase/(decrease)	-	-	-	-
	At the end of the year	160000	0.67	160000	0.67

IV Shareholding of Directors and Key Managerial Personnel:

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Krishan Kumar Agarwal, CMD	296490	1.24%	296490	1.24%
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase (e.g. allotment / transfer /bonus/ sweat equity etc):		0.42%		0.42%
	15.04.2021 (Transfer from Kanishk Gupta)	35000		35000	
	15.04.2021 (Transfer from Dheeraj Gupta)	35000		35000	
	15.04.2021 (Transfer from Harish Gupta)	30000		30000	
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the end of the year	396832	1.66%	396832	1.66%
2	Mr. Darshan Kumar Aggarwal, JMD	192708	0.81%	192708	0.81%
	At the beginning of the year				
	Date wise Increase /Decrease in Shareholding during the Year specifying the reasons for increase / decrease (e.g.				
	allotment /transfer /bonus/ sweat equity etc):	(31000)		(31000)	
	16.04.2021 (Transfer to ASM India Investments Private Limited)		(0.13%)		(0.13%)
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the end of the year	162050	0.68%	162050	0.68%
3	Mr. Roshan Lal Aggarwal, JMD	278049	1.17%	278049	1.17%
	At the beginning of the year				
	Date wise Increase /Decrease in Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ Sweat equity etc):				
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the end of the year	278391	1.17%	278391	1.17%
4	Mr. Narender Kumar Agarwal, JMD	530555	2.22%	530555	2.22%
	At the beginning of the year				
	Date wise Increase / Decrease in Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):				
	30.09.2021 (Transmission from Chander Kala Agarwal)	342		342	
	At the end of the year	530897	2.22%	530897	2.22%

V. INDEBTEDNESS

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

Particulars	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,25,91,10,262	62,20,28,892	26,95,27,921	4,15,06,67,075
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	30,68,604	39,079	2,22,80,552	2,53,88,235
Total (i+ii+iii)	**3,26,21,78,866**	**62,20,67,971**	**29,18,08,473**	**4,17,60,55,310**
Change in Indebtedness during the financial year				
- Addition	1,34,57,57,912	39,00,00,000	16,18,33,843	1,91,70,45,205
- Reduction	-48,49,68,220	-12,49,09,722	-13,42,51,643	-75,43,69,775
Net Change	**86,07,89,692**	**26,50,90,278**	**2,75,82,200**	**1,16,26,75,430**
Indebtedness at the end of the financial year				
i) Principal Amount	4,11,98,99,956	88,71,19,170	29,72,34,878	5,30,42,54,004
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	38,88,324	1,28,517	3,00,53,004	3,40,69,845
Total (i+ii+iii)	**4,12,37,88,280**	**88,72,47,687**	**32,72,87,882**	**5,33,83,23,849**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager						Total Amount
	Gross salary	**Mr. K.K Agarwal (CMD**	**Mr. D. K. Agarwal (JMD)**	**Mr. R. L. Agarwal (JMD)**	**Mr. N. K. Agarwal (JMD)**	**Mr. Jung hun Baig (Executive Director)***	**Mr. Hyoung Gun Kang (Executive Director)#**	
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24489540	19591596	19191600	19591596	6893670	5315840	95073842
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39600	39600	39600	39600	3214201	-	3372601
3.	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961							
4.	Stock Option	-	-	-	-	-		-
5.	Sweat Equity	-	-	-	-	-		-
6.	Commission - as % of profit - others, specify	-	-	-	-	-		-
7.	Others, please specify Provident Fund	10690469	10315643	10337411	10304759	1149465	-	42797747
8.	**Total (A)**	**35219609**	**29946839**	**29568611**	**29935955**	**11257336**	**5315840**	**141244190**
	Ceiling as per the Act							

* Mr Junghun Baig appointed w.e.f 25th August, 2021

Mr Hyoung Gun Kang resigned w.e.f 25th August, 2021

B. Remuneration to other directors:

(Part – I)

Particulars of Remuneration	Name of Directors					
	Mrs. Rajni Gupta (Independent Director)	Mr. Euy Don Park (Independent Director)	Mr. Do Young Kim (Independent Director)	Mr. Amandeep (Non Executive Director)	Mr. Sachchida Nand Agrawal (Independent Director)	Total
· Fee for attending board committee meetings	212400	259600	236000	94400	47200	849600
· Commission	354000	354000	354000	194700	159300	1416000
· Others, please specify						
Total (1)	566400	613600	590000	289100	206500	2265600
Overall Ceiling as per the Act	-	-	-	-		-

*Sitting fees and Commission is including GST of 18% under Reverse Charge Mechanism.

Mr. Amandeep resigned w.e.f 18th October, 2021 and Mr. Sachchida Nand Agrawal appointed w.e.f 19th October, 2021.

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Jaehee Lee (Chief Financial Officer)*	Mr. Apoorva Kumar (Company Secretary)	Mrs. Aarti Bhargava (Joint Company Secretary)#
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	8266008	3189602	705000
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify (Gratuity and PF)	2665681	-	29167
6.	Total	10931689	3189602	734167

* Appointed w.e.f. 1st June, 2021

Appointed w.e.f. 18th October, 2021

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure-II to the Directors Report

[Pursuant to section 135 of the Companies Act, 2013 and rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

Disclosure of composition of the Corporate Social Responsibility Committee and contents of the CSR Policy in the form of an annual report on CSR as per Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the CSR Policy of the Company, including overview of projects or programs proposed to be undertaken.

Corporate Social Responsibilities (CSR) activities at CJ Darcl Logistics Limited is recognized as integrating social, environmental and ethical responsibilities into the governance of businesses which ensures the long term success, competitiveness and sustainability.

Further, CSR makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. CJ Darcl Logistics Limited will act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

The CSR Policy of the Company is also available on **www.cjdarcl.com/regulatory-compliance/CSR.**

2. Composition of CSR Committee:

Sr. 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
i.	Mr. Krishan Kumar Agarwal	Chairman and Managing Director (Chairperson)	1	1
ii.	Mr. Narender Kumar Agarwal	Joint Managing Director (Member)	1	1
iii.	Mr. Rajni Gupta	Independent Director (Member)	1	1
iv.	Mr. Euy Don Park	Independent Director (Member)	1	1
v.	Mr. Junghun Baig	Executive Director (Member)	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.

   The details of the CSR policy, projects and programmes are available on the website of the Company on **www.cjdarcl.com/regulatory-compliance/CSR.**

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

   Not applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in ` million)	Amount required to be set- off for the financial year, if any (in million`)
1.	**2021-22**	7.24	NIL

6. Average net profit of the company as per section 135(5) (in million) : 444.23

7. (a) Two percent of average net profit of the company as per section 135(5) (Rs. million.) : 8.88

   Surplus arising out of the CSR projects or programmes or activities of the previous financial years (Rs. million.) : 7.24

   (b) Amount required to be set off for the financial year, if any : Nil

   (c) Total CSR obligation for the financial year (7a+7b). (Rs. million.) : 8.88

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs million.)	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 (in ₹ million.)	Date of transfer	Name of the Fund	Amount	Date of transfer
14.72	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against **ongoing projects** for the financial year. (Rs.million) : NIL

(c) Details of CSR amount spent against other than **ongoing projects** for the financial year. List attached as Annexure-I (Rs.million.) : 14.72

(d) Amount spent in Administrative Overheads (Rs million) : NIL

(e) Amount spent on Impact Assessment, if applicable (Rs. million) : NIL

(f) Total amount spent for the financial year (8b+8c+8d+8e) (` million) : 14.72

(g) Excess amount for set off, if any in subsequent years (Rs million) : 13.08

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	-	NIL	-	-	NIL	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s). : NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

a. Date of creation or acquisition of capital asset(s) : None

b. Amount of CSR spent for creation of acquisition of capital asset (` Cr.) : NIL

c. Details of the entity or public authority or beneficiary under whose Applicable name such capital asset is registered, their address etc. : Not

d. Provide details of the capital asset(s) created or acquired (including Applicable complete address and location of the capital asset) : Not

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable.

Sd/-
Krishan Kumar Agarwal
Chairman & Managing Director & Chairman CSR Committee
DIN: 00151179
Date: 05.08.2022

Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:-

S. No	Name of the Project	Item from the list of Activities in Schedule VII to the act.	Local (Yes/ No.)	Location of the Project State, District	Amount Spent in for the project (in ` million.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
							Name	CSR Registration No.
1	Contribution for Animal Welfare	IV	Yes	Haryana, Agroha	2.74	No	Shree Vaishnav Agarsain Gaushala	**CSR00005409**
2	Promoting education to unprivileged children	II	Yes	Delhi, New Delhi	1.98	Yes	Direct Implementation by Company	**Not applicable**
3	Preventive Healthcare	I	Yes	Haryana, Gurugram	10.00	No	Maharaja Agrasen Medical Education and Scientific Research Society	**CSR00001467**
	TOTAL				**14.72**			

Annexure –III to Directors Report

Form No. AOC-2

[Pursuant to section 134(3)(n) of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has no contracts or arrangements or transactions which are not at arm's length basis.

(a) Name(s) of the related party and nature of relationship:

S. No	Name of the related party and nature of relationship	Nature of contracts / arrangements / transaction	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements /transactions, including value, if any	Justification for entering into such contracts / arrangements /transactions	Date(s) of approval by th Board	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No	Name of the related party and nature of relationship	Nature of contracts / arrangements / transaction	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements /transactions, including value, if any	Justification for entering into such contracts / arrangements /transactions	Date(s) of approval by th Board	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)
1	TCG Media Limited	Advertisement of Company in publication of TCG Media Limited	01.04.2021-31.03.2022	The advertisement of the Company is published in monthly magazine of Publication	For branding of the Company as it is logistics magazine.	15.01.2021	1584000 plus taxes	-
2	Mr. D.K. Agarwal, WTD	Lorry hire services upto Rs18 crores further increased to Rs. 26 crores	01.04.2021-31.03.2022	Lorry hire charges for F.Y. 2021-22	The site is near to customer premises so convenient to use.	15.01.2021 & 12.04.2022	-	-
3	S.Dayal Construction Private Limited	Rent upto Rs. 1.80 crores	01.04.2021-31.03.2022	Rent for warehouse and workshop	For tracking services	15.01.2021	-	-
4	Fretron LLP	Purchase of services at Rs. 15.00 lakhs.	01.04.2021-31.03.2022	GPS device and tracking		15.01.2021		-

On behalf of the Board of Directors of
CJ Darcl Logistics Limitedt

Regd. Office: -
Darcl House, Plot No. 55 P
Institutional Area, Sector-44, Gurugram, Haryana-122003

Sd/-
Krishan Kumar Agarwal
(Chairman & Managing Director)
DIN – 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN - 00052456

Date: 05.08.2022
Place: Gurugram

Annexure-IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

[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,
M/s CJ DARCL LOGISTICS LIMITED
(U60222HR1986PLC068818)
Regd. Off.: DARCL House, Plot No. 55 P,
Sector-44, Institutional Area,
Gurugram-122003 (Haryana).

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s CJ Darcl Logistics Limited** (hereinafter called **"the Company"**), which is an Unlisted Public Company. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances for expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined,the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act), as amended from time to time and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **(Not Applicable to the Company)**

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;

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; **(Not Applicable to the Company)**

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company)**

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company)**

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company)**

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company)**

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; **(Not Applicable to the Company)**

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ; **(Not Applicable to the Company)** and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ; **(Not Applicable to the Company)**

vi. **We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

   a. The Motor Vehicles Act, 1988 and rules made there under

   b. The Carriage by Road Act, 2007

   c. The Multi Modal Transportation of Goods Act, 1993

   d. The Motor Transport Workers Act, 1961

   e. The Food Safety and Standard Act, 2006 read with FSS (Licensing and Registration of Food Business) Regulation, 2011

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above to the extent applicable.

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. 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. During the year under audit, Mr. Hyoung Gun Kang had resigned from the position of Whole Time Director w.e.f. 24th August 2021, Mr. Sung Yong Hong had resigned from the position of Director w.e.f. 24th August 2021 and Mr. Amandeep had resigned from the position of Director w.e.f. 18th October 2021. Further, Mr. Jaehee Lee has been appointed as the CFO of the Company w.e.f. 1st June 2021, Mr. Junghun Baig has been appointed as a Whole Time Director of the Company w.e.f. 25th August 2021, Mr. Chul Moon Park has been appointed as a Director of the Company w.e.f. 25th August 2021 and Mr. Sachchida Nand Agarwal has been appointed as an Independent Director of the Company w.e.f. 19th October 2021.

Adequate notice has been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. However, the Company has held some Board/committee meetings at Shorter Notice in due compliance with the provisions of the Companies Act, 2013 and Secretarial Standards-I.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that, based on the information provided by the Company, its officers and Authorized Representatives during the conduct of the Audit and also on the review of Quarterly Compliance Reports given by the Company Secretary and taken on record by the Board of Directors of the Company, in our opinion adequate systems, processes and control mechanism exist in the company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines as mentioned above in this report including General Laws like Labour laws and Environmental laws as applicable to the company.

We further report that during the Audit period, the company has undertaken the following major activities/ corporate actions in pursuance of the above referred laws rules, regulations, guidelines etc.:-

A. Approval of the Composite Scheme of Arrangement amongst CJ Darcl Logistics Limited ("Transferee Company" or "CJDL"), ASM (India) Investments Private Limited ("Transferor Company 1" or "ASM"), Gargo Investments Private Limited ("Transferor Company 2" or "GIPL") and Fr8ology Private Limited ("Transferor Company 3" or "FPL")

B. The Company had approved for raising of Capital through an Initial Public Offering which was not taken up and still stands pending for further action.

C. Approval for amendment in object clause of the Memorandum of Association of the Company.

D. The company has entered into various Related Party Transactions with different related parties pursuant to Section 177 and 188 of the Act with the Approval of the Audit Committee ,Board of Directors and shareholders ,wherever required.

E. Following Special Resolutions were passed by the Shareholders of the company in their two Extra Ordinary General Meetings (EGMs) and Annual General Meeting (AGM) held during the audit period:

I. Pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, the Company has passed a Special Resolution for the Regularization of Mr. Chul Moon Park (DIN: 07875018) who was appointed as additional Director by the Board of Directors w.e.f 25.08.2021 in the Annual General Meeting held on 30th September 2021.

II. Pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, the Company has passed a Special Resolution for the Regularization of Mr. Junghun Baig (DIN: 09268841) who was appointed as additional Director by the Board of Directors w.e.f 25.08.2021 in the Annual General Meeting held on 30th September 2021.

III. Pursuant to Section 197 and other applicable provisions of the Companies Act, 2013, if any, the Company has passed a Special Resolution with requisite majority for payment of Commission upto 1% of net profit to Non-Executive Directors for FY 2021-22 in the Annual General Meeting held on 30th September 2021.

IV. Pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, if any, the Company has passed a Special Resolution for One time special compensation of Rs. 4 crores to Mrs. Usha Bansal, wife of Late Mr. Rajesh Bansal as related party transaction in the Annual General Meeting held on 30th September 2021.

V. Pursuant to Sections 23 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) ("Companies Act"), and all other applicable extant SEBI/FEMA laws and rules/ regulations made thereunder and in accordance with the provisions of the Memorandum of Association, the Articles of Association of the Company and the uniform listing agreements, the Company has passed a Special Resolution for Raising of capital through an initial public offering in its Extra Ordinary General Meeting held on 28th October 2021.

VI. Pursuant to Sections 149, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 along with the rules made thereunder, each as amended ("Companies Act") and other applicable laws, if any,the Company has passed a Special Resolution for the Appointment of Mr. Sachchida Nand Agrawal as an Independent Director in its Extra Ordinary General Meeting held on 28th October 2021.

VII. Pursuant to Section 180(1)(c) and any other applicable provision of the Companies Act, 2013 the Company has increased its borrowing power from Rs. 850 crore to Rs. 1000 crore by passing a Special Resolution in its Extra Ordinary General Meeting held on 28th February 2022.

VIII. Pursuant to Section 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 the Company has passed a Special Resolution for Alteration by addition of one clause in clause III of Memorandum of Association of the Company in its Extra Ordinary General Meeting held on 28th February 2022.

For Dhananjay Shukla & Associates
Company Secretaries

Sd/-
Dhananjay Shukla
Proprietor

Place: Gurugram — FCS-5886, CP No. 8271
Date: 5th August 2022 — UDIN:F005886D000752324

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

'Annexure-A'

The Members,
M/s CJ DARCL Logistics Limited
(U60222HR1986PLC068818)
Regd. Off.: DARCL House, Plot No. 55 P,
Sector-44, Institutional Area,
Gurugram- 122003 (Haryana).

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records and other relevant records as maintained by the Company. Further, the physical and online verification was done on test basis to ensure that correct facts are reflected in secretarial records and other relevant records. We believe that the processes and practices we followed and the audit evidences we have obtained are sufficient and appropriate to 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. We have not examined the compliance by the company with applicable financial laws like Direct and Indirect Tax Laws, since the same has been subject to review by the Statutory and other Audit and by other designated professionals.
4. Where ever 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 procedures on test check basis.
6. The Secretarial Audit Report 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 Dhananjay Shukla & Associates
Company Secretaries

Sd/-
Dhananjay Shukla
Proprietor
FCS-5886, CP No. 8271
UDIN:F005886D000752324

Place: Gurugram
Date: 5th August 2022

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

INDEPENDENT AUDITOR'S REPORT

To the Members of CJ Darcl Logistics Limited

Report on the Audit of the standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of CJ Darcl Logistics Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the 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 Ind AS 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, 2022, 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 Ind AS 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 Ind AS financial statements.

Other Information

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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

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 Cash Flow Statement 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 Ind AS 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 as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 Ind AS 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, 2022 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; and

(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 Ind AS financial statements – Refer Note 39 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts, 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(s) or entity(ies), 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(s) or entity(ies), 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 that were 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. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AOJDBA8874
Place of Signature: New Delhi
Date: 5 August 2022

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: CJ Darcl Logistics Limited ('the Company')

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)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company except one immovable properties as indicated in the below mentioned cases; as at March 31, 2022 for which title deeds were not available with the Company and hence we are unable to comment on the same:

Description of Property	Gross carrying value (in INR)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Building in West Bengal	72,772	Roshan Lal Agarwal	Yes	November 22, 2001	The Company is in the process of getting the title deed registered in its name

(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, 2022.

(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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies were noticed on such physical verification of 10% or more in aggregate for each class of inventory.

(b) As disclosed in note 17 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 books of accounts of the Company.

iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any 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. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) In respect of deposits accepted or amounts which are deemed to be deposits, directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules made there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the 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, employees' state insurance, income-tax, duty of customs, 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) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues, have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amounts of dues (Rs In Mn)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	14.30	2015-16 to 2017-18	Commissioner of Income tax (Appeals)
Income Tax Act 1961	Income Tax	4.63	2014-15	Income tax appellate tribunal
Sales Tax Act / Value Added Tax	Sales Tax / Value Added Tax	68.52	2007-08, 2010-11, 2012-13 to 2017-18, 2019-20 to 2021-22	Upto Commissioners level
Sales Tax Act / Value Added Tax	Sales Tax/Value Added Tax	32.38	2009-10 to 2017-18	Commercial tax tribunal
Sales Tax Act / Value Added Tax	Sales Tax/Value Added Tax	8.66	2007-08 to 2009-10, 2012-13 to 2015-16 and 2017-18	High Court
Goods and Service tax Act, 2017	Goods and Services tax	4.29	2019-20 to 2021-22	Upto Commissioners level
Goods and Service tax Act, 2017	Goods and Services tax	1.24	2018-19 to 2020-21	High Court
Employees State Insurance Act, 1948	Employee State Insurance	11.6	Upto March 2017	Employee State Insurance Tribunal

(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.

(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 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 material 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 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) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 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) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(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) The Group has total 2 Core Investment Company as part of the Group.

(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 53 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 43 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 43 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AOJDBA8874
Place of Signature: New Delhi
Date: 5 August 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CJ DARCL 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 CJ Darcl Logistics Limited ("the Company") as of March 31, 2022 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 the 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 controls with reference to these 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, 2022, 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AOJDBA8874
Place of Signature: New Delhi
Date: 5 August 2022

Standalone Balance Sheet as at 31 March 2022

(All amounts in INR millions, unless stated otherwise)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	3a	2,128.90	1,999.85
Right-of-use assets	42	508.12	218.15
Capital work in progress	3ai	44.25	0.45
Intangible assets	4	37.68	41.53
Intangible assets under development	4a	9.81	7.17
Investment properties	5	45.44	47.48
Non-current investments	7	185.18	185.46
Financial assets			
i. Other financial assets	8	82.60	48.85
Non current tax assets (net)	6	645.66	261.93
Other non-current assets	9	32.18	27.70
Total non-current assets (A)		**3,719.82**	**2,838.57**
Current assets			
Inventories	10	15.99	9.29
Contract assets	24	345.53	301.03
Financial assets			
i. Investments	11	11.33	-
i. Trade receivables	12	7,631.47	5,958.76
ii. Cash and cash equivalents	13	17.47	107.34
iii. Bank balances other than (ii) above	14	78.41	69.22
iv. Other financial assets	8	241.56	264.00
Current tax assets (net)	6	-	184.41
Other current assets	9	555.05	308.11
Total current assets (B)		**8,896.81**	**7,202.16**
Assets classified as held for sale (C)	**3b**	**79.60**	**48.45**
Total Assets (A+B+C)		**12,696.23**	**10,089.18**
Equity and liabilities			
Equity			
Equity share capital	15	**226.62**	**226.62**
Other equity	16	4,780.60	4,182.34
Total equity (A)		**5,007.22**	**4,408.96**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	17	960.55	726.73
ii. Lease liabilities	42	386.98	124.84
iii. Other financial liabilities	18	35.13	43.31
Employee benefit obligations	19	80.11	50.82
Deferred tax liabilities (net)	20	78.71	68.71
Total non-current liabilities (B)		**1,541.48**	**1,014.41**

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Current liabilities			
Contract liabilities		28.14	12.58
Financial liabilities			
i. Borrowings	17	4,341.02	3,422.27
ii. Lease liabilities	42	99.33	66.21
iii. Trade payables	21		
-Dues to micro and small enterprises		-	-
-Dues to enterprises other than micro and small enterprises		1,207.57	905.75
iv. Other financial liabilities	18	55.21	29.55
Provisions	22	20.00	15.00
Employee benefit obligations	19	117.02	106.94
Other current liabilities	23	279.24	107.51
Total current liabilities (C)		**6,147.53**	**4,665.81**
Total equity and liabilities (A+B+C)		**12,696.23**	**10,089.18**
Summary of significant accounting policies	**2**		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

Standalone Statement of Profit and Loss for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from contracts with customers	24	36,368.22	28,240.76
Other income	25	138.52	180.52
Total income (I)		**36,506.74**	**28,421.28**
Expenses			
Cost of services	26	33,227.65	25,757.75
Employee benefit expenses	27	1,295.31	1,128.45
Finance cost	28	316.68	378.65
Depreciation and amortisation expense	29	433.58	436.93
Other expenses	30	445.58	314.01
Total expenses (II)		**35,718.80**	**28,015.79**
Profit before tax for the year (III = I - II)		**787.94**	**405.49**
Income tax expense	31		
- Current tax expense		170.36	84.90
- Deferred tax charge		12.35	16.98
Total Income tax expense (IV)		**182.71**	**101.88**
Profit for the year (V = III - IV)		**605.23**	**303.61**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement (loss)/gain of post employment benefit obligations	38	(9.31)	14.60
Income tax relating to these items	20	2.34	(3.68)
Other comprehensive (loss)/ income for the year, net of tax (VI)		**(6.97)**	**10.92**
Total comprehensive income for the year (VII=V+VI)		**598.26**	**314.53**
Earnings per equity share	32		
Basic earnings per equity share (INR)		**26.71**	13.40
Diluted earnings per equity share (INR)		**26.71**	13.40
Summary of significant accounting policies	**2**		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

Standalone Cash Flow Statements for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Operating activities			
Profit before tax		787.94	405.49
Adjustments for :			
Depreciation and amortisation expense		433.58	436.93
Profit on sale of properties classified as assets held for sale (net)		(3.76)	(16.59)
Profit on sale of property, plant and equipment other than asset held for sale (net)		(26.67)	(36.39)
Interest income		(11.42)	(10.23)
Profit on termination of lease contracts		(3.44)	(1.17)
Liabilities / provisions no longer required written back		(7.72)	(10.84)
Provision for doubtful trade receivables, advances, claims and other assets		61.18	0.09
Bad debts, advances & claims written off		5.46	9.45
Fair valuation of investments		(0.33)	-
Profit on sale of investments (net)		(0.03)	(0.00)
Interest income on - unwinding of security deposits		(1.60)	(1.21)
Finance costs		316.68	378.56
Operating profit before working capital changes		**1,549.87**	**1,154.09**
Changes in working capital :			
(Increase) in trade receivables		(1,717.29)	(267.96)
(Increase) in contract assets		(44.50)	(160.71)
(Increase) / decrease in inventories		(6.69)	6.62
(Increase) in other financial assets		(3.38)	(594.21)
(Inrease)/ decrease in other current assets		(243.21)	155.54
Increase in trade payables		304.58	249.42
Increase in other contract liability		15.56	0.77
Increase in other financial liabilities		6.62	10.37
Increase in other liabilities		171.83	50.80
Increase in provisions for contingencies		5.00	-
Increase in employee benefit obligations		30.07	40.64
Cash generated from operations		**68.47**	**645.37**
Net income tax paid (net of refund)		(369.70)	(14.64)
Net cash flow (used in) / from operating activities (A)		**(301.23)**	**630.73**
Investing activities			
Purchase of property plant and equipment and Intangible assets (Including CWIP)		(602.97)	(265.62)
Proceeds from property plant and equipment		52.57	96.28
Loans Taken from subsidiary Company		507.50	177.50
Loan repaid to subsidiary Company		(507.50)	(177.50)
Purchase of mutual fund		(81.33)	(10.00)
Proceeds from sale of mutual fund		70.03	20.00
Interest received		10.90	11.50
(Payment) / Net proceeds from fixed deposits with Banks having maturity of 3 to 12 months		(16.16)	10.39
Net cash flows used in investing activities (B)		**(566.96)**	**(137.45)**

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Financing activities			
Proceeds from long-term borrowings		785.88	567.40
Repayment for long-term borrowings		(555.82)	(498.60)
Proceed / (Repayment) from short-term borrowings (net)		924.19	(12.52)
Payment of lease liability (refer note 42)		(83.71)	(102.25)
Payment of interest and finance charges		(292.22)	(375.40)
Net cash from / (used in) financing activities (C)		**778.32**	**(421.37)**
Net (decrease) / increase in cash and cash equivalents (A + B + C)		(89.87)	71.91
Cash and cash equivalents at the beginning of the year		107.34	35.43
Cash and cash equivalents at the end of the year (refer note 13)		**17.47**	**107.34**
Non- cash investing activities			
Acquisition of Right of use Assets (refer note 42)		388.79	135.02

Disclosure of changes in liabilities arising from financing activities on account of non-cash transactions

Particulars	Borrowings (including interest accrued)	Lease Liabilities
Balance as at 1 April 2020	**4,114.20**	**197.67**
Non cash movement	-	95.56
Finance cost accrued	315.75	18.07
Net proceeds/(repayment) of borrowings	56.28	-
Payment of lease liability	-	(120.25)
Payment of interest*	(309.99)	-
Balance as at 31 March 2021	**4,176.24**	**191.05**
Balance as at 01 April 2021	**4,176.24**	**191.05**
Non cash movement	-	362.94
Finance cost accrued	215.30	16.03
Net proceeds/(repayment) of borrowings	1,154.25	-
Payment of lease liability	-	(83.71)
Payment of interest*	(207.42)	-
Balance as at 31 March 2022	**5,338.37**	**486.31**

*Excluding intererest considered as part of repayment in hire purchase contracts

Summary of significant accounting policies 2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

A) Equity share capital (refer note 15)

Particulars	Number of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at 1 April 2020	2,26,62,142	226.62
Add: Issued during the year	-	-
As at 31 March 2021	**2,26,62,142**	**226.62**
As at 1 April 2021	**2,26,62,142**	**226.62**
Add: Issued during the year	-	-
As at 31 March 2022	**2,26,62,142**	**226.62**

B) Other equity (refer note 16)

	General reserve [refer note 16(1)]	Securities premium [refer note 16(2)]	Capital redemption reserve [refer note 16(3)]a	Retained earnings [refer note 16(4)]	Total
As at 1 April 2020	**951.87**	**1,137.91**	**54.00**	**1,724.03**	**3,867.81**
Profit for the year	-	-	-	303.61	303.61
Other comprehensive Income (net of tax) for the year	-	-	-	10.92	10.92
As at 31 March 2021	**951.87**	**1,137.91**	**54.00**	**2,038.56**	**4,182.34**
As at 01 April 2021	**951.87**	**1,137.91**	**54.00**	**2,038.56**	**4,182.34**
Profit for the period	-	-	-	605.23	605.23
Other comprehensive (loss)/ income for the year, net of tax	-	-	-	(6.97)	(6.97)
As at 31 March 2022	**951.87**	**1,137.91**	**54.00**	**2,636.82**	**4,780.60**

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

CJ Darcl Logistics Limited (Formerly known as Darcl Logistics Limited)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

1. COMPANY OVERVIEW

CJ Darcl Logistics Limited (the 'Company') CIN No. U60222HR1986PLC068818 was incorporated originally as a Private Limited Company on 10 December 1986, which was converted into a Public Limited Company with effect from 01 December 1998. Name of the Company got changed to Darcl Logistics Limited effective 23 February 2010 and based on strategic transaction during the F.Y. 2017-18 with CJ Logistics Corporation, name of the Company got further changed to CJ Darcl Logistics Limited effective 13 September 2017. The Company is engaged in the business of carrier by road, rail and sea means of transportation, integrated logistics solutions and specialized logistics across multimodal transport operations and other activities of a similar nature.

These financial statements have been approved by the Board of Directors pursuant to resolution passed on 5 August 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to these financial statements.

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian rupees (INR) and all values are rounded to nearest millions upto two decimals, except when otherwise stated.

ii) Property plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT/GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

iii) Depreciation methods, estimated useful lives and residual value

Depreciation is provided on pro-rata basis using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as estimated by the management which is in line with the useful life of assets as prescribed under Schedule II of the Companies Act, 2013 except in respect of trucks and mobile phones, in which case the life of the assets has been assessed as 8/15/25 and 3 years respectively, taking into account their nature and their estimated usage.

The Company has used the following rates to provide depreciation on its property, plant and equipment:

Asset category	Useful lives estimated by management (SLM)	Useful life of assets as per Schedule II of Companies Act (SLM)
Land		
- Freehold	-	
- Leasehold	Over the period of lease	Over the period of lease
Buildings	30/60 years	30/60 years
Rail wagons and Rail containers	15 years	15 years
Plant and machinery (others)	8 years	8 years
Furniture and fittings	10 years	10 years
Office equipment	3/5 years	5 years
Computers	3/6 years	3/6 years
Trucks	8 years	6 years
Trucks (Puller/Axle)	15/25 years	6 years
Other vehicle	8 years	8 years

Leasehold land is amortised over the duration of the lease and leasehold improvements are depreciated on straight line basis over the unexpired period of lease.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income in Statement of Profit and Loss.

iv) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Amortisation methods and periods

The amortization period and the amortization method for an intangible asset with a finite useful life is 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 is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets are amortized on straight line method as follows:

- Software licenses - estimated useful life or 5 years, whichever is lower,
- Railway license fee – over the license period of 20 years.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets are disposed-off.

v) Use of estimates

The preparation of the financial statements requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Examples of such estimates include allowance for impairment of trade receivables and provision for doubtful advances, employee benefits, income taxes, and impairment of non-financial assets and useful lives of fixed assets.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known.

vi) 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 realized 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 current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

vii) 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. 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.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset,

b) An active programme to locate a buyer and complete the plan has been initiated,

c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

e) 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.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

viii) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

The Company has used the following lives to provide depreciation on its Investment properties:

Asset category	Useful lives estimated by management (SLM)	Useful life of assets as per Schedule II of Companies Act (SLM)
Building	60 Years	60 Years
Furniture and fittings	10 Years	10 Years
Office equipment	5/10 Years	5/10 Years

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

ix) Leases

The Company 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 of consideration.

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. The Company's lease asset classes primarily consist of leases for immovable properties, commercial vehicles, and other equipment.

a) Right of use asset

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 accumulated impairment losses, and adjusted for any re-measurement 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land - 2 to 70 Years
- Leasehold land – 5 to 99 Years
- Buildings – 2 to 28 Years
- Commercial vehicles - 1 to 3 Years
- Other equipment - 2 to 5 Years

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 note 2(xi) for impairment of non - financial assets.

b) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of the lease payment 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. The re-measurement of lease liability is done by discounting the revised lease payments using the Company's incremental borrowing rate at the effective date of modification.

c) 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 commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Operating lease:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms, unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase; such increases are recognized in the year/period in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rentals arising, if any, under operating leases are recognized as an expense in the period in which they are incurred.

x) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such 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. Where 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 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 available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

xi) Financial Instruments

i) Financial assets

a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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.

b) 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)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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 most applicable 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 amortization 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.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) 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 statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. This category is applicable to investments in mutual funds.

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 statement of 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. All changes in fair value including dividend are recognized in the statement of profit and loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. amortized 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.

Derecognition

A financial asset is de-recognised only when

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. A financial assets is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. 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 recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

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 analyzed.

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. For the financial assets measured as at amortised cost, contractual revenue receivables, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, 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.

Financial guarantees, issued in relation to obligations of subsidiaries, are initially recognised at fair value (as part of the cost of the investment in the subsidiary).

The Company's financial liabilities include trade and other payables, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

The financial guarantees are amortised over the life of the guarantee and are measured at each reporting date at the higher of:

- the remaining unamortized balance of the amount at initial recognition and
- the best estimate of expenditure required to settle the obligation at the end of the reporting period.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

De-recognition

A financial liability is derecognized 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.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

xii) Revenue recognition

Revenue from contracts with customers

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 Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 33.

Performance obligations

At contract inception, the Company assess the services promised in contracts with customers and identifies various performance obligations to provide distinct services to the customers. The Company has determined following distinct goods and services that represent its primary performance obligations.

- Transportation services: Revenue is recognized for these performance obligations as they are satisfied over the contract term, which generally represents the transit period. The transit period can vary based upon the method of transport, generally a couple days for over the road, rail, and air transportation, or several weeks in the case of an ocean shipment. Company also provide certain ancillary logistics services, such as handling of goods, customs clearance services etc. The service period for these services is usually for a very short duration, generally few days or weeks. Hence, revenue from these services is recognised over the service period as the Company perform the primary obligation of transportation of goods.
- Other allied services: Revenue from leasing of vehicles (trains/trucks), renting of warehouse, fee-based management services are recognised over time as the customer simultaneously avails the benefits of these services. Hence, the revenue from such services is recognised on a monthly basis, basis the amount fixed as per the agreements.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for providing services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for transportation services provide the customer with incentives and include penalties levied on the Company. To estimate the variable consideration for the expected future incentives and penalties, the Company has applied the expected value method for all contracts.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the same is invoiced to the customer, a contract asset is recognised for the earned consideration that is conditional on satisfaction of the performance obligation.

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). Refer to accounting policies of financial assets in financial instrument – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or 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 goods or 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 fulfil its performance obligation under the contract.

Interest income

Interest income from a financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

xiii) Inventories

Inventories comprise of tyres, tubes and other accessories for repairs and maintenance of own vehicles, which are valued at cost or net realizable value, whichever is lower. Cost is determined on weighted average cost basis. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

xiv) Employee benefits

(i) Post-employment benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separately entity. The Company has defined contribution plans for provident fund and employees' state insurance scheme. The Company's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Contributions to Superannuation are funded and charged to the statement of profit and loss when the employees have rendered service entitling them to the contributions.

The Company has no obligation other than contribution payable to these funds.

Defined Benefit Plans: The Company has a defined benefit gratuity plan which is a combination of funded plan and unfunded plan. In case of funded plan, the Company makes contribution to a separately administered fund. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimation of the payments. Any deficit in plan assets as compared to the liability based on an independent actuarial valuation is recognised as a liability. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, with actuarial valuations being carried out at periodic intervals.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income (OCI). They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine settlements
- Net interest expense

  Termination benefits are recognized as an expense immediately.

(ii) Short-term obligations and other long-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the end of the year. Actuarial gains/losses are immediately recognised to the Statement of Profit and Loss.

xv) Borrowing cost

Borrowing Costs directly attributable to the acquisition or construction 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 are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the finance costs.

xvi) Taxes

Income tax expense represents the sum of current tax and deferred tax.

i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable income and calculated using the applicable tax rates and 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 tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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, when the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

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

xvii) Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rates at the dates of the initial transactions.

xviii) Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company (after adjusting the corresponding income/charge for dilutive potential equity shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares. unless the effect of the potential dilutive equity shares is anti-dilutive.

xix) Provisions and Contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

A contingent liability is 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 extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but disclose its existence in the financial statements unless the probability of outflow of resource is remote. Contingent assets are not recognized.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

xx) Segment reporting

Business of the company primarily consist of transportation of goods and allied services. Accordingly, there is no separate reportable segment.

xxi) Dividend distribution to equity holders

The Company recognizes a liability to make cash distribution to equity holders 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 authorized when it is approved by the shareholders. The corresponding amount is recognised directly in equity.

xxii) Cash and cash equivalents

Cash an d cash equivalents in the balance sheet comprise of balances with banks, cash in 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. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

xxiii) Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any in separate financial statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Notes forming part of the standalone Ind AS financial statements as at and for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

3a Property, plant and equipment

Description of assets	Gross Block					Accumulated Depreciation					Net block
	As at 1 April 2021	Additions	Deletion/ Adjustments	Transfer from Investment properties	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion/ Adjustments	Transfer from Investment properties	As at 31 March 2022	As at 31 March 2022
Land - Freehold(1)	135.50	-	34.09	-	101.41	-	-	-	-	-	101.41
Buildings(1)(2)(3)	215.01	2.71	-	-	217.72	17.25	4.07	-	-	21.32	196.40
Plant and machinery (Flat wagons)	218.89	-	-	-	218.89	102.70	20.54	-	-	123.24	95.65
Rail containers	162.17	76.50	0.07	-	238.60	48.56	17.14	0.04	-	65.66	172.94
Plant and machinery (Others)	16.84	4.17	-	-	21.01	12.58	1.43	-	-	14.01	7.00
Furniture and fittings	90.47	10.64	0.72	-	100.39	29.02	9.10	0.41	-	37.71	62.68
Office equipment	158.90	19.88	10.95	-	167.83	83.31	25.99	7.61	-	101.69	66.14
Computers	54.45	26.58	7.41	-	73.62	25.99	14.61	5.52	-	35.08	38.54
Trucks (including Puller and Axle)(3)	1,915.06	374.83	41.33	-	2,248.56	749.06	237.27	25.44	-	960.90	1,287.66
Other vehicles	134.08	18.37	3.84	-	148.61	49.17	15.71	2.52	-	62.35	86.26
Leasehold improvements	30.31	0.88	0.25	-	30.94	14.19	2.78	0.25	-	16.72	14.22
Total	**3,131.68**	**534.56**	**98.66**	**-**	**3,567.58**	**1,131.83**	**348.64**	**41.79**	**-**	**1,438.68**	**2,128.90**
Capital Work in Progress	**0.45**	**44.45**	**0.65**	**-**	**44.25**	**-**	**-**	**-**	**-**	**-**	**44.25**

Description of assets	Gross Block					Accumulated Depreciation					Net block
	As at 1 April 2020	Additions	Deletion/ Adjustments	Transfer from Investment properties	As at 31 March 2021	As at 1 April 2020	Charge for the year	Deletion/ Adjustments	Transfer from Investment properties	As at 31 March 2021	As at 31 March 2021
Land - Freehold(1)	124.26	12.33	1.09	-	135.50	-	-	-	-	-	135.50
Buildings(1)(2)(3)	201.67	-	-	13.34	215.01	12.67	3.90	-	0.68	17.25	197.76
Plant and machinery (Flat wagons)	218.89	-	-	-	218.89	82.16	20.54	-	-	102.70	116.19
Rail containers	136.16	27.18	1.17	-	162.17	38.15	10.80	0.39	-	48.56	113.61
Plant and machinery (Others)	13.99	2.85	-	-	16.84	10.15	2.43	-	-	12.58	4.26
Furniture and fittings	78.47	8.27	0.81	4.54	90.47	20.31	8.34	0.39	0.76	29.02	61.45
Office equipment	137.54	26.53	6.77	1.60	158.90	60.38	26.57	4.08	0.44	83.31	75.59
Computers	37.96	20.74	4.25	-	54.45	18.95	10.33	3.29	-	25.99	28.46
Trucks (including Puller and Axle)(3)	1,922.66	113.68	121.28	-	1,915.06	627.70	217.42	96.06	-	749.06	1,166.00
Other vehicles	120.68	17.62	4.22	-	134.08	37.27	14.72	2.82	-	49.17	84.91
Leasehold improvements	27.54	2.77	-	-	30.31	8.15	6.04	-	-	14.19	16.12
					-					-	-
Total	**3,019.82**	**231.97**	**139.59**	**19.48**	**3,131.68**	**915.89**	**321.09**	**107.03**	**1.88**	**1,131.83**	**1,999.85**
Capital Work in Progress	**87.60**	**0.40**	**87.55**	**-**	**0.45**	**-**	**-**	**-**	**-**	**-**	**0.45**

(1) The title deeds for land and other properties at New Delhi, West Bengal, Haryana, Gujrat, Chhattisgarh, Rajasthan, Maharashtra, Jharkhand, Uttar Pradesh, Assam, Orissa, Andhra Pradesh and Karnataka are in the former name of the Company i.e. Delhi Assam Roadways Corporation Limited.

(2) Includes title deed of the building amounting as at 31 March 2022 to INR 0.07 million (31 March 2021: INR 0.08 million) is pending for registration in the name of the Company. The said building is registered in the name of a director of the Company.

(3) Refer note 17 for assets pledged as securities towards funded and non-funded facilities.

(4) For detail in respect of carve out assets please refer note 46

3ai) Capital work in progress ageing schedule

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at 31 March 2021					
Projects in progress	0.40	0.05	-	-	0.45
Projects temporarily suspended	-	-	-	-	-
	0.40	0.05	-	-	0.45
As at 31 March 2022					
Projects in progress	44.25	-	-	-	44.25
Projects temporarily suspended	-	-	-	-	-
	44.25	**-**	**-**	**-**	**44.25**

There are no projects on each reporting period/year where activity has been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.

3b Assets held for sale

As per the terms of Shareholder agreement dated 5 June 2017 entered into by the Company with CJ Logistics Corporation among other parties, certain properties have been agreed to be carved out from the Company (refer note 46). The details relating to gross block and accumulated depreciation of aforementioned assets as at 31 March 2022 are included in the table below:

Description of assets	Gross Block				Accumulated Depreciation				Net block
	As at 1 April 2021	Additions	Deletion/ Adjustments	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion/ Adjustments	As at 31 March 2022	As at 31 March 2022
Assets Held for Sale									
Land - Freehold	34.45	34.09	-	68.54		-		-	68.54
Buildings	15.06	-	2.98	12.08	1.05	-	0.03	1.02	11.06
Total Assets held for sale	**49.51**	**34.09**	**2.98**	**80.62**	**1.05**	**-**	**0.03**	**1.02**	**79.60**

Description of assets	Gross Block				Accumulated Depreciation				Net block
	As at 1 April 2020	Additions	Deletion/ Adjustments	As at 31 March 2021	As at 1 April 2020	Charge for the year	Deletion/ Adjustments	As at 31 March 2021	As at 31 March 2021
Assets Held for Sale									
Land - Freehold	42.02	-	7.57	34.45	-	-	-	-	34.45
Buildings	18.56	-	3.50	15.06	1.16	0.23	0.33	1.06	14.00
Total Assets held for sale	**60.58**	**-**	**11.07**	**49.51**	**1.16**	**0.23**	**0.33**	**1.06**	**48.45**

4 Intangible assets

Description of assets	Gross Block				Accumulated Depreciation				Net block
	As at 1 April 2021	Additions	Deletion/ Adjustments	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion/ Adjustments	As at 31 March 2022	As at 31 March 2022
Railway license	63.81	-	-	63.81	25.00	5.00	-	30.00	33.81
Software license fees	12.17	2.64	0.10	14.71	9.45	1.49	0.10	10.84	3.87
Total intangible assets	**75.98**	**2.64**	**0.10**	**78.52**	**34.45**	**6.49**	**0.10**	**40.84**	**37.68**
Intangible assets under development	**7.17**	**4.63**	**1.99**	**9.81**					**9.81**

Description of assets	Gross Block				Accumulated Depreciation				Net block
	As at 1 April 2020	Additions	Deletion/ Adjustments	As at 31 March 2021	As at 1 April 2020	Charge for the year	Deletion/ Adjustments	As at 31 March 2021	As at 31 March 2021
Railway license	63.81	-	-	63.81	20.00	5.00	-	25.00	38.81
Software license fees	11.80	0.37	-	12.17	8.11	1.34	-	9.45	2.72
Total intangible assets	**75.61**	**0.37**	**-**	**75.98**	**28.11**	**6.34**	**-**	**34.45**	**41.53**
Intangible assets under development	**-**	**7.17**	**-**	**7.17**					**7.17**

4a) Intangible assets under development schedule ageing

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at 31 March 2021					
Projects in progress	7.17	-	-	-	7.17
Projects temporarily suspended	-	-	-	-	-
	7.17	-	-	-	7.17
As at 31 March 2022					
Projects in progress	4.63	5.18	-	-	9.81
Projects temporarily suspended	-	-	-	-	-
	4.63	**5.18**	**-**	**-**	**9.81**

1. There are no projects on each reporting year where activity has been suspended.
2. There is one project (Transport Management System) as on the reporting date where completion is overdue and which has exceeded cost by Rs. 16.96 million as compared to its original plan of Rs. 16.00 million to a revised amount of Rs. 32.96 million.
3. Out of total revised project cost of Rs. 32.96 million, Rs. 9.81 million is under development as disclosed in note 4ai, and the balance amount of Rs. 23.15 million is expected to be completed within one year of the reporting date. The project-wise details of when the project is expected to be completed as follows:

Particulars	To be completed in				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at 31 March 2021					
Projects in progress					
Transport Management System	-	-	-	-	-
As at 31 March 2022					
Projects in progress					
Transport Management System	**23.15**	**-**	**-**	**-**	**23.15**

Notes forming part of the standalone Ind AS financial statements as at and for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

5. Investment properties

Particulars	Building	Office equipment	Furniture and fittings	Total
Gross carrying value				
As at 01 April 2020	52.22	5.68	13.84	71.74
Additions during the year	-	-	-	-
Transfer to property, plant and equipments* (refer note 3a)	(13.34)	(1.60)	(4.54)	(19.48)
As at 31 March 2021	**38.88**	**4.08**	**9.30**	**52.26**
Additions during the year	-	-	-	-
As at 31 March 2022	**38.88**	**4.08**	**9.30**	**52.26**
Accumulated depreciation				
As at 01 April 2020	**2.65**	**0.74**	**1.23**	**4.62**
Charge for the year	0.61	0.54	0.89	2.04
Transfer to property, plant and equipments* (refer note 3a)	(0.68)	(0.44)	(0.76)	(1.88)
As at 31 March 2021	**2.58**	**0.84**	**1.36**	**4.78**
Charge for the year	0.61	0.54	0.89	2.04
As at 31 March 2022	**3.19**	**1.38**	**2.25**	**6.82**
Net carrying value				
At 31 March 2021	**36.30**	**3.24**	**7.94**	**47.48**
At 31 March 2022	**35.69**	**2.70**	**7.05**	**45.44**

*During the year ended 31 March 2021, the Company has started using part of investment properties for its business purposes; hence, the same has been transferred to property, plant and equipment.

a) Amounts recognised in statement of profit or loss for investment properties

Particulars	As at 31 March 2022	As at 31 March 2021
Rental income	19.43	19.49
Direct operating expenses from property that generated rental income	(5.84)	(5.25)
Profit from investment properties before depreciation	**13.59**	**14.24**
Depreciation	(2.04)	(2.04)
Profit from investment properties	**11.55**	**12.20**

b) Fair value

The fair value of the Company's investment properties are set out in the table below:

Particulars	As at 31 March 2022	As at 31 March 2021
Investment properties	126.89	114.31

c) Estimation of fair value

The Company obtains independent valuations for its investment properties on annual basis. The fair valuation is done basis on the current prices in an active market for similar properties. There were no changes made during the year in valuation method or processes to determine classification of the level.

Fair valuation of the investment property is based on the valuation done by the registered valuer as defined under Rule (2) of Companies (Registered Valuers and Valuation) Rules, 2017.

6 Tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision for taxation)	645.66	446.32
	645.66	**446.32**
Breakup of the above		
Non-current	645.66	261.93
Current	-	184.40
	645.66	**446.33**

7 Non-current investments

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in subsidiaries		
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
17,894,875 (31 March 2021: 17,894,875) equity shares of Transrail Logistics Limited	178.95	178.95
100,000 (31 March 2021: 100,000) equity shares of DARCL Logistics Nepal Private Limited	1.63	1.91
460,020 (31 March 2021: 460,020) equity shares of Fr8ology Private Limited	4.60	4.60
58,870,403 (31 March 2021: 58,870,403) equity shares of CJ Korea Express India Private Limited	0.00	0.00
	185.18	**185.46**
Aggregate amount of unquoted investments	**185.18**	**185.46**
Aggregate amount of impairment in value of investments	**-**	**-**

8 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured considered good, unless otherwise stated		
Non current		
Security deposits - considered good	40.90	15.56
Security deposits - credit impaired	1.00	1.00
	41.90	16.56
Less: Security deposits - credit impaired	(1.00)	(1.00)
	40.90	**15.56**
Deposits with banks as margin money*	40.91	32.62
Interest accrued on fixed deposits	0.79	0.67
	82.60	**48.85**
Current		
Security deposits - considered good	101.13	114.69
Security deposits - credit impaired	9.23	9.23
	110.36	123.92
Less: Security deposits - credit impaired	(9.23)	(9.23)
	101.13	**114.69**
Claims receivable - considered good	25.25	21.72
Claims receivable - credit impaired	44.34	49.35
	69.59	71.07

Particulars	As at 31 March 2022	As at 31 March 2021
Less: Claims receivable - credit impaired	(44.34)	(49.35)
	25.25	**21.72**
Receivable against sale of assets	1.68	3.78
Deposits with banks as margin money*	56.68	58.00
Interest accrued on fixed deposits	2.13	1.74
Surrender value of keyman insurance policy	-	4.30
Receivable from related party (Refer note 37)	33.09	21.03
Other receivable - considered good #	21.60	38.74
Other receivable - credit impaired	28.41	25.98
	50.01	64.72
Less: Other receivable - credit impaired	(28.41)	(25.98)
	21.60	**38.74**
	241.56	**264.00**

* The Company has pledged these deposits as margin money with various banks to fulfil collateral requirements against bank guarantees, public deposits, overdraft and others.

Other receivables primarily includes recoverable on account of various skill development programmes undertaken by the Company.

9 Other assets

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Unsecured considered good, unless otherwise stated		
Non-current		
Prepaid expenses	9.62	6.90
Balance with government authorities - considered good	22.56	20.80
Balance with government authorities - credit impaired	18.00	6.00
	40.56	26.80
Less: Balance with government authorities - credit impaired	(18.00)	(6.00)
	22.56	**20.80**
	32.18	**27.70**
Current		
Capital advances	31.77	6.72
Prepaid expenses*	101.29	71.72
Advances to employees	40.20	34.45
Contract cost	143.40	69.23
Advances to vendors	241.52	125.99
Less: provision for advance to vendors	(3.13)	-
	238.39	125.99
	555.05	**308.11**

*Including expenses incurred till 31 March 2022, in relation to proposed Initial Public Offerings (IPO) amounting to INR 18.70 million by the Company. Portion of these expenses are recoverable from selling Shareholders. The recoverable amount will be determined on the completion of IPO.

10 Inventories

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Tyres, tubes and other spare parts	15.99	9.29
	15.99	**9.29**

11 Current investment

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in mutual funds - Quoted (measured at FVTPL)		
1,099,945 (31 March 2021: Nil) units of SBI Balanced Advantage and Multicap Fund Regular Growth	11.33	-
Total	**11.33**	**-**
Total current investments		
Aggregate book value of quoted investments	11.00	-
Aggregate market value of quoted investments	**11.33**	**-**

12 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables $	7,629.24	5,955.28
Receivable from related parties (refer note 37b)	2.23	3.48
	7,631.47	**5,958.76**
Break up for above:		
Trade receivables		
Unsecured, considered good	7,631.47	5,958.76
Trade Receivables-credit impaired	106.92	69.96
	7,738.39	**6,028.72**
Impairment allowance (allowance for bad and doubtful debts)*		
Trade Receivables-credit impaired	(106.92)	(69.96)
	(106.92)	**(69.96)**
	7,631.47	**5,958.76**

"$ Trade receivables includes unbilled revenue amounting to INR 1,771.66 Millions (31 March 2021: INR 1,597.19 Millions).

*For allowance for doubtful debts account as on 31 March 2022 and 31 March 2021 and changes during the year (refer note 47)"

Trade receivable ageing schedule

	Outstanding as at 31 March 2022 from the due date of payment						
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5,599.99	1,924.19	80.42	16.52	10.35	-	**7,631.47**
(ii) Undisputed Trade Receivables – credit impaired	-	-	37.97	33.15	19.10	16.70	**106.92**
	5,599.99	1,924.19	118.39	49.67	29.45	16.70	**7,738.39**
Less : Credit impaired	-	-	(37.97)	(33.15)	(19.10)	(16.70)	**(106.92)**
	5,599.99	**1,924.19**	**80.42**	**16.52**	**10.35**	**-**	**7,631.47**

	Outstanding as at 31 March 2021 from the due date of payment						
Particulars	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	4,203.71	1,643.93	61.73	25.63	23.76	-	5,958.76
(ii) Undisputed Trade Receivables – credit impaired	-	-	20.58	25.63	23.75	-	69.96
	4,203.71	1,643.93	82.31	51.26	47.51	-	6,028.72
Less : Credit impaired	-	-	(20.58)	(25.63)	(23.75)	-	(69.96)
	4,203.71	1,643.93	61.73	25.63	23.76	-	5,958.76

1) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively, in which any director is a partner, a director or a member.

2) Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

3) Refer note 17 for the current assets pledged as securities towards secured borrowings.

13 Cash and cash equivalents

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Cash in hand	4.88	5.86
Balances with banks		
- in current accounts	12.59	99.86
- in deposits accounts (having original maturity less than 3 months)	-	1.62
	17.47	**107.34**
For the purpose of the components of cash flow, cash and cash equivalents are the following:		
Cash in hand	4.88	5.86
Balances with banks:		
- in current accounts	12.59	99.86
- in deposits accounts (having original maturity less than 3 months)	-	1.62
Bank Overdraft	(0.18)	(1.87)
	17.29	**105.47**

14 Bank balances other than Cash and cash equivalents

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Fixed deposits with banks having original maturity of 3 to 12 months*	78.41	69.22
	78.41	**69.22**

* The Company has pledged INR 76.63 million (31 March 2021: INR 5.87 million) of its deposits as margin money with banks to fulfil collateral requirements.

15 Equity Share Capital

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Authorized equity share capital	450.00	450.00
45,000,000 (31 March 2021: 45,000,000) equity shares of INR 10 each	**450.00**	**450.00**
Issued, subscribed and fully paid up equity shares		
23,862,142 (31 March 2021: 23,862,142) equity shares of INR 10 each	238.62	238.62
Less: Shares held by ESOP Trust at the year end	(12.00)	(12.00)
	226.62	**226.62**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
At the beginning of the year	2,26,62,142	226.62	2,26,62,142	226.62
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**2,26,62,142**	**226.62**	**2,26,62,142**	**226.62**

(b) Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Group 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, if any.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% equity shares in the Company*

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	Number of shares	% holding
Equity shares with voting rights				
CJ Logistics Corporation	1,19,31,071	50.00%	1,19,31,071	50.00%
ASM (India) Investments Private Limited	33,11,564	13.88%	32,38,064	13.57%
Gargo Investments Private Limited	27,70,805	11.61%	27,70,805	11.61%
TCG ESOP Trust	12,00,000	5.03%	12,00,000	5.03%

* The disclosure is based on the legal ownership of the shares held as at the year end.

(d) Shares reserved for issue under options

1,200,000 shares (31 March 2021: 1,200,000) shares of INR 10 each are outstanding towards employee stock options which is currently being held by TCG ESOP Trust. The Share Holder Agreement (SHA) with CJ Logistics Corporation (which holds 50% shareholding), inter-alia, requires the Company to cancel the shares held in this ESOP trust by obtaining prior approval from NCLT (National Company Law Tribunal). The Company has filed the petition to NCLT for cancellation of these shares on 18 July 2021. (Refer note 41)

(e) Disclosure of shareholding of promoters

Particulars	Shares held by Promoter at the end of the year				% change during the year
	S.No	Promoter Name	No. of shares	% of total shares	
As at 31 March 2022	1	Mr. Krishan Kumar Agarwal	3,96,832	1.66%	0.42%
	2	Mr. Darshan Kumar Agarwal	1,62,050	0.68%	-0.13%
	3	Mr. Roshan Lal Aggarwal	2,78,391	1.17%	0.00%
	4	Mr. Narender Kumar Agarwal	5,30,897	2.22%	0.00%
	5	CJ Logistics Corporation	1,19,31,071	50.00%	0.00%

Particulars	Shares held by Promoter at the end of the year				% change during the year
	S.No	Promoter Name	No. of shares	% of total shares	
As at 31 March 2021	1	Mr. Krishan Kumar Agarwal	2,96,490	1.24%	0.42%
	2	Mr. Darshan Kumar Agarwal	1,92,708	0.81%	0.00%
	3	Mr. Roshan Lal Aggarwal	2,78,049	1.17%	0.00%
	4	Mr. Narender Kumar Agarwal	5,30,555	2.22%	-0.21%
	5	CJ Logistics Corporation	1,19,31,071	50.00%	0.00%

16 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
General reserve (1)		
Balance at the beginning of the year	951.87	951.87
Closing balance (A)	**951.87**	**951.87**
Securities premium (2)		
Balance at the beginning of the year	1,137.91	1,137.91
Closing balance (B)	**1,137.91**	**1,137.91**
Capital redemption reserve (3)		
Balance at the beginning of the year	54.00	54.00
Closing balance (C)	**54.00**	**54.00**
Retained Earnings (4)		
Balance at the beginning of the year	2,038.56	1,724.03
Add: Profit for the year	605.23	303.61
Add: Other comprehensive income / (loss) for the year (net of tax)	(6.97)	10.92
Closing balance (D)	**2,636.82**	**2,038.56**
Total other equity (A+B+C+D)	**4,780.60**	**4,182.34**

(1) General reserve

Under the erstwhile Companies Act 1956, General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(2) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(3) Capital redemption reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(4) Retained Earning

Retained earnings are the loss that the Compnay has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to standalone statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

17 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Non Current		
Secured loan		
Term loan from banks (refer note A)	1,137.45	995.95
Term loan from financial institution (refer note B)	-	17.57
Unsecured		
Term loan from banks (refer note C)	97.12	22.03
Deposits (refer note D)	223.73	192.68
	1,458.30	**1,228.23**
Less: Current maturities of long-term borrowings		
Secured loan		
Term loan from banks	408.25	416.53
Term loan from financial institution	-	17.57
Unsecured		
Term loan from banks	17.55	22.03
Deposits	71.95	45.37
	497.75	**501.50**
Total long term borrowings	**960.55**	**726.73**
Current		
Secured		
Working capital loan (refer note E)	2,982.27	2,243.71
Overdraft (refer note F)	0.18	1.87
Current maturities of long-term borrowings (secured)	408.26	434.11
Unsecured		
Working capital loan (refer note G)	790.00	500.00
Loans from related party (refer note H and note 36)	-	100.00
Deposits (refer note I)	70.81	75.18
Current maturities of long-term borrowings (refer above)	89.50	67.40
Total short term borrowings	**4,341.02**	**3,422.27**

Secured term loan from banks

A) Term loan amounting to INR 859.54 million (31 March 2021: INR 772.40 million) relates to rupee term loans from banks towards asset purchased under hire purchase/financing arrangement and are secured by way of hypothecation of the respective assets. Some of these term loans are further secured by way of personal guarantee of some of the Directors of the Company. These term loans carry fixed interest rates ranging from 6.86% to 9.72% per annum (31 March 2021: 7.90% to 9.72% per annum) and are repayable in balance monthly instalments ranging from 1 to 66 (31 March 2021: 5 to 51) with monthly instalment ranging from INR 0.01 million to INR 0.24 million (31 March 2021: INR 0.01 million to INR 0.23 million).

INR 22.93 million (31 March 2021: INR 164.98 million) relates to rupee term loan from bank towards working capital and is secured by first pari-passu charge by way of hypothecation over the Company's book debts (including unbilled receivables and current assets), equitable mortgage of one property owned by the Company and standby letter of credit arranged by CJ logistics Corporation Korea in favour of consortium banks. This is further secured by way of personal guarantee of some of the directors of the Company. This term loan carries floating interest rates of 7.00% per annum (31 March 2021: 7.40%) and is repayable in 3 balance (31 March 2021: 15) monthly instalments of INR 11.47 million (31 March 2021: INR 11.47 million).

INR 130.00 million (31 March 2021: INR 10.00 million) relates to rupee term loan from bank towards working capital and is secured by second charge by way of hypothecation over the Company's book debts (including unbilled receivables and current assets), equitable mortgage of one property owned by the Company and standby letter of credit arranged by CJ logistics Corporation Korea in favour of consortium banks. This loan is further secured by way of guarantee by National Credit Guarantee Trustee Company Limited. This term loan carries floating interest rates of 7.30% per annum (31 March 2021: 7.30%) and is repayable in 48 (31 March 2021: 48) equal monthly instalments starting from 1 May 2022.

INR 124.98 million (31 March 2021: INR 48.57 million) relates to rupee term loan from bank towards working capital and is secured by specific charge against one property. This is further secured by way of personal guarantee of some of the Directors of the Company. This term loan carries floating interest rate of 6.90% per annum (31 March 2021: 7.40%) and is repayable in 46 balance (31 March 2021: 58) monthly instalments of INR 3.11 million (31 March 2021: INR 1.00 million).

Secured term loan from financial institutions

B) Term loan amounting to INR Nil million (31 March 2021: INR 17.57 million) relates to rupee term loans from financial institution towards asset purchased under hire purchase / financing arrangement and are secured by way of hypothecation of the respective assets. This is further secured by way of personal guarantee of some of the directors of the Company. These term loans carry fixed interest rate Nil per annum (31 March 2021: 7.62% per annum) and are repayable in balance monthly instalments ranging from Nil (31 March 2021: 5 to 7) with equated monthly instalment ranging from INR Nil million (31 March 2021: INR 0.02 million to INR 0.05 million).

Unsecured term loan from bank

C) Term loan amounting to INR 97.12 million (31 March 2021: INR 22.03 million) relates to unsecured rupee term loan from bank. This loan carries floating interest rate of 6.90% per annum (31 March 2021: 7.45% per annum) and is repayable in 58 balance (31 March 2021: 7) monthly instalment of INR 1.98 million (31 March 2021: INR 3.27 million.

Unsecured Public Deposit

D) INR 223.73 million (31 March 2021: INR 192.68 million) relates to Deposits from Public and carry interest rate ranging from 6.25% to 8.25% per annum (31 March 2021: 6.50% to 8.25% per annum) (including 0.50% per annum extra interest to senior citizens) and are repayable after period ranging from 1 month to 36 months (31 March 2021: 13 month to 36 months) from the respective dates of deposit.

Secured short term borrowings

(E) Working capital loans amounting to INR 2,982.27 million (31 March 2021: INR 2,243.71 million) from banks are secured by first pari-passu charge by way of hypothecation over the Company's book debts (including unbilled receivables and current assets), equitable mortgage of one property owned by the Company and standby letter of Credit arranged by CJ logistics Corporation Korea in favor of consortium banks. The said loans are further secured by way of personal guarantee of some of the Directors of the Company. These loans are renewed at the end of one year or any extension given by the banks from the date of respective sanctions and carries fixed interest rate ranging 4.95% to 8.15% per annum (31 March 2021: 6.35% to 8.05% per annum).

(F) Overdraft from banks amounting to INR 0.18 million (31 March 2021: INR 1.87 million) are secured by way of pledge of some of the fixed deposits with the banks. These overdrafts carries respective fixed interest rate.

Unsecured short term borrowings

(G) Working capital demand loans INR 300.00 million (31 March 2021: INR 500.00 million) from bank is backed by Corporate Guarantee by CJ logistics Corporation Korea. This demand loan has bullet repayment within 3 months from the date of disbursement and carries fixed interest rate 5.05% per annum (31 March 2021: 5.90%).

Working capital demand loans INR 490.00 million (31 March 2021: INR Nil) from bank is unsecured. This demand loan has bullet repayment within 3 months from the date of disbursement and carries fixed interest rate ranging 5.05% to 5.18% per annum per annum (31 March 2021: Nil).

(H) Loan amounting to INR Nil million (31 March 2021: INR 100 million) from related party carry interest rate Nil per annum (31 March 2021: 7.00%) and repayable after a period Nil months from the date of disbursement of loan. Lender have an option to request for repayment of this loan before maturity date - in such case, the Company shall deduct 1% interest rate from the contractual rate i.e. 7% per annum.

(I) Deposits amounting to INR 70.81 million (31 March 2021: INR 75.18 million) from public carry interest rate ranging from 5.50% to 7.00% per annum (31 March 2021: 6.00% to 7.75% per annum) (including 0.50% per annum extra interest to senior citizens) and are repayable after period ranging from 1 months to 12 months (31 March 2021: 1 months to 12 months) from the respective dates of deposit.

Notes:

The Company has filed quarterly returns/statement of current assets with banks and financial institutions and these are in agreement with books of accounts for the year ended 31 March 2022 and year ended 31 March 2021.

18 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Security deposit#	23.51	33.61
Interest accrued but not due on borrowings	11.62	9.70
	35.13	**43.31**
Current		
Interest accrued but not due on borrowings	22.45	15.69
Unclaimed matured deposits and interest accrued thereon	2.69	1.67
Payable for capital expenditure	2.06	0.79
Security deposits#	14.47	1.16
Book overdraft	-	0.09
Others	13.54	10.15
	55.21	**29.55**

Includes deposits received from related parties as at 31 March 2022 of INR 9.66 million (31 March 2021: INR 9.66 million). Refer note 37.

19 Employee benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Gratuity (refer note 38)	80.11	50.82
	80.11	**50.82**
Current		
Compensated absences	77.85	73.93
Gratuity (refer note 38)	39.17	33.01
	117.02	**106.94**

20 Deferred tax liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Items leading to creation of deferred tax liabilities		
Property, plant and equipment and Intangibles assets- impact of difference between tax and books depreciation/amortisation"	186.65	188.20
Right-of-use assets	127.88	44.77
Others	-	1.08
Total (A)	**314.53**	**234.05**
Items leading to creation of deferred tax assets		
Employee benefit obligations	46.60	39.63
Provision for doubtful debt & advances	58.35	49.73
Lease liabilities	122.40	48.08
Expenses allowed as deduction on payment basis	8.47	27.90
Total (B)	**235.82**	**165.34**
Net deferred tax liabilities (A-B)	**78.71**	**68.71**

Movement in deferred tax liabilities (net)

Particulars	Property, plant and equipment and Intangibles	Right-of-use assets	Others	Defined benefit obligations	Provision for doubtful debt & advances	Lease liabilities	Expenses allowed as deduction on payment basis	Total
As at 1 April 2020	**176.26**	**47.26**	**1.98**	**(33.80)**	**(73.77)**	**(49.75)**	**(20.13)**	**48.05**
(Charged)/ credited:								
- to profit or loss	11.94	(2.49)	(0.90)	(9.51)	24.04	1.67	(7.77)	16.98
- to other comprehensive income/loss	-	-	-	3.68	-	-	-	3.68
As at 31 March 31 2021	**188.20**	**44.77**	**1.08**	**(39.63)**	**(49.73)**	**(48.08)**	**(27.90)**	**68.71**
Charged/ (credited):								
- to profit or loss	(1.55)	83.11	(1.08)	(4.63)	(8.62)	(74.32)	19.43	12.34
- to other comprehensive income/loss	-	-	-	(2.34)	-	-	-	(2.34)
As at 31 March 2022	**186.65**	**127.88**	**-**	**(46.60)**	**(58.35)**	**(122.40)**	**(8.47)**	**78.71**

21 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Dues to Micro and Small Enterprises *	-	-
Dues to enterprises other than Micro and Small Enterprises	1,207.57	905.59
Payables to related parties (refer note 37)	-	0.16
	1,207.57	905.75

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Trade payable ageing schedule

Particulars	Outstanding as at 31 March 2022 from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,128.25	65.85	6.31	7.16	1,207.57
	1,128.25	**65.85**	**6.31**	**7.16**	**1,207.57**

Particulars	Outstanding as at 31 March 2021 from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	885.63	0.68	2.43	17.01	905.75
	885.63	**0.68**	**2.43**	**17.01**	**905.75**

There are no disputed dues as at 31 March 2022 and 31 March 2021.

22 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Provision for contingencies	20.00	15.00
	20.00	**15.00**

The Company has recorded a provision of INR 20.00 million as at 31 March 2022 (31 March 2021: INR 15.00 million) against contingent liabilities as a matter of abundance caution (refer note 39).

23 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance against sale of assets*	64.60	25.90
Statutory dues	214.64	81.61
	279.24	**107.51**

* Includes advance received from related parties of INR 15.11 million (31 March 2021: INR 15.00 million). Refer note 37.

24 Revenue from contracts with customers

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rendering of services (Services transferred over time)		
Transportaion of goods	36,127.81	28,052.12
Other services	240.41	188.64
	36,368.22	**28,240.76**
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	36,431.46	28,292.50
Adjustments		
Incentives and penalties	(63.24)	(51.74)
Revenue from contracts with customers	**36,368.22**	**28,240.76**

Revenue from rendering of services is earned primarily from customers within India.

Revenue recognised in the current year that was included in the opening contract liability balance is INR 12.58 million (31 March 2021: INR 13.36 million). Revenue related to performance obligation satisfied in current year are INR Nil (31 March 2021: Nil).

The transaction price allocated to the remaining performance obligation (partially unsatisfied) as at 31 March 2022 is INR 454.12 million (31 March 2021: 349.66 million). Such remaining performance obligation are expected to be recognised within one year.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from customers

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Receivables $	7,631.47	5,958.76
Contract assets (refer note 1 below) *	345.53	301.03
Contract liabilities (refer note 2 below) #	28.14	12.58

$ Trade receivables includes unbilled revenue amounting to INR 1,771.66 Million (31 March 2021: INR 1,597.19 Million).

* Contract assets of INR 301.03 Millions (31 March 2021: INR 139.13 Million) recognised at the beginning of the year has been transferred to trade receivables.

Net increase by INR 15.56 Millions (31 March 2021: INR 0.78 Million decrease) is on account of cash received excluding revenue recognised during the year from contract liability as the beginning of the year.

Notes:

1. The contract assets primarily relate to the Company's rights to consideration for work partially completed and not billed at reporting date. The contract assets are transferred to the receivables on completing performance obligation and when the rights become unconditional.

2. Contract liabilities relates to payments received in advance of performance and unearned revenue against which amount has been received from customer but services are yet to be rendered on the reporting date either in full or in parts. Contract liabilities are recognized evenly over the year of service, being performance obligation of the Company.

25 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on		
- Bank deposits carried at amortised cost	10.22	10.26
- Income tax refund	1.20	61.65
Interest income on - unwinding of security deposits	1.60	1.21
- Others	6.17	1.10
Rental income	22.09	22.27
Change in surrender value of keyman insurance policy	-	0.79
Profit on sale of properties classified as assets held for sale (net)	3.76	16.59
Profit on sale of property, plant and equipment other than asset held for sale (net)	26.67	36.39
Profit on sale of investments (net)	0.03	0.00
Bad debts earlier written off, now recovered	18.46	-
Liabilities/provisions no longer required written back	7.72	10.84
Net gain on financial assets measured at fair value through profit or loss	0.33	-
Profit on termination of lease contract	3.44	1.17
Miscellaneous income	36.83	18.25
	138.52	**180.52**

26 Cost of services*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lorry hire, haulage and other ancillary cost	32,698.62	25,228.77
Vehicles' taxes	41.62	40.55
Repairs and maintenance	106.83	100.13
Consumption of tyres, tubes and other spare parts	162.81	83.87
Vehicle and marine insurance	87.87	70.43
Claims for losses and damage (net)	2.45	85.88
Commission to agents	8.00	9.35
Other charges	119.45	138.77
	33,227.65	**25,757.75**

*includes expenses incurred on running of trucks and rail container owned by the Company.

27 Employee benefit expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salary, wages and bonus	1,158.90	1,010.86
Gratuity expenses (refer note 38)	26.14	24.28
Contribution to provident and other funds (refer note 38)	81.64	67.92
Workmen and staff welfare expenses	28.63	25.39
	1,295.31	**1,128.45**

28 Finance cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense:		
- borrowings at amortised cost #	215.30	315.75
- on lease liabilites (refer note 42)	16.03	18.07
- on others - delayed payment of TDS / GST	0.00	0.09
Other finance charges*	85.35	44.74
	316.68	**378.65**

underlying borrowings are carried at amortised cost.

* Includes forward premium as at 31 March 2022 of INR 67.69 million (31 March 2021: INR 29.72 million), paid to bank.

29 Depreciation and amortization expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment* (refer note 3 and 5)	350.68	323.35
Amortisation of intangible assets (refer note 4)	6.49	6.34
Depreciation of right-to-use assets (refer note 42)	76.41	107.24
	433.58	**436.93**

*including depreciation of INR 2.04 million (31 March 2021: INR 2.04 million) on building classified as investment properties.

30 Other expenses

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Non-executive directors' commission		1.42	1.42
Directors sitting fee		0.85	0.66
Rent		37.99	29.22
Rates and taxes		21.71	8.27
Communication		28.70	24.28
Legal and professional		63.21	38.13
Commission		6.25	3.86
Advertisement and publicity		8.89	9.21
Business promotion and entertainment		7.69	4.98
Travelling and conveyance		23.33	12.90
Printing and stationery		10.89	13.36
Insurance		4.57	24.89
Vehicles running and maintenance		24.26	17.24
Repairs and maintenance (others)		33.21	29.59
Electricity and water		18.89	15.96
Payments to auditors (refer details below)		11.84	4.48
Donations		2.80	7.09
Expenditure on corporate social responsibility (refer note 43)		14.72	14.68
Provision for doubtful trade receivables, advances, claims, security deposits, other assets and provision for contingencies:		61.18	0.09
Bad debts, advances and claims written off	8.96		
Less: Adjusted from provision for doubtful debts and advances	(3.50)	5.46	9.45
Loss on theft and embezzlement		0.01	0.00
Outsourced manpower expenses		12.81	8.90
Miscellaneous expenses		44.90	35.25
		445.58	**314.01**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Payments to auditors comprises:		
As auditor:		
Audit fee	3.50	4.37
Certification fees	1.01	0.11
Other Services	6.91	-
Reimbursement of expenses	0.42	-
	11.84	**4.48**

Note: Above amount is excluding of INR 4.50 million on account of services provided w.r.t. proposed IPO of the Compnay. This amount is outstanding under prepaid expenses 31 March 2022 and expensed off on the completion of IPO. Portion of these expenses are recoverable from selling Shareholders. The recoverable amount will be determined on the completion of IPO.

31 Income tax expense

The major components of income tax expense for the year ended 31 March 2022 and 31 March 2021 are:

(a) Profit or loss section

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax		
- current tax on profits for the year	207.19	84.90
- adjustment for tax for earlier years	(36.83)	-
Deferred tax charge		
- Relating to (reversal) / addition of temporary difference	(9.88)	16.98
- Relating to temporary difference of earlier years	22.23	-
Total tax expense	**182.71**	**101.88**
Income tax effect of re-measurement gains on defined benefit plans taken to other comprehensive income	**2.34**	**(3.68)**

(b)Reconciliation of tax expense and the accounting profit

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before income tax expense	787.94	405.49
Tax at the Indian tax rate of 25.168% (Year ended 31 March 2021 – 25.168%)	198.31	102.05
Adjustments :		
Expense not allowable under income tax as deductible expense	5.97	7.26
Additional benefits allowable as per income tax for the expenses incurred under section 80 JJAA	(7.65)	(5.26)
Interest under Income-tax Act	0.00	-
Adjustments in respect of deferred tax/current income tax of previous years	(14.60)	-
Others	0.68	(2.17)
Income tax expense reported in the statement of profit and loss	**182.71**	**101.88**

32 Earnings per share

Basic EPS is calculated by dividing the net 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 EPS, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity holders of the Company	605.23	303.61
Effect of dilution	-	-
Profit attributable to equity holders for the effect of dilution	**605.23**	**303.61**
Weighted average number of equity shares in calculating basic EPS	2,26,62,142	2,26,62,142
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	**2,26,62,142**	**2,26,62,142**
Basic earning per share (INR)	26.71	13.40
Diluted earning per share (INR)	26.71	13.40

33 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. 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. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

A. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Determining the lease term of the contract with renewal and termination option - Company as a 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 to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

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 or when they need to be adjusted to reflect the terms and conditions of the lease.

Operating lease commitments – Company as a lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

i) Revenue from contracts with customers

- **Determining method to estimate variable consideration**

Certain contracts for the transportation of goods include incentives or penalties, that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the transportation of goods with incentives or penalties, given the large number of customer contracts that have similar characteristics.

- **Estimating number of days for application of percentage of completion method**

The Company records revenue by estimating the total number days the vehicle will take to deliver the goods. Number of days usually begin from the date of preparation of consignment note, to either actual delivery date or expected date of delivery agreed with customer.

ii) Taxes

Deferred tax assets are recognized to the extent it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies for further details refer note 31.

iii) Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits 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. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 38.

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iv) Provision for trade receivable

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. For the purpose of measuring the expected credit loss for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible on assessment of facts & circumstances. For details of allowance for doubtful debts please refer note 12.

v) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting year to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. In assessing 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. There is no indicator of impairement of non financial assets as at 31 March 2022.

vi) Provisions and Contingent liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluations of uncertain provisions and contingent liabilities and assets requires judgement and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts. Refer note 39 for further details about Contingent liabilities and related provisions.

vii) 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. 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 and 35 for further disclosures.

viii) Useful life of Property, Plant and Equipment and Intangibles.

The useful life to depreciate property, plant and equipment and intangibles is based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturers' warranties, maintenance and support period, etc. The charge for the depreciation is derived after considering the expected residual value at end of the useful life. The residual values, useful lives and methods of depreciation of property, plant and equipment and intangibles are reviewed by the management at each financial year end and adjusted prospectively, if appropriate. Further details about property, plant and equipment are given in note 3 and 4.

34 Fair value measurements

a) The carrying value of financial instruments by category

Particulars	31 March 2022			31 March 2022		
	FVTOCI	FVTOCI	Amortized cost	FVTOCI	FVTOCI	Amortized cost
Financial assets						
Investments	11.33	-	-	-	-	-
Trade receivables	-	-	7,631.47	-	-	5,958.76
Cash and cash equivalents	-	-	17.47	-	-	107.34
Bank balances other than Cash and cash equivalents	-	-	78.41	-	-	69.22
Other financial assets (1)	-	-	324.17	-	-	312.86
Total financial assets	**11.33**	**-**	**8,051.52**	**-**	**-**	**6,448.18**
Financial liabilities						
Borrowings (3) (4)	-	-	5,335.63	-	-	4,174.38
Trade payables	-	-	1,207.57	-	-	905.75
Other financial liabilities (2)	-	-	56.28	-	-	47.47
Total financial liabilities	**-**	**-**	**6,599.48**	**-**	**-**	**5,127.60**

(1) Included in other current / non-current financial assets.

(2) Included in other current / non-current financial liabilities, excluding interest accrued but not due on borrowings

(3) Borrowings for the year ended 31 March 2022 includes borrowings of INR 375.03 million (31 March 2021: INR Nil million) carrying floating interest rates.

(4) Borrowings includes interest accrued but not due of Rs. 34.07 million (31 March 2021: 25.39 million)

(b) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath.

i) Financial assets measured at fair value - recurring fair value measurements

Nil financial liability as at 31 March 2022 and 31 March 2021, which are measured at fair value.

ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed below:

	Carying value	Level 1	Level 2	Level 3	Total
As at 31 March 2022					
Financial assets					
Trade receivables	7,631.47	-	-	7,631.47	7,631.47
Cash and cash equivalents	17.47	-	-	17.47	17.47
Bank balances other than Cash and cash equivalents	78.41	-	-	78.41	78.41
Other Financial Assets (1)	324.17	-	54.58	280.43	335.01
Total financial assets	8,051.52	-	54.58	8,007.78	8,062.36
Financial liabilities					
Borrowings (3) (4)	5,335.63	-	5,359.73	-	5,359.73
Trade payables	1,207.57	-	-	1,207.57	1,207.57
Other financial liabilities (2)	56.28	-	18.62	38.17	56.79
Total financial liabilities	6,599.48	-	5,378.35	1,245.74	6,624.09

(1) Included in other current / non-current financial assets.

(2) Included in other current / non-current financial liabilities, excluding interest accrued but not due on borrowings

(3) Borrowings for the year ended 31 March 2022 includes borrowings of INR 375.03 million carrying floating interest rates.

(4) Borrowings includes interest accrued but not due of Rs. 34.07 million.

ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed below:

	Carying value	Level 1	Level 2	Level 3	Total
As at 31 March 2021					
Financial assets					
Trade receivables	5,958.76	-	-	5,958.76	5,958.76
Cash and cash equivalents	107.34	-	-	107.34	107.34
Bank balances other than Cash and cash equivalents	69.22	-	-	69.22	69.22
Other Financial Assets (1)	312.86	-	132.64	180.19	312.83
Total financial assets	**6,448.18**	**-**	**132.64**	**6,315.51**	**6,448.15**
Financial liabilities					
Borrowings (3) (4)	4,174.38	-	4,248.67	-	4,248.67
Trade payables	905.75	-	-	905.75	905.75
Other financial liabilities (2)	47.47	-	37.89	12.70	50.59
Total financial liabilities	**5,127.60**	**-**	**4,286.56**	**918.45**	**5,205.01**

(1) Included in other current / non-current financial assets.

(2) Included in other current / non-current financial liabilities, excluding interest accrued but not due on borrowings

(3) Borrowings for the year ended 31 March 2021 includes borrowings of INR Nil million carrying floating interest rates.

(4) Borrowings includes interest accrued but not due of Rs. 25.39 million

Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

- The fair values of the quoted investments traded in active market are determined by reference to quotes from the financial institutions; for example NAV for investment in mutual funds declared by mutual funds house.

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 knowledgeable and willing parties, other than in a forced or liquidation sale. The valuation techniques used to determine the fair values of financial assets and financial liabilities classified as level 2 include use of quoted market prices or dealer quotes for similar instruments and generally accepted pricing models based on a discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

As of 31 March 2022 and 31 March 2021 the fair value of cash and cash equivalents and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments.

For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

35 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to provide finance to the Company to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior and top management oversees the management of these risks. The Company's senior and top management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company's senior management is supported by a Risk Management Policy adopted by the Board of Directors that advises on financial risk and appropriate financial risk governance framework for the Company. It is Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review the policies periodically for managing each of these risks, which are summarized below.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The major exposure to the credit risk at the reporting date is from trade receivables and other rceivables. The Company is also exposed to credit risk from deposits with banks and financial institutions and foreign exchange transactions.

(i) Trade Receivables

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. Trade receivables and contract assets are typically unsecured and are derived from revenue earned through customers. Customer credit risk is managed by the Company subject to the credit policy, procedures and control relating to customer credit risk management. Credit to each customer is given based on its credit rating score. Outstanding customer receivables are regularly monitored in the receivable review committee for any expected default in repayment. An impairment analysis is performed at each reporting date on an individual basis for all customers. Trade receivables are non-interest bearing and are generally on 30 to 120 days' credit terms.

The Company follows a 'simplified approach' (i.e. based on lifetime Expected credit losses (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). A large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. The Company, based on past trends and age based provision policy of the Company, recognizes allowance for trade receivables. Further, allowance is also recognised for cases indicating any specific trail of credit loss within the ageing brackets mentioned above. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several industries and operates in largely independent markets.

Individual trade receivables are written off when management deems them not to be collectible. Any subsequent recovery is recognized as Income in the Statement of Profit and Loss. Refer Note 12 for the carrying amount of credit exposure on Trade receivables in the Balance Sheet date. There is no credit exposure on contract assets.

(ii) Financial Instruments & Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within Board assigned limits. Counterparty limits are reviewed by the Company's Board of Directors throughout the year subject to the recommendation of the Company's Management Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 as it's carrying amounts as disclosed in notes 8, 9, 13 and 14. The Company's maximum exposure relating to financial derivative instrument is noted in note 34 (b) and liquidity table below.

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain continuity of optimum levels of liquidity to meet its fund requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of cash credit facility, demand loans, commercial credit cards, vehicle refinance, unsecured loan, public deposit. Processes and policies related to such risks are overseen by the Company's treasury department under guidance of the senior management. 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 Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Besides debt, with the recent infusion of equity, there is sufficient liquidity to meet the financial liabilities in the foreseeable future.

(i) Maturities of financial liabilities

The maturity profile of the Company's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	As at 31 March 2022	As at 31 March 2021
On Demand		
Borrowings	3,772.45	2,845.58
Upto 1 year		
Borrowing (including current maturities of long term borrowing)	646.16	629.29
Trade payable	1,207.57	905.75
Other financial liabilities	32.76	13.86
Lease liabilities	127.79	79.75
More than 1 year but less than 5 years		
Borrowing	1,028.42	765.50
Other financial liabilities	23.51	43.31
Lease liabilities	419.76	135.83
More than 5 years		
Borrowing	24.12	-
Lease liabilities	34.11	31.60

(C) 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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2022. The analyses exclude the impact of movements in market variables on the carrying values of gratuity, pension obligation and other post-retirement obligations and provisions. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2022 and 31 March 2021.

(i) 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 operates on very selective international destinations and is somewhat exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company has major foreign currency risk in USD.

The Company's net exposure to foreign currency risk at the end of the reporting period is INR 43.21 million net payable (31 March 2021: INR 20.47 million net receivable). These outstanding balances are unhedge as at the year end.

Particulars	Change in forex rates by 5%	Effect on profit before tax
As at 31 March 2022		
Foreign currency exposure	+ 5%	(2.16)
	- 5%	2.16
As at 31 March 2021		
Foreign currency exposure	+ 5%	1.02
	- 5%	(1.02)

(ii) 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 and working capital facilities.

Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in basis points	Effect on profit before tax
As at 31 March 2022*		
Borrowings	+0.50%	(1.88)
	-0.50%	1.88
As at 31 March 2021		
Borrowings	+0.50%	-
	-0.50%	-

*The Company has INR 375.03 million (31 March 2021: INR NIL) outstanding borrowings/working capital facilities with floating interest rate as at 31 March 2022.

36 Capital management

(a) Risk management

For the purposes of the Company's capital management, Capital includes equity and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company's endeavor is to maintain the gearing ratio below 200%.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and cash equivalents) divided by total equity.

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings including lease liabilities (refer note 17 and 42)	5,787.88	4,340.05
Cash and cash equivalents (refer note 13)	(17.47)	(107.34)
Net debt	**5,770.41**	**4,232.71**
Equity	**5,007.22**	**4,408.96**
Net debt to equity ratio	**115.24%**	**96.00%**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021.

37 Related party disclosures:

The related parties where control and significant influence exists are subsidiaries. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director whether executive or otherwise.

(a) Name of related party and related party relationship
Subsidiary companies
Transrail Logistics Limited
DARCL Logistics Nepal Private Limited
Fr8ology Private Limited
CJ Korea Express India Private Limited
Key management personnel
Krishan Kumar Agarwal (Chairman and Managing Director)
Darshan Kumar Aggarwal (Joint Managing Director)
Roshan Lal Aggarwal (Joint Managing Director)
Narender Kumar Agarwal (Joint Managing Director)
Hyoung Gun Kang (Whole Time Director & Deputy CEO) [upto 24 August 2021]
JungHun Baig (Whole Time Director and Deputy CEO [with effect from 25 August 2021]
Chol Hoi Kim (Chief Financial Officer) [up to 31 January 2021]
Jaehee Lee (Chief Financial Officer) [with effect from 1 June 2021]
Apoorva Kumar (Company Secretary)
Mrs. Aarti Bhargava (Joint Company Secretary) [with effect from 18 October 2021]
Relatives of key management personnel
Sushma Agarwal
Yogesh Agarwal
Puneet Agarwal
Vineet Agarwal
Nitin Agarwal
Nitesh Agarwal
Nikhil Agarwal
Ishant Agarwal
Mahima Agarwal
Sakshi Agarwal
Usha Bansal
Shweta Gupta
Vibha Agarwal

Enterprises owned/significantly influenced by key management personnel or their relatives
Tek Chand & Sons (HUF)
ASM (India) Investments Private Limited
Gargo Investments Private Limited
Daffodil Software Pvt. Limited
TCG ESOP Trust
TCG Media Limited
J B T A Logistics Private Limited
Autoload Solutions LLP
Fretron Private Limited (Formerly known as Fretron LLP)
S. Dayal Construction Private Limited
Enterprises having significant influence
CJ Logistics Corporation

(a) Details of related party transactions during the year ended 31 March 2022 and balances outstanding as at 31 March 2022

Balance as at year end	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Loan received												
Daffodil Software Pvt. Limited	-	-	-	-	-	100.00	-	-	-	-	-	100.00
Trade receivable												
Transrail Logistics Limited	0.08	-	-	-	-	-	-	-	-	-	0.08	-
Darcl Logistics Nepal Private Limited*	1.04	2.82	-	-	-	-	-	-	-	-	1.04	2.82
CJ Logistics Corporation	-	-	-	-	-	-	-	-	1.11	0.66	1.11	0.66
Security deposits paid												
S. Dayal Construction Private Limited	-	-	-	-	7.88	9.88	-	-	-	-	7.88	9.88
J B T A Logistics Private Limited	-	-	-	-	0.34	-	-	-	-	-	0.34	-
Sushma Agarwal	-	-	-	-	-	-	0.34	-	-	-	0.34	-
Trade payable												
Krishan Kumar Agarwal	-	-	0.75	20.03	-	-	-	-	-	-	0.75	20.03
Darshan Kumar Aggarwal	-	-	0.86	20.91	-	-	-	-	-	-	0.86	20.91
Roshan Lal Aggarwal	-	-	0.79	21.27	-	-	-	-	-	-	0.79	21.27
Narender Kumar Agarwal	-	-	0.86	20.92	-	-	-	-	-	-	0.86	20.92
Hyoung Gun kang	-	-	-	0.60	-	-	-	-	-	-	-	0.60
Baig Junghun	-	-	0.78	-	-	-	-	-	-	-	0.78	-
Jaehee Lee	-	-	0.84	-	-	-	-	-	-	-	0.84	-

Balance as at year end	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Apoorva Kumar	-	-	0.26	0.21	-	-	-	-	-	-	0.26	0.21
Aarti Bhargava	-	-	0.38	-	-	-	-	-	-	-	0.38	-
Puneet Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.44	0.36	-	-	0.44	0.36
Vineet Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.46	0.36	-	-	0.46	0.36
Nitesh Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.56	0.48	-	-	0.56	0.48
Nitin Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.05	0.55	-	-	0.05	0.55
Nikhil Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.50	0.54	-	-	0.50	0.54
Mahima Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.34	0.31	-	-	0.34	0.31
Ishant Agarwal {refer footnote (iii)}	-	-	-	-	-	-	0.41	0.40	-	-	0.41	0.40
Transrail Logistics Limited	0.12	0.24	-	-	-	-	-	-	-	-	0.12	0.24
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	-	0.17	-	-	-	-	-	0.17
S. Dayal Construction Private Limited	-	-	-	-	-	1.54	-	-	-	-	-	1.54
CJ Logistics Corporation	-	-	-	-	-	-	-	-	10.08	1.51	10.08	1.51

*The above trade receivable has been provided INR 1.04 million (31 March 2021 INR 2.82 million)

(a) Details of related party transactions during the year ended 31 March 2022 and balances outstanding as at 31 March 2022

Balance as at year end	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Security deposits payable												
Krishan Kumar Agarwal	-	-	1.31	1.31	-	-	-	-	-	-	1.31	1.31
Roshan Lal Aggarwal	-	-	3.38	3.38	-	-	-	-	-	-	3.38	3.38
Narender Kumar Agarwal			1.66	1.66							1.66	1.66
Vineet Agarwal	-	-	-	-	-	-	0.60	0.60	-	-	0.60	0.60
Nitesh Agarwal	-	-	-	-	-	-	0.39	0.39	-	-	0.39	0.39
Mahima Agarwal	-	-	-	-	-	-	0.09	0.09	-	-	0.09	0.09
Ishant Agarwal	-	-	-	-	-	-	1.18	1.18	-	-	1.18	1.18
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	1.05	1.05	-	-	-	-	1.05	1.05
Other financial liabilities												
Tek Chand Agarwal HUF	-	-	-	-	15.11	15.00	-	-	-	-	15.11	15.00
Other recoverable												
Fr8ology Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
CJ Korea Express India Private Limited	-	0.19	-	-	-	-	-	-	-	-	-	0.19
Darcl Logistics Nepal Private Limited	0.29	-	-	-	-	-	-	-	-	-	0.29	-
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	0.17	0.01	-	-	-	-	0.17	0.01
CJ Logistics Corporation	-	-	-	-	-	-	-	-	32.63	36.53	32.63	36.53
Vendor Advances												
Darcl Logistics Nepal Private Limited	1.23	1.00	-	-	-	-	-	-	-	-	1.23	1.00

(a) Details of related party transactions during the year ended 31 March 2022 and balances outstanding as at 31 March 2022

Transactions during the year	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations												
Transrail Logistics Limited	1.83	15.90	-	-	-	-	-	-	-	-	1.83	15.90
CJ Korea Express India Private Limited	-	1.07	-	-	-	-	-	-	-	-	-	1.07
Darcl Logistics Nepal Private Limited	1.11	-	-	-	-	-	-	-	-	-	1.11	-
CJ Logistics Corporation	-	-	-	-	-	-	-	-	3.42	5.47	3.42	5.47
S. Dayal Construction Private Limited	-	-	-	-	0.03	-	-	-	-	-	0.03	-
Other income												
Rental income												
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	2.53	1.50	-	-	-	-	2.53	1.50
Management Fee												
CJ Logistics Corporation	-	-	-	-	-	-	-	-	11.71	-	11.71	-
Income from resource sharing												
Transrail Logistics Limited	4.25	2.74	-	-	-	-	-	-	-	-	4.25	2.74
CJ Korea Express India Private Limited	0.06	0.06	-	-	-	-	-	-	-		0.06	0.06
Interest paid												
Transrail Logistics Limited	8.37	3.57	-	-	-	-	-	-	-	-	8.37	3.57
ASM (India) Investments Pvt. Ltd.	-	-	-	-	-	0.13	-	-	-	-	-	0.13
Daffodil Software Pvt. Limited	-	-	-	-	2.57	1.14	-	-	-	-	2.57	1.14
Purchase of services												
-Cost of Services-Lorry Hire, haulage and other ancillary cost												
Transrail Logistics Limited	1.67	1.95	-	-	-	-	-	-	-	-	1.67	1.95
CJ Korea Express India Private Limited	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02

Transactions during the year	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Darcl Logistics Nepal Private Limited	1.21	-	-	-	-	-	-	-	-	-	1.21	-
Autoload Solutions LLP	-	-	-	-	0.74	1.38	-	-	-	-	0.74	1.38
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	1.15	4.66	-	-	-	-	1.15	4.66
Darshan Kumar Aggarwal	-	-	254.53	135.55	-	-	-	-	-	-	254.53	135.55
CJ Logistics Corporation	-	-	-	-	-	-	-	-	27.40	0.27	27.40	0.27
S. Dayal Construction Private Limited	-	-	-	-	-	1.32	-	-	-	-	-	1.32
Advertisement Paid												
TCG Media Limited			-	-	1.68	1.68	-	-	-	-	1.68	1.68
Manpower Support												
CJ Logistics Corporation	-	-	-	-	-	-	-	-	2.80	-	2.80	-
-Rent												
Sushma Agarwal	-	-	-	-	-	-	1.35	0.76	-	-	1.35	0.76
Puneet Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Tek Chand & Sons (HUF)	-	-	-	-	0.45	0.45	-	-	-	-	0.45	0.45
Yogesh Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Shweta Gupta	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Vibha Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Vineet Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Nitin Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Nitesh Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Ishant Agarwal	-	-	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Nikhil Agarwal	-	-	-	-	-	-	0.15	0.15	-	-	0.15	0.15
J B T A Logistics Private Limited	-	-	-	-	1.35	0.76	-	-	-	-	1.35	0.76
S. Dayal Construction Private Limited	-	-	-	-	12.85	15.63	-	-	-	-	12.85	15.63

Transactions during the year	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
-Employee benefit expense												
Krishan Kumar Agarwal	-	-	33.12	23.32	-	-	-	-	-	-	33.12	23.32
Darshan Kumar Aggarwal	-	-	28.97	17.94	-	-	-	-	-	-	28.97	17.94
Roshan Lal Aggarwal	-	-	28.99	17.98	-	-	-	-	-	-	28.99	17.98
Narender Kumar Agarwal	-	-	28.96	18.18	-	-	-	-	-	-	28.96	18.18
Hyoung Gun kang	-	-	5.60	15.69	-	-	-	-	-	-	5.60	15.69
Baig Junghun	-	-	11.68	-	-	-	-	-	-	-	11.68	-
Chol Hoi Kim	-	-	-	11.80	-	-	-	-	-	-	-	11.80
Jaehee Lee			10.93	-	-	-	-	-	-	-	10.93	-
Apoorva Kumar	-	-	3.35	3.56	-	-	-	-	-	-	3.35	3.56
Aarti Bhargava	-	-	0.68	-	-	-	-	-	-	-	0.68	-
Puneet Agarwal	-	-	-	-	-	-	10.97	11.13	-	-	10.97	11.13
Vineet Agarwal	-	-	-	-	-	-	11.51	10.15	-	-	11.51	10.15
Nitin Agarwal	-	-	-	-	-	-	8.71	8.37	-	-	8.71	8.37
Nitesh Agarwal	-	-	-	-	-	-	10.12	9.79	-	-	10.12	9.79
Mahima Agarwal	-	-	-	-	-	-	5.76	5.80	-	-	5.76	5.80
Nikhil Agarwal	-	-	-	-	-	-	16.30	8.27	-	-	16.30	8.27
Ishant Agarwal	-	-	-	-	-	-	7.04	6.74	-	-	7.04	6.74
Usha Bansal	-	-	-	-	-	-	40.00	-	-	-	40.00	-
Purchase of property plant and equipmemt												
CJ Korea Express India Pvt. Ltd.	1.08	-	-	-	-	-	-	-	-	-	1.08	-
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	-	1.39	-	-	-	-	-	1.39
Purchase of intangibles												
Daffodil Software Pvt. Limited	-	-	-	-	-	0.31	-	-	-	-	-	0.31

Transactions during the year	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	4.63	7.17	-	-	-	-	4.63	7.17
Sale of property plant and equipment												
Transrail Logistics Limited	12.03	2.60	-	-	-	-	-	-	-	-	12.03	2.60
Advance Received for sale of Property												
Tek Chand & Sons (HUF)	-	-	-	-	0.11	15.00	-	-	-	-	0.11	15.00
Expenses incurred on behalf of related party												
Transrail Logistics Limited	0.10	0.11	-	-	-	-	-	-	-	-	0.10	0.11
Fr8ology Private Limited	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Fretron Private Limited (Formerly known as Fretron LLP)	-	-	-	-	0.07	-	-	-	-	-	0.07	-
CJ Logistics Corporation	-	-	-	-	-	-	-	-	61.48	59.23	61.48	59.23
Expenses incurred by related party on our behalf												
Darcl Logistics Nepal Private Limited	1.98	-	-	-	-	-	-	-	-	-	1.98	-
S. Dayal Construction Private Limited	-	-	-	-	0.16	-	-	-	-	-	0.16	-

Transactions during the year	Subsidiary Companies		Key Management Personnel		Enterprises owned/ significantly influenced by key management personnel or their relatives		Relatives of Key Management Personnel		Enterprises having significant influence		Total	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Loan taken												
Transrail Logistics Limited	507.50	177.50	-	-	-	-	-	-	-	-	507.50	177.50
ASM (India) Investments Pvt. Ltd.	-	-	-	-	-	4.20	-	-	-	-	-	4.20
Daffodil Software Pvt. Limited	-	-	-	-	-	100.00	-	-	-	-	-	100.00
Loan repaid by the Company												
Transrail Logistics Limited	507.50	177.50	-	-	-	-	-	-	-	-	507.50	177.50
ASM (India) Investments Pvt. Ltd.	-	-	-	-	-	8.33	-	-	-	-	-	8.33
Daffodil Software Pvt. Limited	-	-	-	-	100.00	-	-	-	-	-	100.00	-
Security deposits paid												
Sushma Agarwal	-	-	-	-	-	-	0.34	-	-	-	0.34	-
J B T A Logistics Private Limited	-	-	-	-	0.34	-	-	-	-	-	0.34	-
Security deposits received back												
S. Dayal Construction Private Limited	-	-	-	-	2.00	-	-	-	-	-	2.00	-

Terms and Condition of transaction with related party

(i) The sales to and purchase 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. There have been no guarantees provided or received for any related party receivable or payables. For the year ended 31 March 2022, the Company has recorded impairment of receivables relating to amounts owed by related parties of INR Nil (31 March 2021: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(ii) For terms and conditions of loan taken from Daffodil Software Pvt. Ltd., refer note 17(h).

Terms and condition of Loan to Subsidiary Companies

(i) The loan granted to Transrail Logistics Limited is towards working capital margin or other business needs for Logistics services by way of infrastructure support. The loan is unsecured and repayable in full. The loan has been utilized for the purpose it was granted.

Notes:

(i) The above particulars do not include working capital loans and corporate term loans availed from banks, which are further secured by way of personal guarantee of some of the directors, relatives and some of their related entities.

(ii) Does not include INR 1.50 million (31 March 2021: 9.20 million) provision for incentive to be distributed among relatives of KMP.

(iii) Amount outstanding on account of provision for expense accrued are not disclosed in balance as at 31 March 2022 and 31 March 2021

(iv) As Gratuity expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included in employee benefits expenses to KMP."

(v) Security deposits payables represents the undiscounted value of the security deposits received.

38 Gratuity and other post- employment benefits plan

A. Defined benefit plan (Gratuity)

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of INR 2.00 million. The scheme is funded with an insurance Company in the form of qualifying insurance policy. The benefit is payable on termination of service or retirement, whichever is earlier. The employees do not contribute towards this plan and the full cost of providing these benefits are borne by the Company.

Regulatory framework, funding arrangement and governance of the Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax act and rules. The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India.

Inherent risks

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The following tables summarize the components of net benefit expense recognized in the standalone statement of profit and loss and amounts recognized in the balance sheet for Gratuity Plan.

Standalone Statement of Profit and Loss for the year

Net employee benefit expense recognized in employee cost:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	20.07	19.24
Interest on net defined benefit liability /(assets)	6.07	5.04
Interest income on plan assets	-	-
	26.14	**24.28**

Remeasurement of (Gain)/loss recognized in other comprehensive income (OCI):

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial changes arising from changes in		
- demographic assumptions	-	0.16
- financial assumptions	(3.41)	3.30
- experience adjustments	13.27	(17.17)
Return on plan assets (excluding amounts included in employee cost)	(0.56)	(0.89)
	9.30	**(14.60)**

Changes in obligation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening defined benefit obligation	153.74	143.51
Current service cost	20.07	19.24
Interest cost	10.38	9.58
Actuarial (gain) / loss	9.87	(13.71)
Benefits paid	(9.28)	(4.88)
Present value of obligation as at year	**184.78**	**153.74**

Changes in plan assets

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Fair value of plan assets as at the beginning of the year	69.91	69.36
Interest income	4.31	4.54
Return on plan assets	0.56	0.89
Benefits paid	(9.28)	(4.88)
Fair value of plan assets as at the end of the year	**65.50**	**69.91**

Net assets / liabilities recognized in the balance sheet as at 31 March 2022

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of obligation at the end of the year	184.78	153.74
Fair value of plan assets at the end of the year	65.50	69.91
Net liabilities / (assets) recognized in the balance sheet	119.28	83.83
Net Asset/(liability) recognised in Balance Sheet is bifurcated as:		
- Non current provision	80.11	50.82
- Current provision	39.17	33.01

Investment details

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Insurance policies	100%	100%

Principle actuarial assumptions

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate (per annum)	6.75%	6.40%
Expected return on plan assets (per annum)	6.75%	6.40%
Expected increase in salary costs (per annum)	6.00%	6.00%
Attrition rate	15.00%	15.00%
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Retirement age	60 years	60 years

Quantitative sensitivity analysis for significant assumptions is as below:

Particulars	Change in assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate	+ 1%	(8.72)	(5.43)
	- 1%	9.56	9.47
Withdrawal rate	+ 1%	(0.13)	(7.23)
	- 1%	0.10	(7.69)
Expected rate of salary increase	+ 1%	8.79	8.25
	- 1%	(8.05)	(7.59)

The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Changes in plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Expected benefits for year 1	39.17	33.01
Expected benefits for year 2	11.38	19.96
Expected benefits for year 3	9.90	18.68
Expected benefits for year 4	9.75	17.79
Expected benefits for year 5 and above	114.58	75.22

The average duration of the defined benefit plan obligation at the end of the reporting year is 17 years (March 31, 2021: 6.33 years).

B. Defined contribution plan

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employers contribution to provident and other fund	81.64	67.92

39 Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debts		
- Value added tax / Sales tax matters (a)	15.18	32.69
- Goods and Service Tax matters (b)	0.47	0.37
- Income Tax matters (c)	18.94	18.94
- Other claims (d)	113.86	116.24
- ESI	11.60	11.60
Uncalled liability on shares partly paid of Darcl Logistics Nepal Private Limited	4.63	4.34
Bank guarantee outstanding (refer note e)	937.57	768.79
Unpaid Bonus (refer note f)	23.35	23.35

a) Value added tax / Sales Tax matters mainly relates to the demands raised by the VAT/Sales Tax authorities of various states on account of online transit forms not prepared by drivers under laws of those states. The matters are contested by the Company at various commisionerate level against the authorities.

b) GST demands relates to e-way bill issues like expiry of e-way bill, non updation of Part-B etc.. The matters are contested by the Company at various appellate authorities against the tax authorities.

c) Demands raised by the Income Tax Authorities relates to disputes on disallowance related to sec 14A and bad debts etc. The matters are contested by the Company at various appellate authorities against the tax authorities.

d) In view of the large number of cases pending at various forums / courts, it is not practicable to furnish the details of each case. Based on the discussions with the solicitors / favorable decisions in similar cases / legal opinion taken by the Company, the management believes that the Company has a strong chance of success in the cases.

e) Bank guarantee primarily pertains to performance guarantee given to various customers of the Company.

f) The Payment of Bonus Act, 1965 ("the Act") was amended vide the Payment of Bonus (Amendment) Act, 2015 notified on 1 January 2016. The Act, inter-alia, has been amended to take retrospective effect with effect from 1 April 2014 and accordingly the revised bonus by way of arrears related to the year ended 31 March 2015 is required to be paid to the eligible employees. Based on advisors opinion obtained by the Company stay orders from various High Courts across the country against the amendment to the Payment of Bonus Act to the extent that it gives retrospective effect from 01 April 2014, the statutory bonus for financial year 2014-15 amounting to INR 23.35 million has not been recognized and treated as contingent liability in the current year as well as in the previous year. The Company will remain vigilant to watch the actual Court proceeding and clarification / notification from the Central Government and will review the accounting impact as on 31 March 2022.

g) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28 February 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

h) The Company has recorded a provision of INR 20.00 million (31 March 2021: INR 15.00 million) against these contingent liabilities as a matter of abundance caution (refer note 22)

i) On 24 March 2022, one vessel hired by the Company for transportation through Sea route tilted in the water, which resulted in damaged of goods loaded on the vessel. The owners of the goods have initiated claim against the Company, for goods damaged. The Company is of the view that the matter is still in the initial stage, and it will be further assessed to ascertain the party at fault. The Company has, meanwhile, intimate the insurance company, about the incidence.

40 Capital and other commitments

(a) The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amount to INR 42.37 million (31 March 2021: INR 32.79 million).

(b) The Company has other commitments on accounts of contracts remaining to be executed which are entered into in the normal course of business. The Company does not have any other long term contracts including derivative contracts for which there will be any material foreseeable losses.

41 Employee Stock Option Plan

In terms of the approval accorded by the shareholders at their Extra-Ordinary General Meeting held on 9 February 2008, the Company on 19 February 2008, had given an interest free advance of INR 6.00 million to TCG ESOP Trust ('the Trust'). The trust in turn purchased 600,000 equity shares of INR 10 each fully paid up from the Company for the purposes of granting share options to the employees of the Company. Subsequent to allotment of 600,000 shares to the trust, the Company in financial year 2007-2008 had allotted bonus in the ratio of 1:1 bonus share for each equity share held in the Company. Apart from the above advance, the Company had also given INR 0.20 million to the trust towards its formation etc. on 19 February 2008. The trust has refunded an amount of INR 6.00 million till the year ended 31 March 2013. TCG ESOP Trust holds 1,200,000 equity shares with face value of INR 10 each. The trust is holding entire 1,200,000 equity shares of INR 10/-each of the Company (including 600,000 Equity Shares issued as Bonus Shares) as on 31 March 2022. The Share Holder Agreement (SHA) with CJ Logistics Corporation (which holds 50% shareholding), inter-alia, requires the Company to cancel the shares held in this ESOP trust by obtaining prior approval from NCLT (National Company Law Tribunal). The Company has filed the petition to NCLT on 18 July 2021 for cancelation of these shares, which is yet to be approved by NCLT. The next date of hearing is 22 August 2022.

Upon cancellation of 12,00,000 equity shares held by TCG ESOP Trust, the Holding Company will also cancel 12,00,000 Equity Shares currently held by CJ Logistics Corporation.

42 Leases

Company as a lessee

The Company has lease contracts for various items of Land, Buildings, vehicles and other equipment used in its operation. Lease of building generally have lease term between 1 to 20 Years, while leases of vehicles and other equipment generally have lease term of 1 to 5 years. The Company's obligation under its leases are secured by the lessor's title to the leased asset.

The Company has certain leases of building and vehicles with less than 12 months and certain lease assets with low value. The Company applies the "" short term lease"" and "" lease of low value asset"" recognition exemption for these leases.

The changes in the carrying value of ROU assets are as follows:

Particulars	Land	Building	Commercial Vehicles	Other Equipment	Amount
Balance as at 01 April, 2020	**25.73**	**120.62**	**53.87**	**9.84**	**210.06**
Additions (1)	20.08	104.98	8.68	1.28	135.02
Deletion -	(12.64)	(7.05)	-	(19.69)	
Depreciation	(0.83)	(56.26)	(41.36)	(8.79)	(107.24)
Balance as at 31 March, 2021	**44.98**	**156.70**	**14.14**	**2.33**	**218.15**
Additions (1)	230.62	158.17	-	-	388.79
Deletion (0.62)	(18.98)	(0.79)	(2.02)	(22.41)	
Depreciation	(6.04)	(56.70)	(13.36)	(0.31)	(76.41)
Balance as at 31 March, 2022	**268.94**	**239.19**	**-**	**-**	**508.12**

(1) Additions includes addition of new leases, modification to existing lease in form of lease extension or restriction.

The movement in lease liabilities is as follows:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Opening balance	191.05	197.67
Additions during the year	388.79	116.42
Finance cost accrued during the year	16.03	18.07
Deletions/Adjustments	(25.85)	(20.86)
Payment of lease liabilities	(83.71)	(120.25)
Closing balance	**486.32**	**191.05**
Current	**99.33**	**66.21**
Non- Current	**386.98**	**124.84**

The effective interest rate for lease liabilities is 6%.(31 March 2021: 8%)

42 Leases (Cont.)

The following are the amount recognised in statement of profit or loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation expense on right of use assets	76.41	107.24
Interest expense on lease liabilities	16.03	18.07
Expense relating to short term lease included in Lorry hire, haulage and other ancillary cost (refer note 26)	74.62	78.94
Expense relating to short term lease (refer note 30)	37.99	29.22
Profit on cancellation/termination of contract (refer note 25)	(3.44)	(1.17)
	201.61	**232.30**

Details of the contractual maturity of lease liabilities as at 31 March 2022 on an undiscounted basis are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	127.79	79.75
Later than one year but not later than five years	419.76	135.83
Later than five years	34.11	31.60

Company as lessor

Leases for which Company is a lessor is classified as finance or operating lease. Whenever the term of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other lease are classified as operating lease.

For operating lease, rental income is recognised on a straight line basis over the term of the relevant lease. The Company has given certain commercial vehicle under operating lease arrangement, which are generally cancellable at the option of the Company.

Particulars	As at 31 March 2022	As at 31 March 2021
Rental Income for the year	45.72	30.44
Gross block of leased asset	360.76	357.96
Depreciation provided during the year ended	22.96	22.62
Accumulated depreciation	217.09	193.66
Written down value of leased asset	143.67	164.30

43 Corporate Social Responsibility (CSR)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Gross amount required to be spent	8.88	7.44
(b) Amount approved by the Board to be spent during the year	19.00	14.99
(c) Amount spent during the year:		
In cash		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than(i) above	14.72	14.68
Yet to be paid in cash		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than(i) above	-	-

Details of Carry forward of CSR Expense:

Financial year	Opening balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	-	-	7.44	14.68	7.24
FY 2021-22	7.24	-	8.88	14.72	13.08

CSR spent during the year (other than ongoing projects)

Items from list of activities in schedule VII	Name of the Project	For the year ended 31 March 2022	For the year ended 31 March 2021
PM Care Fund	PM Care Funds	-	10.00
Preventive healthcare	Maharaja Agrasen Medical Education & Scientific research society	10.00	-
Animal welfare	Shree Vaishnav Agarsain Gaushala	2.74	2.90
Animal welfare	Jai Narayan Gaudham and Shree Radhye Krishna Gau Seva	-	0.27
Promoting education	Shikshyaly	1.98	1.31
Enhancing vocational skills	Nav Jyoti Foundation	-	0.20
Total Spent		**14.72**	**14.68**

44 A sum of INR 69.59 million (31 March 2021: INR 71.07 million) is appearing under 'Claims receivable' (under note 8) from insurance companies and customers as at 31 March 2022. Also, 'Balance with government authorities' (under note 9) includes an amount of INR 40.56 million (31 March 2021: INR 26.80 million) receivable against deposits given at various check posts. The Company believes that these amounts are recoverable. However, in view of the fact that the pace of recovery in respect of these balances is very slow and as a matter of abundance caution, the Company has made a provision of INR 44.34 million and INR 18.00 million as at 31 March 2022 (31 March 2021: INR 49.35 million and INR 6.00 million) against these claims receivable and deposits respectively.

45 The Company has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act 1961. Since, the law requires existence of such information and documentation of to be contemporaneous in nature, Company is in the process of updating the documentation entered with the related parties during the financial year and expects such records to be in existence latest by the due date under that law. The management is of the opinion that it's transaction are at arm's length so that the aforesaid legislation will not have any impact on the summary statement, particularly on the amount of tax expenses and that of provision for tax.

46 Carve out assets

The Company entered into Shareholder Agreement with CJ Logistics Corporation among other parties, a company registered under the Laws of Republic of Korea along with other Shareholders on 5 June 2017 which was further amended on 30 July 2017 and 6 April 2018 and further on 9 August 2019. As per the terms of Agreement, certain properties have been agreed to be carved out from the Company by way of sale at the prevailing circle rate before the expiry of 12 months from the release of all carved out assets by the lenders which may be further extended for 12 months based on mutual consent of both parties. The mechanism for carving out assets is as under:

a) There are total 25 immovable properties in asset block of the Compnay having book value of INR 104.60 millions as on 30 September 2016 and reference circle rate of INR 229.90 millions (hereinafter referred to as 'Aggregate reference circle rate') as per the agreement which have been agreed to be carved out from the Company termed as "Carve- Out Assets" in a span of 12 months from the release of all carved out assets by the lenders which may be further extended for 12 months based on mutual consent of both parties.

b) After the pledge on all Carve-Out Assets has been removed by the lenders, Company promoters and/or third-party purchasers identified by the promoters shall have paid to the Company a sum which is equal to the book value of all Carve-Out Assets i.e. INR 104.60 millions as part of sales proceeds. The Company may enter into agreements for sale of certain Carve-Out Assets of which the pledge has been removed by the lenders. Any amount received for sale of such Carve-Out Asset will be counted towards the First Tranche Amount. In event, all carve out assets are not bought by promoters, KPE's or third party (identified by promoters) within span of 12 months from the release of all carved out assets by the lenders which may be further extended for 12 months based on mutual consent of both parties, then promoters shall pay to the Company a sum equivalent to then prevailing circle rate of such remaining carve out assets less the first tranche amount and purchase all carve out assets.

c) In case, there is any shortfall between amount received in the Company on account of sale of all carve out asset and the aggregate reference circle rate, such shortfall will be adjusted by the Company from the promoters on pro rata basis. In case, amount received in the Company on account of sale of all carve out asset exceeds the aggregate reference circle rate, such excess amount shall be paid to the promoters on pro rata basis.

d) The Company paid INR 10 millions as retention bonus to each promoter aggregating to INR 40 millions after a period of 1 month from date of receipt of first tranche, in the month of April 2021 as per the terms of SHA. Further, the Company had to pay INR 10 millions as second retention bonus to each promoter aggregating to INR 40 millions after a period of 6 months from the first retention bonus. However,the promoters have waived off their right on the second tranche of INR 10 millions each aggregating to INR 40 millions which was approved by the Board of Directors in their meeting held on 24 August 2021, thus the second tranche of retention bonus is not payable by the Company.

e) Tax on the sale of the carve out assets shall be paid by Company, provided that tax payable on sale of carve out assets in excess of INR 15.00 millions shall forthwith be paid by the promoters of the Company.

f) As at 31 March 2022, lien on all 25 carve-out assets have been vacated. Out of these 25 vacated assets, 7 assets have been sold till the year end and remaining 18 assets have been shown as "Assets Held for sale" in the books of accounts at their carrying value, as at 31 March 2022.

47 Net movement in provision for doubtful trade receivables, advances, claims, security deposits, other assets and provision for contingencies:

Particulars	As at 31 March 2022	As at 31 March 2021
Opening	180.08	293.13
Additions / (reversal)	61.18	(19.77)
Write off/written	(8.76)	(93.28)
Closing	232.52	180.08

48 The Company has filed application with Hon'ble National Company Law Tribunal on 18 July 2021 seeking sanction of the Scheme of Arrangement among amongst CJ Darcl Logistics Limited ('Transferee Company' or 'CJDL'), ASM (India) Investments Private Limited ('Transferor Company 1' or 'ASM'), Gargo Investments Private Limited ('Transferor Company 2' or 'GIPL') and Fr8ology Private Limited ('Transferor Company 3' or 'FPL'), and their respective shareholders and creditors (hereinafter referred to as the 'Scheme'), for

a. the amalgamation of ASM, GIPL, FPL into and with CJDL with effect from the Appointed Date as mentioned in the Scheme.

b. the reduction of the paid up share capital of CJDL by cancellation of 12,00,000 fully paid up equity shares of INR 10 each of the Company held by TCG ESOP Trust without payment of any consideration to TCG ESOP Trust.

Appointed date is opening hours of business on 1 April 2021 and Effective Date will be pursuant to Order of Hon'ble NCLT

The order of first motion petition was released on 19 May 2022 dispensing the meeting of Shareholders and creditors of all petitioner companies. The second motion petition was filed on 24 May 2022 with Hon'ble National Company Law Tribunal, Chandigarh. The first hearing of second motion petition was held on 3 June 2022, wherein the Tribunal ordered for serving notice of petition to regulatory authorities. The next date of hearing fixed is of 22 August 2022.

49 The Chief Operating Decision maker primarily focusses on Transportation of goods and allied services in making decisions on operating matters. Accordingly, the Company operates only in one reportable segment i.e. Transportation of goods and allied services; and hence, no separate disclosure is required for Segment.

Non- current operating assets All non-current assets of the Company are located in India

50 The outbreak of Coronavirus (COVID-19) is causing significant disturbance and slowdown of economic activity in India and across the globe. The Company has evaluated impact of this pandemic on its business operations. Based on its review and current indicators of economic conditions, there is no significant impact on its financial statements. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

51 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has issed draft of the Code on Social Security (Central) Rules, 2020 on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. Taking cue from proposed amendment, , the Company has since increased basic salary from 40% to 50% w.e.f 01 June 2021 for selected employees so as to align with the Code. The Company has assessed the impact of the other clauses of the Code and has not observed any material impact which could affect wage cost once the Code becomes effective.

52 Standards notified but not yet effective

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

53. Ratios analysis and its elements

Particulars	As at 31 March 2022	As at 31 March 2021	% change from 31 March 2021 to 31 March 2022	Reasons for variance
Current ratio	1.45	1.54	-6.2%	
Debt-equity ratio	1.16	0.98	17.4%	
Debt service coverage ratio	2.22	1.84	20.8%	This ratio has improved due to increase in profitability of the Company in current year, as against the debt service obligation.
Return on equity ratio	12.9%	7.1%	81.3%	This ratio has increased due to improvement in profitability of the Company in current year, as compared to previous year.
Inventory turnover ratio	2628.68	2043.95	28.6%	Increase in this ratio is attributable to increase in cost of services during the current year.
Trade receivables turnover ratio	5.35	5.00	7.1%	
Trade payable turnover ratio	31.79	30.68	3.6%	
Net capital turnover ratio	13.23	11.13	18.8%	
Net profit ratio	1.66%	1.08%	54.8%	This ratio has improved due to increase in profitability of the Company in current year, as against the revenue.
Return on capital employed	10.03%	8.10%	23.8%	
Retun on investment	5.31%	5.53%	-3.9%	

Ratios	Numerator		31 March 2022		31 March 2021	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities	8,896.81	6,147.53	7,202.16	4,665.81
Debt- Equity Ratio	Total Debt	Shareholder's Equity	5,787.87	5,007.22	4,340.05	4,408.96
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest	Debt service = Interest & Lease Payments + Principal Repayments	1,422.12	639.53	1,128.73	613.30
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	605.23	4,708.09	303.61	4,281.16
Inventory Turnover ratio	Cost of services	Average Inventory	33,227.65	12.64	25,757.75	12.60
Trade Receivables Turnover Ratio	Revenue from contracts with customers	Average Trade Receivable	36,368.22	6,795.12	28,240.76	5,653.70
Trade Payable Turnover Ratio	Cost of services + Others expenses	Average Trade Payable	33,589.07	1,056.66	26,040.48	848.91
Net Capital Turnover Ratio	Revenue from contracts with customers	Working capital = Current assets – Current liabilities	36,368.22	2,749.28	28,240.76	2,536.35
Net Proft ratio	Net Profit after taxes	Revenue from contracts with customers	605.23	36,368.22	303.61	28,240.76
Return on Capital Employed	Earnings before interest and taxes (excluding Interest Income)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	1,085.42	10,826.30	709.92	8,769.06
Return on Investment	Interest (Finance Income)	Investment	10.22	192.40	10.26	185.46

54 Other statutory information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(is), 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

(vi) The Company have not received any fund from any person(s) or entity(is), 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,

(vii) The Company have not 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

(viii) The Company has used the borrowings from banks and financial institution for the specific purpose for which it was taken.

55 Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

56 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: New Delhi
Date: 05 August 2022

Place: Gurugram
Date: 05 August 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of CJ Darcl Logistics Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of CJ Darcl Logistics Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2022, 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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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, the aforesaid consolidated Ind AS 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 as at March 31, 2022, 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 Ind AS 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 Ind AS Financial Statements' section of our report. We are independent of the Group 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 Ind AS financial statements.

Other Information

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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 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 Ind AS 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 of which we are the independent auditors, to express an opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS 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.

Other Matter

a. We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose Ind AS financial statements include total assets of Rs 51.56 million as at March 31, 2022 and total revenues of Rs 8.79 million and net cash inflows of Rs 22.14 million for the year ended on that date. These Ind AS 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. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries 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, is based solely on the report of such other auditors.

b. The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of one subsidiary, whose financial statements and other financial information reflect total assets of Rs 2.97 million as at and as at March 31, 2022, and total revenues of Rs 5.22 million and net cash inflow of Rs 1.19 million for the year ended on that date. These unaudited financial statements and 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, 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, is based solely on such unaudited financial statement 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 Ind AS 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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, 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 Ind AS 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 Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS 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, 2022 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, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2022 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 consolidated Ind AS financial statements of the Holding Company and its subsidiary companies 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 the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act. Based on the consideration of reports of statutory auditors of one subsidiary, the managerial remuneration for the year ended March 31, 2022 has not been paid/provided; and in case of three subsidiaries, the provisions of section 197 read with Schedule V to the Act are not applicable.

(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 reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 39 to the consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and its subsidiaries 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 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 to or in any other person(s) or entity(ies), 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 ("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 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 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 from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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 those performed by the auditors of the subsidiaries 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) No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AOJDBA8874
Place of Signature: New Delhi
Date: 5 August 2022

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: CJ Darcl Logistics Limited ('the Holding Company')

In terms of the information and explanations sought by us and given by the Holding 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 qualifications 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.	CJ Darcl Logistics Limited	U60222HR1986PLC068818	Holding Company	(i)(c)

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AOJDBA8874
Place of Signature: New Delhi
Date: 5 August 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CJ DARCL 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 CJ Darcl Logistics Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to the consolidated financial statements of CJ Darcl Logistics Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, 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 ("the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls with reference to these 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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 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 these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these consolidated financial statements included obtaining an understanding of internal financial controls with reference to these 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 these consolidated financial statements.

Meaning of Internal Financial Controls with Reference to these Consolidated Financial Statements

A company's internal financial controls with reference to these 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 controls with reference to these 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 these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to these 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 these consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to these 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2022, 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 these consolidated financial statements of the Holding Company, insofar as it relates to these 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, incorporated in India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AOJDBA8874
Place of Signature: New Delhi
Date: 5 August 2022

Consolidated Balance Sheet as at 31 March 2022

(All amounts in INR millions, unless stated otherwise)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	3a	2,143.64	2,005.96
Right-of-use assets	43	508.12	218.15
Capital work in progress	3a	44.25	0.45
Intangible assets	4	37.69	41.53
Intangible assets under development	4	13.05	10.41
Investment properties	5	45.44	47.48
Financial assets			
i. Other financial assets	6	95.60	60.05
Non- current tax assets (net)	7	657.72	281.67
Other non -current assets	8	33.48	28.99
Deferred tax assets (net)	9	31.67	30.68
Total non-current assets (A)		**3,610.66**	**2,725.37**
Current assets			
Inventories	10	15.98	9.29
Contract Assests	24	345.61	302.61
Financial assets			
i. Investments	11	11.33	-
ii. Trade receivables	12	7,740.43	6,133.89
iii. Cash and cash equivalents	13	123.77	199.88
iv. Bank balances other than (iii) above	14	92.80	69.72
v. Other financial assets	6	246.93	270.48
Current tax assets (net)	7	-	184.42
Other current assets	8	560.69	316.02
Total current assets (B)		**9,137.54**	**7,486.31**
Assets classified as held for sale (C)	3b	**79.59**	**48.45**
Total Assets (A+B+C)		**12,827.79**	**10,260.13**
Equity and liabilities			
Equity			
Equity share capital	15	226.62	226.62
Other equity	16	4,861.95	4,255.20
Total equity (A)		**5,088.57**	**4,481.82**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	17	960.55	726.73
ii Lease liabilities	43	386.98	124.84
iii. Other financial liabilities	18	35.13	26.71
Employee benefit obligations	19	80.23	50.94
Deferred tax liabilities (net)	20	78.71	68.71
Total non-current liabilities (B)		**1,541.60**	**997.93**

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Current liabilities			
Contract liabilities	24	28.14	15.77
Financial liabilities			
i. Borrowings	17	4,341.02	3,422.27
ii. Lease liabilities	43	99.33	66.21
iii. Trade payables			
-Dues to micro and small enterprises		-	-
-Dues to enterprises other than micro and small enterprises	21	1,249.40	990.95
iv. Other financial liabilities	18	55.54	50.26
Provisions	22	20.88	15.28
Employee benefit obligations	19	117.20	107.19
Other current liabilities	23	286.11	112.45
Total current liabilities (C)		**6,197.62**	**4,780.38**
Total equity and liabilities (A+B+C)		**12,827.79**	**10,260.13**
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from contracts with customers	24	36,813.81	28,875.69
Other income	25	148.58	200.53
Total income (I)		**36,962.39**	**29,076.22**
Expenses			
Cost of services	26	33,643.19	26,370.32
Employee benefit expenses	27	1,300.42	1,134.02
Finance cost	28	309.15	380.33
Depreciation and amortisation expense	29	436.46	439.35
Other expenses	30	473.02	327.97
Total expenses (II)		**36,162.24**	**28,651.99**
Profit before tax for the year (III = I - II)		**800.15**	**424.23**
Income tax expense	31		
- Current tax expense		175.15	87.49
- MAT credit entitlement		2.01	(2.47)
- Deferred tax charge		9.32	21.74
Total Income tax expense (IV)		**186.48**	**106.76**
Profit for the year (V = III - IV)		**613.67**	**317.47**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement (loss)/gain of post employment benefit obligations	38	(9.25)	14.62
Income tax relating to these items		2.33	(3.68)
Other comprehensive (loss)/ income for the year, net of tax (VI)		**(6.92)**	**10.94**
Total comprehensive income for the year (VII = V + VI)		**606.75**	**328.41**
Earnings per equity share	32		
Basic earnings per equity share (INR)		27.08	14.01
Diluted earnings per equity share (INR)		27.08	14.01
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

Consolidated Cash Flow Statements for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Operating activities:		
Profit before tax	800.15	424.23
Adjustments for:		-
Depreciation and amortisation expense	436.46	439.35
Profit on sale of properties classified as asset held for sale (net)	(3.76)	-
Profit on sale of property, plant and equipment other than asset held for sale(net)	(29.01)	(59.76)
Interest income	(14.09)	(75.43)
Profit on termination of lease contract	(3.44)	(1.17)
Liabilities / provisions no longer required written back	(7.72)	(10.84)
Provision for doubtful trade receivables, advances, claims and other assets	71.23	4.71
Bad debts, advances and claims written off	13.13	18.16
Fair valuation of investments	(0.33)	-
Profit on sale of investments (net)	(0.03)	-
Interest income on - unwinding of security deposits	(1.60)	(1.21)
Finance costs	309.15	380.33
Operating profit before working capital changes	**1,570.14**	**1,118.37**
Changes in working capital :		
(Increase) in trade receivables	(1,651.53)	(274.32)
(Increase) in contract assets	(43.00)	(26.33)
(Increase) / Decrease in inventories	(6.69)	6.63
(Increase) in other financial assets	(11.99)	(600.99)
(Increase) / Decrease in other current assets	(249.54)	199.08
Increase in trade payables	258.45	209.43
Increase in other contract liability	12.37	(1.64)
(Decrease) / Increase in other financial liabilities	2.73	11.99
Increase in other liabilities	173.37	48.70
Increase in employee benefit obligations	30.06	40.87
Increase in provisions	5.60	-
Cash generated from operations	**89.97**	**731.79**
Net income tax paid (net of refund)	(373.63)	(18.53)
Net cash flow (used in) / from operating activities (A)	**(283.66)**	**713.26**
B. Investing activities		
Purchase of Property, plant & equipment and Intangible assets (including CWIP)	(652.22)	(270.37)
Proceeds from sale of Property, plant & equipment	94.53	110.25
Purchase of mutual funds	(81.33)	(10.00)
Proceeds from sale of mutual fund	70.03	20.00
Interest received	23.46	84.65
Decrease / (Increase) in bank balance not considered in cash and cash equivalents	10.39	(6.82)
(Payment) / Net proceeds from fixed deposits with banks having maturity of 3 to 12 months	(32.47)	33.06
Net cash flows used in investing activities (B)	**(567.61)**	**(39.23)**
C. Financing activities		
Proceeds from long-term borrowings	860.90	434.76
Repayments of long-term borrowings	(630.02)	(498.60)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net proceeds / (repayment) of short-term borrowings	922.50	(12.53)
Payment of principal lease liabilities (refer note 43)	(67.68)	(102.17)
Payment of interest on lease liabilities	(16.03)	(18.07)
Payment of interest and finance charges	(292.81)	(362.61)
Net cash from / (used in) financing activities (C)	**776.86**	**(559.22)**
Net (decrease) / increase in cash and cash equivalents (A + B + C)	**(74.42)**	**114.81**
Cash and cash equivalents at the beginning of the period		
Cash and cash equivalents at the beginning of the year	198.01	83.20
Cash and cash equivalents at the end of the year (refer note 13)	**123.59**	**198.01**
Acquisition of Right of use Assets (refer note 43)	388.79	135.02

Disclosure of changes in liabilities arising from financing activities on account of non-cash transactions

Particulars	Borrowings (including interest accrued)	Lease Liabilities
Balance as at 1 April 2020	4,114.12	197.66
Non cash changes	-	95.57
Finance cost accrued	319.82	18.07
Net proceeds / (Repayment) of borrowings	(76.37)	-
Payment of lease liability	-	(120.25)
Payment of interest*	(183.18)	-
Balance as at 31 March 2021	**4,174.39**	**191.05**
Non cash changes	-	362.94
Finance cost accrued	207.19	16.03
Net proceeds/(repayment) of borrowings	1,153.38	-
Payment of lease liability	-	(83.71)
Payment of interest*	(199.32)	-
Balance as at 31 March 2022	**5,335.64**	**486.31**

* Excluding intererest considered as part of repayment in hire purchase contracts

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022

Consolidated statement of Changes in Equity

(All amounts in INR millions, unless stated otherwise)

A) Equity share capital (refer note 15)

	As at 31 March 2022		As at 31 March 2021	
Particulars	**Number of Shares**	**Amount of Shares**	**Number**	**Amount**
At the beginning of the year	**2,38,62,142**	**238.62**	**2,38,62,142**	**238.62**
Add: Issued during the year	-	-	-	-
	2,38,62,142	**238.62**	**2,38,62,142**	**238.62**
Less: Shares held by ESOP Trust as at the year end (refer note 42)	(12,00,000)	(12.00)	(12,00,000)	(12.00)
Outstanding at the end of the year	**2,26,62,142**	**226.62**	**2,26,62,142**	**226.62**

B) Other equity (refer note 16)

	General reserve [refer note 16(1)]	Securities premium [refer note 16(2)]	Capital redemption reserve [refer note 16(3)]a	Retained earnings [refer note 16(4)]	Total
Balance as at 1 April 2020	**951.87**	**1,137.91**	**54.00**	**1,783.00**	**3,926.78**
Profit for the year	-	-	-	317.47	317.47
Other comprehensive Income (net of tax) for the year	-	-	-	10.94	10.94
Balance as at 31 March 2021	**951.87**	**1,137.91**	**54.00**	**2,111.41**	**4,255.19**
Profit for the period	-	-	-	613.67	613.67
Other comprehensive (loss)/ income for the year, net of tax	-	-	-	(6.92)	(6.92)
Balance as at 31 March 2022	**951.87**	**1,137.91**	**54.00**	**2,718.16**	**4,861.94**

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
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(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: New Delhi
Date: 05 August 2022

Place: Gurugram
Date: 05 August 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

CJ Darcl Logistics Limited ('the Company' or 'the Holding Company') with CIN No. U60222HR1986PLC068818, was incorporated originally as a Private Limited Company on 10 December 1986, which was converted into a Public Limited Company with effect from 01 December 1998. Name of the Company got changed to Darcl Logistics Limited effective 23 February 2010 and based on strategic transaction during the F.Y. 2017-18 with CJ Logistics Corporation, name of the Company got further changed to CJ Darcl Logistics Limited effective 13 September 2017. The Company is engaged in the business of carriers by road, rail and sea means of transportation, integrated logistics solutions and specialized logistics across multimodal transport operations and other activities of a similar nature.

These financial statements have been approved by the Board of Directors for issue in accordance with resolution passed on 5 August 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

The consolidated financial statements (CFS) of the Company and its subsidiaries (the 'Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and planned assets that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian rupees (INR) and all values are rounded to nearest millions upto two decimals, except when otherwise stated.

a) Principles of consolidation

The consolidated financial statements relate to the Company and its subsidiary companies. These consolidated financial statements are based, in so far as they relate to amounts included in respect of subsidiary companies, on the audited financial statements prepared for consolidation in accordance with the requirement of Indian Accounting Standard 110 – "Consolidated Financial Statements" of aforesaid entity.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group has:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee and
- Has the ability to affect those returns through its power to direct the relevant activities of the investee.

Generally, there is a presumption that majority of voting rights results in control. To support this presumption and when the Group has less than majority of voting or similar rights over an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Rights arising from other contractual arrangements
- Potential voting rights held by the Group

Consolidated financial statements 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 parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The consolidated financial statements have been prepared on the following basis:

i. 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.

ii. 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.

iii. Eliminate in full intragroup 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).

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
- 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
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

b) Following subsidiary companies have been considered in the preparation of these consolidated financial statements:

Name of the entity	Country of Incorporation	Relationship	Percentage of voting power as at 31 March 2022	Percentage of voting power as at 31 March 2021
Transrail Logistics Limited	India	Subsidiary	100%	100%
Darcl Logistics Nepal Private Limited	Nepal	Subsidiary	100%	100%
Fr8ology Private Limited	India	Subsidiary	100%	100%
CJ Korea Express India Private Limited	India	Subsidiary	100%	100%

ii) Property plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Freehold land is carried at historical cost less accumulated depreciation. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT/GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

iii) Depreciation methods, estimated useful lives and residual value

Depreciation is provided on pro-rata basis using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as estimated by the management which is in line with the useful life of assets as prescribed under Schedule II of the Companies Act, 2013 except in respect of trucks and mobile phones, in which case the life of the assets has been assessed as 8/15/25 and 3 years, respectively, taking into account their nature and their estimated usage.

The Company has used the following rates to provide depreciation on its property, plant and equipment:

	Useful lives estimated by management (SLM)	Useful life of assets as per Schedule II of Companies Act (SLM)
Land		
- Freehold	-	
- Leasehold	Over the period of lease	Over the period of lease
Buildings	30/60 years	30/60 years
Rail wagons and Rail containers	15 years	15 years
Plant and machinery (others)	8 years	8 years
Furniture and fittings	10 years	10 years
Office equipment	3/5 years	5 years
Computers	3/6 years	3/6 years
Trucks	8 years	6 years
Trucks (Puller/Axle)	15/25 years	6 years
Other vehicle	8 years	8 years
Leasehold improvements	Over the period of lease or useful life, whichever is lower	

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income in Statement of Profit and Loss.

iv) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of Intangible assets are assessed as either finite or infinite. There are no intangible assets with infinite useful life.

The amortization period and the amortization method for an intangible asset with a finite useful life is 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 is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets are amortized on straight line method as follows:

- Software licenses - estimated useful life or 5 years, whichever is lower.
- Railway license fee – over the license period of 20 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. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets are derecognised.

v) Use of estimates

The preparation of the financial statements requires the management of the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Examples of such estimates include allowance for impairment of trade receivables and provision for doubtful advances, employee benefits, income taxes, and impairment of non-financial assets and useful lives of fixed assets (refer note 33).

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known.

vi) Current versus non-current classification

The 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 realized 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 current when:

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

vii) 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.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset,

b) An active programme to locate a buyer and complete the plan has been initiated,

c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

e) 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.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

viii) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation is recognized using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

The Group has used the following lives to provide depreciation on its Investment properties:

Asset category	Useful lives estimated by management (SLM)	Useful life of assets as per Schedule II of Companies Act (SLM)
Building	60 Years	60 Years
Furniture and fittings	10 Years	10 Years
Office equipment	5/10 Years	5/10 Years

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

ix) 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 of consideration.

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. The Group's lease asset classes primarily consist of leases for immovable properties, commercial vehicles and other equipments.

a) Right of use asset

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 accumulated impairment losses, and adjusted for any re-measurement 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. Right-of-use assets are depreciated on a straight-line basis over the period of lease contract, as follows:

- Land - 2 to 70 Years
- Leasehold land – 5 to 99 Years
- Buildings – 2 to 28 Years
- Commercial vehicles - 1 to 3 Years
- Other equipment - 2 to 5 Years

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 note 2(x) for impairment of non - financial assets.

b) Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payment 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 recognized 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 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. The re-measurement of lease liability is done by discounting the revised lease payments using the Group's incremental borrowing rate at the effective date of modification.

c) 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 commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Operating lease:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms, unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rentals arising, if any, under operating leases are recognised as an expense in the period in which they are incurred.

Finance lease:

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting period so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

x) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such 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. Where 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 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 available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

xi) Financial Instruments

i) Financial assets

a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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.

b) 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)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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 most applicable 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 amortization 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.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) 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 statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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 considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. This category is applicable to investments in mutual funds.

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 statement of 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. All changes in fair value including dividend are recognized in the statement of profit and loss.

Derecognition

A financial asset is de-recognised only when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. A financial assets is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. 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 recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

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 analyzed.

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. For the financial assets measured as at amortised cost, contractual revenue receivables, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, 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.

Financial guarantees, issued in relation to obligations of subsidiaries, are initially recognised at fair value (as part of the cost of the investment in the subsidiary).

The Company's financial liabilities include trade and other payables, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

The financial guarantees are amortised over the life of the guarantee and are measured at each reporting date at the higher of:

- the remaining unamortized balance of the amount at initial recognition and
- the best estimate of expenditure required to settle the obligation at the end of the reporting period.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or 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.

De-recognition

A financial liability is derecognized 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.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

xii) Revenue recognition

Revenue from contracts with customers

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 Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 33.

Performance obligations

At contract inception, the Company assess the services promised in contracts with customers and identifies various performance obligations to provide distinct services to the customers. The Company has determined following distinct goods and services that represent its primary performance obligations.

- Transportation services: Revenue is recognized for these performance obligations as they are satisfied over the contract term, which generally represents the transit period. The transit period can vary based upon the method of transport, generally a couple days for over the road, rail, and air transportation, or several weeks in the case of an ocean shipment. Company also provide certain ancillary logistics services, such as handling of goods, customs clearance services etc. The service period for these services is usually for a very short duration, generally few days or weeks. Hence, revenue from these services is recognised over the service period as the Company perform the primary obligation of transportation of goods.
- Other allied services: Revenue from leasing of vehicles (trains/trucks), renting of warehouse, fee-based management services are recognised over time as the customer simultaneously avails the benefits of these services. Hence, the revenue from such services is recognised on a monthly basis, basis the amount fixed as per the agreements.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for providing services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for transportation services provide the customer with incentives and include penalties levied on the Company. To estimate the variable consideration for the expected future incentives and penalties, the Company has applied the expected value method for all contracts.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the same is invoiced to the customer, a contract asset is recognised for the earned consideration that is conditional on satisfaction of the performance obligation.

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). Refer to accounting policies of financial assets in financial instrument – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or 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 goods or 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 fulfil its performance obligation under the contract.

Interest income

Interest income from a financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

xiii) Inventories

Inventories comprise of tyres, tubes and other accessories for repairs and maintenance of own vehicles, which are valued at cost or net realizable value, whichever is lower. Cost is determined on weighted average cost basis. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

xiv) Employee benefits

(i) Post-employment benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separately entity. The Company has defined contribution plans for provident fund and employees' state insurance scheme. The Company's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Contributions to Superannuation are funded and charged to the statement of profit and loss when the employees have rendered service entitling them to the contributions.

The Company has no obligation other than contribution payable to these funds.

Defined Benefit Plans: The Company has a defined benefit gratuity plan which is a combination of funded plan and unfunded plan. In case of funded plan, the Company makes contribution to a separately administered fund. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimation of the payments. Any deficit in plan assets as compared to the liability based on an independent actuarial valuation is recognised as a liability. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, with actuarial valuations being carried out at periodic intervals.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income (OCI). They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine settlements
- Net interest expense

Termination benefits are recognized as an expense immediately.

(ii) Short-term obligations and other long-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the end of the year. Actuarial gains/losses are immediately recognised to the Statement of Profit and Loss.

xv) Borrowing cost

Borrowing Costs directly attributable to the acquisition or construction 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 are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the finance costs.

xvi) Taxes

Income tax expense represents the sum of current tax and deferred tax.

i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable income and calculated using the applicable tax rates and 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 tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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, when the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

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

iii. Minimum Alternative Tax

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 concerned 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.

xvii) Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rates at the dates of the initial transactions.

xviii) **Earnings per share**

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company (after adjusting the corresponding income/charge for dilutive potential equity shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares. unless the effect of the potential dilutive equity shares is anti-dilutive.

xix) **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 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.

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. This includes the separation of embedded derivatives in host contracts by the acquiree.

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 recognised 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 recognised for non-controlling 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 recognised 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 recognised 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 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.

xix) Provisions and Contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

A contingent liability is 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 extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but disclose its existence in the financial statements unless the probability of outflow of resource is remote. Contingent assets are not recognized.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

xx) Segment reporting

Business of the company primarily consist of transportation of goods and allied services. Accordingly, there is no separate reportable segment.

xxi) Dividend distribution to equity holders

The Company recognizes a liability to make cash distribution to equity holders 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 authorized when it is approved by the shareholders. The corresponding amount is recognised directly in equity.

xxii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of balances with banks, cash in 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 Group's cash management. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

xxiii) New amendments adopted during the year

MCA vide notification no. G.S.R. 463(E) dated July 24, 2020 has issued the Companies (Indian Accounting Standards)

Amendment Rules, 2020 which amends following Ind AS:

- Ind AS 107, Financial Instruments: Disclosures
- Ind AS 109, Financial Instruments
- Ind AS 116, Leases
- Ind AS 1, Presentation of Financial Statements
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 10, Events after the Reporting Period
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendments are applicable for annual periods beginning on or after the April 1, 2020, however, these do not have material impact on the financial statements of the Company.

xxiii) Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any in separate financial statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

xxiii) Amendment to Schedule III Division II

MCA vide notification dated March 24, 2021, has amended disclosure requirements to division II of schedule III of the Act. The amendments are applicable from April 1, 2021.

3a Property, plant and equipment

Particulars	Freehold Land (1)	Buildings (1)(2)	Rail Wagons	Rail Containers	Plant and Machinery	Furniture and fittings	Office Equipment	Computers	Trucks (including Puller and Axle)	Other vehicles	Leasehold Improvements	Total	Capital work in progress
Gross carrying value													
At 01 April 2020	**124.26**	**201.67**	**218.89**	**136.16**	**13.99**	**81.56**	**138.35**	**38.63**	**1926.84**	**120.91**	**27.55**	**3028.81**	**87.60**
Additions during the year	12.33	-	-	27.18	2.85	8.27	26.86	20.77	118.06	17.62	2.77	236.71	0.40
Deletions / adjustments during the year	(1.09)	-	-	(1.17)	-	(0.82)	(6.84)	(4.25)	(175.39)	(4.22)	-	-193.78	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-	-	-	0.00	(87.55)
Transfer from investment properties (refer note 5)	-	13.34	-	-	-	4.54	1.60	-	-	-	-	19.48	-
At 31 March 2021	**135.50**	**215.01**	**218.89**	**162.17**	**16.84**	**93.55**	**159.97**	**55.15**	**1,869.51**	**134.31**	**30.32**	**3,091.22**	**0.45**
Additions during the year	-	2.71	-	76.51	5.15	10.64	19.97	26.69	387.82	18.37	0.87	548.73	44.45
Deletions / adjustments during the year	(34.09)	-	-	(0.07)	(0.42)	(4.61)	(11.08)	(7.45)	(45.31)	(3.84)	(0.25)	(107.12)	(0.65)
At 31 March 2022	**101.41**	**217.72**	**218.89**	**238.61**	**21.57**	**99.58**	**168.86**	**74.39**	**2,212.02**	**148.84**	**30.94**	**3,532.82**	**44.25**
Accumulated depreciation													
At 01 April 2020	**-**	**13.32**	**82.15**	**38.15**	**8.30**	**20.69**	**60.83**	**19.51**	**627.23**	**37.37**	**8.15**	**915.70**	**-**
Charge for the year	-	3.90	20.54	10.80	2.43	8.66	26.73	10.39	219.27	14.74	6.04	323.50	-
Deletions / adjustments during the year	-	(0.01)	-	(0.39)	-	(0.40)	(4.11)	(3.29)	(144.79)	(2.83)	-	(155.82)	-
Transfer from investment properties (refer note 5)	-	0.68	-	-	-	0.76	0.44	-	-	-	-	1.88	-
At 31 March 2021	**-**	**17.89**	**102.69**	**48.56**	**10.73**	**29.71**	**83.89**	**26.61**	**701.71**	**49.28**	**14.19**	**1,085.26**	**-**
Charge for the year	-	4.07	20.54	17.14	2.11	9.34	26.14	14.66	239.00	15.74	2.78	351.52	-
Deletions / adjustments during the year	-	-	-	(0.03)	(0.24)	(2.34)	(7.69)	(5.53)	(28.99)	(2.52)	(0.25)	(47.59)	-
At 31 March 2022	**-**	**21.96**	**123.23**	**65.67**	**12.60**	**36.71**	**102.34**	**35.74**	**911.72**	**62.50**	**16.72**	**1,389.19**	**-**
Net carrying value													
At 31 March 2021	135.50	197.12	116.20	113.61	6.11	63.84	76.08	28.54	1,167.80	85.03	16.13	2,005.96	0.45
At 31 March 2022	101.41	195.76	95.66	172.94	8.97	62.87	66.52	38.65	1,300.30	86.34	14.22	2,143.64	44.25

(1) The title deeds for land and other properties at New Delhi, West Bengal, Haryana, Gujrat, Chhattisgarh, Rajasthan, Maharashtra, Jharkhand, Uttar Pradesh, Assam, Orissa, Andhra Pradesh and Karnataka are in the former name of the Company i.e. Delhi Assam Roadways Corporation Limited.

(2) Includes title deed of the building amounting as at 31 March 2022 to INR 0.07 million (31 March 2021: INR 0.08 million) is pending for registration in the name of the Company. The said building is registered in the name of a director of the Company.

(3) Refer note 17 for assets pledged as securities towards funded and non-funded facilities.

(4) For detail in respect of carve out assets please refer note 46

3) Capital work in progress ageing schedule

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at 31 March 2021					
Projects in progress	0.40	0.05	-	-	0.45
Projects temporarily suspended	-	-	-	-	-
	0.40	0.05	-	-	0.45
As at 31 March 2022					
Projects in progress	44.25	-	-	-	44.25
Projects temporarily suspended	-	-	-	-	-
	44.25	**-**	**-**	**-**	**44.25**

There are no projects on each reporting period/year where activity has been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.

3b Assets held for sale

As per the terms of Shareholder agreement dated 5 June 2017 entered into by the Company with CJ Logistics Corporation among other parties, certain properties have been agreed to be carved out from the Company (refer note 46). The details relating to gross block and accumulated depreciation of aforementioned assets as at 31 March 2022 are included in the table below:

Description of assets	Gross Block				Accumulated Depreciation				Net block
	As at 1 April 2021	Additions	Deletion/ Adjustments	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion/ Adjustments	As at 31 March 2022	As at 31 March 2022
Assets Held for Sale									
Land - Freehold	34.45	34.09	-	68.54		-		-	68.54
Buildings	15.06	-	2.98	12.08	1.06	-	0.03	1.03	11.05
Total Assets held for sale	49.51	34.09	2.98	80.62	1.06	-	0.03	1.03	79.59

Description of assets	Gross Block				Accumulated Depreciation				Net block
	As at 1 April 2021	Additions	Deletion/ Adjustments	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion/ Adjustments	As at 31 March 2022	As at 31 March 2022
Assets Held for Sale									
Land - Freehold	42.02	-	7.57	34.45	-	-	-	-	34.45
Buildings	18.56	-	3.50	15.06	1.16	0.23	(0.33)	1.06	14.00
Total Assets held for sale	60.58	-	11.07	49.51	1.16	0.23	(0.33)	1.06	48.45

4 Intangible assets

Particulars	Railway license	Software license fees	Total	Intangible asset under development
Gross carrying value				
At 01 April 2020	**63.81**	**11.80**	**75.61**	**3.24**
Additions during the year	-	0.38	0.38	7.17
At 31 March 2021	**63.81**	**12.18**	**75.99**	**10.41**
Additions during the year	-	2.64	2.64	4.63
Deletion/Adjustments during the year	-	(0.10)	(0.10)	(1.99)
At 31 March 2022	**63.81**	**14.72**	**78.53**	**13.05**
Accumulated amortisation				
At 01 April 2020	**20.00**	**8.09**	**28.09**	**-**
Charge for the year	5.00	1.36	6.36	-
At 31 March 2021	**25.00**	**9.45**	**34.45**	**-**
Charge for the year	5.00	1.49	6.49	-
Deletion/Adjustments during the year	-	(0.10)	(0.10)	
At 31 March 2022	**30.00**	**10.84**	**40.84**	**-**
Net carrying value				
At 31 March 2021	38.81	2.72	**41.53**	10.41
At 31 March 2022	33.81	3.88	**37.69**	13.05

Intangible assets under development schedule ageing

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at 31 March 2021					
Projects in progress	7.17	0.65	0.50	2.09	10.41
Projects temporarily suspended	-	-	-	-	-
	7.17	**0.65**	**0.50**	**2.09**	**10.41**
As at 31 March 2022					
Projects in progress	4.63	5.77	0.06	2.59	13.05
Projects temporarily suspended	-	-	-	-	-
	4.63	**5.77**	**0.06**	**2.59**	**13.05**

1. There are no projects on each reporting year where activity has been suspended.

2. There is one project (Transport Management System) as on the reporting date where completion is overdue and which has exceeded cost by Rs. 16.96 million as compared to its original plan of Rs. 16.00 million to a revised amount of Rs. 32.96 million. Out of total revised project cost of Rs. 32.96 million, Rs. 9.81 million is under development as disclosed in note 4, and the balance amount of Rs. 23.15 million is expected to be completed within one year of the reporting date. The project-wise details of when the project is expected to be completed as follows:

	To be completed in				
Particulars	**Less than 1 year**	**1-2 year**	**2-3 year**	**More than 3 years**	**Total**
As at 31 March 2021					
Projects in progress					
Transport Management System	-	-	-	-	-
As at 31 March 2022					
Projects in progress					
Transport Management System	**23.15**	**-**	**-**	**-**	**23.15**

Notes forming part of the standalone Ind AS financial statements as at and for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

5. Investment properties

Particulars	Building	Office equipment	Furniture and fittings	Total
As at 01 April 2020	**52.22**	**5.68**	**13.84**	**71.74**
Additions during the year	-	-	-	-
Transfer to property, plant and equipments* (refer note 3)	(13.34)	(1.60)	(4.54)	(19.48)
As at 31 March 2021	**38.88**	**4.08**	**9.30**	**52.26**
Additions during the year	-	-	-	-
As at 31 March 2022	**38.88**	**4.08**	**9.30**	**52.26**
Accumulated depreciation				
As at 01 April 2020	**2.65**	**0.74**	**1.23**	**4.62**
Charge for the year	0.61	0.54	0.89	2.04
Transfer to property, plant and equipments* (refer note 3)	(0.68)	(0.44)	(0.76)	(1.88)
As at 31 March 2021	**2.58**	**0.84**	**1.36**	**4.78**
Charge for the year	0.61	0.54	0.89	2.04
As at 31 March 2022	**3.19**	**1.38**	**2.25**	**6.82**
Net carrying value				
As at 31 March 2021	36.30	3.24	7.94	47.48
As at 31 March 2022	35.69	2.70	7.05	45.44

*During the year ended 31 March 2021, the Group has started using part of investment properties for its business purposes; hence, the same has been transferred to property, plant and equipment.

a) Amounts recognised in profit or loss for investment properties

Particulars	As at 31 March 2022	As at 31 March 2021
Rental income	19.43	19.49
Direct operating expenses from property that generated rental income	(5.84)	(5.25)
Profit from investment properties before depreciation	13.59	14.24
Depreciation	(2.04)	(2.04)
Profit from investment properties	11.55	12.20

b) Fair value

The fair value of the Company's investment properties are set out in the table below:

Particulars	As at 31 March 2022	As at 31 March 2021
Investment properties	126.89	114.31

c) Estimation of fair value

The Group obtains independent valuations for its investment properties on annual basis. The fair valuation is done basis on the current prices in an active market for similar properties. There were no changes made during the year in valuation method or processes to determine classification of the level.

Fair valuation of the investment property is based on the valuation done by the registered valuer as defined under Rule (2) of Companies (Registered Valuers and Valuation) Rules, 2017.

6 Other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
Unsecured considered good, unless otherwise stated				
Non-current				
Security deposits - considered good	40.97		15.63	
Security deposits - credit impaired	1.00		1.00	
	41.97		16.63	
Less: Security deposits - credit impaired	(1.00)	40.97	(1.00)	15.63
Deposits with banks as margin money*	53.61		43.11	
Interest accrued on fixed deposits		1.02		1.31
		95.60		**60.05**
Current				
Security deposits - considered good	103.54		117.07	
Security deposits - credit impaired	9.23		9.48	
	112.77		126.55	
Less: Security deposits - credit impaired	(9.23)	103.54	(9.43)	117.12
Deposits with banks as margin money*		59.48		60.70
Interest accrued on fixed deposits		2.53		2.12
Claims receivable - considered good	25.30		21.83	
Claims receivable - credit impaired	44.34		49.35	
	69.64		71.18	
Less: Claims receivable - credit impaired	(44.34)	25.30	(49.35)	21.84
Receivable against sale of assets		1.68		-
Surrender value of keyman insurance policy		-		4.30
Other receivable - considered good #	21.60		43.38	
Other receivable - credit impaired	28.41		25.98	
	50.01		69.36	
Less: Other receivable - credit impaired	(28.41)	21.60	(25.98)	43.38
Receivable from related party (refer note 37)		32.80		21.03
		246.93		**270.48**

* The Company has pledged these deposits as margin money with various banks to fulfil collateral requirements against bank guarantees, public deposits, overdraft and others.

Other receivables primarily includes recoverable on account of various skill development programmes undertaken by the Company.

7 Tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision for taxation)	657.72	466.09
	657.72	**466.09**
Breakup of the above		
Non-current	657.72	281.67
Current	-	184.42
	657.72	**466.09**

8 Other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
Unsecured considered good, unless otherwise stated				
Non-current				
Balance with government authorities	41.85		28.08	
Less: Balance with government authorities - credit impaired	(18.00)	23.85	(6.00)	22.08
Prepaid expenses		9.63		6.91
		33.48		**28.99**
Current				
Capital advances		31.77		6.72
Balance with government authorities		4.31		4.01
Prepaid expenses*		102.47		72.78
Advances to employees		40.28		34.54
Contract cost		143.40		69.24
Advances to vendors	241.59		153.59	
Less: Advance to vendor - credit impaired	(3.13)	238.46	(24.86)	128.73
		560.69		**316.02**

*Including expenses incurred till date 31 March 2022, in relation to proposed IPO amounting to INR 18.70 million by the Group. Portion of these expenses are recoverable from selling Shareholders. The recoverable amount will be determined on the completion of IPO.

9 Deferred tax assets

Particulars	As at 31 March 2022	As at 31 March 2021
Items leading to creation of deferred tax assets		
Provision for doubtful debt and advances	4.04	0.19
Defined benefit obligations	0.16	0.20
Property, plant and equipment and Intangibles assets - impact of difference between tax base and book base	(0.57)	0.24
Total deferred tax asset (A)	**3.63**	**0.63**
MAT credit entitlement* (B)	28.04	30.05
Total deferred tax (A+B)	**31.67**	**30.68**
* MAT credit of Rs. 28.04 million (31 March 2021: Rs. 30.05 million) is expiring within 10-15 years.		
Movement of MAT credit entitlement		
Balance at the beginning of year	30.05	27.58
Add : Charge for the year	-	2.47
Less : Credit utilised during the year	(2.01)	-
Balance at the end of year	**28.04**	**30.05**
Movement in deferred tax assets (net)		

Movement in deferred tax assets (net)

Particulars	Right of use assets	Provision for doubtful debt	Defined benefit obligations	Property, plant and equipment and Intangibles assets	Unabsorbed depreciation and carried forward losses	MAT credit entitlement	Total
As at 1 April 2020	**-**	**5.16**	**0.15**	**0.08**	**-**	**27.58**	**32.97**
(Charged)/credited:							
- to profit or loss	-	(4.97)	0.04	0.16	-	2.47	(2.30)
- to other comprehensive income	-	-	0.01	-	-	-	0.01
As at 31 March 2021	**-**	**0.19**	**0.20**	**0.24**	**-**	**30.05**	**30.68**
(Charged)/credited:							
- to profit or loss	-	3.85	(0.06)	(0.81)	-	(2.01)	0.97
- to other comprehensive income	-	-	0.02	-	-	-	0.02
As at 31 March 2022	**-**	**4.04**	**0.16**	**(0.57)**	**-**	**28.04**	**31.67**

10 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Tyres, tubes and other spare parts	15.98	9.29
	15.98	**9.29**

11 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in mutual funds - Quoted (measured at FVTPL)		
1,099,945 (31 March 2021: Nil) units of SBI Balanced Advantage and Multicap Fund Regular Growth	**11.33**	**-**
Total	**11.33**	-
Total current investments		
Aggregate book value of quoted investments	**11.00**	-
Aggregate market value of quoted investments	**11.33**	-

12 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Trade receivables $	7,739.43	6,133.23
Receivable from related parties (refer note 37b)	1.00	0.66
	7,740.43	**6,133.89**
Break up for above:		
Trade receivables		
Unsecured, considered good	7,740.43	6,133.89
Trade Receivables-credit impaired	127.55	137.85
	7,867.98	**6,271.74**
Impairment allowance (allowance for bad and doubtful debts)*		
Trade Receivables-credit impaired	(127.55)	(137.85)
	7,740.43	**6,133.89**

$ Trade receivables includes unbilled revenue amounting to INR 1,777.38 million (31 March 2021: INR 1,620.05 million).
*For allowance for doubtful debts account as on 31 March 2022 and 31 March 2021 and changes during the year (refer note 47).

Trade receivable ageing schedule

Particulars	Outstanding as at 31 March 2022 from the due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Trade receivables – considered good	5,668.29	1,967.34	73.23	16.52	15.05	7,740.43
(ii) Undisputed Trade Receivables – credit impaired	-	1.27	48.37	33.73	27.48	127.55
	5,668.29	**1,968.61**	**121.60**	**50.25**	**42.53**	**7,867.98**
Less: Credit Impaired	-	(1.27)	(48.37)	(33.73)	(27.48)	(127.55)
	5,668.29	**1,967.34**	**73.23**	**16.52**	**15.05**	**7,740.43**

Particulars	Outstanding as at 31 March 2021 from the due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Trade receivables – considered good	4,306.32	1,665.69	61.73	43.07	57.08	6,133.89
(iii) Undisputed Trade Receivables – credit impaired	-	-	20.58	43.07	74.20	137.85
	4,306.32	**1,665.69**	**82.31**	**86.14**	**131.28**	**6,271.74**
Less: Credit Impaired	-	-	(20.58)	(43.07)	(74.20)	(137.85)
	4,306.32	**1,665.69**	**61.73**	**43.07**	**57.08**	**6,133.89**

1) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively, in which any director is a partner, a director or a member.

2) Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

3) Refer note 17 for the current assets pledged as securities towards secured borrowings.

4) There are no disputed trade receivables as at 31 March 2022 and 31 March 2021.

13 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash in hand	4.93	5.99
Balances with banks		
- in current accounts	118.84	186.81
- in deposits accounts (having original maturity less than 3 months)	-	7.08
	123.77	**199.88**
For the purpose of the components of cash flow, cash and cash equivalents are the following:		
Cash in hand	4.93	5.99
Balances with banks:		
- in current accounts	118.84	186.81
- in deposits accounts (having original maturity less than 3 months)	-	7.08
Bank Overdraft	(0.18)	(1.87)
	123.59	**198.01**

14 Bank balances other than Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed deposits with banks having original maturity of 3 to 12 months*	92.80	69.72
	92.80	**69.72**

* The Company has pledged INR 76.63 million (31 March 2021: INR 5.87 million) of its deposits as margin money with banks to fulfil collateral requirements.

15. Equity Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised equity share capital	450.00	450.00
45,000,000 (31 March 2022: 45,000,000) equity shares of INR 10 each	**450.00**	**450.00**
Issued, subscribed and fully paid-up equity shares		
23,862,142 (31 March 2022: 23,862,142) equity shares of INR 10 each	238.62	238.62
Less: Shares held by ESOP Trust at the year end	(12.00)	(12.00)
	226.62	**226.62**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
At the beginning of the year	2,26,62,142	226.62	2,26,62,142	226.62
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**2,26,62,142**	**226.62**	**2,26,62,142**	**226.62**

(b) Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Group 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, if any.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% equity shares in the Group*

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
CJ Logistics Corporation	1,19,31,071	50.00%	1,19,31,071	50.00%
ASM (India) Investments Private Limited	33,11,564	13.88%	32,38,064	13.57%
Gargo Investments Private Limited	27,70,805	11.61%	27,70,805	11.61%
TCG ESOP Trust	12,00,000	5.03%	12,00,000	5.03%

* The disclosure is based on the legal ownership of the shares held as at the year end.

(d) Disclosure of shareholding of promoters

Particulars	Shares held by Promoter at the end of the year			% change during the year
	S.No	Promoter Name	% of total shares	
As at 31 March 2022	1	Mr. Krishan Kumar Agarwal	1.66%	0.42%
	2	Mr. Darshan Kumar Agarwal	0.68%	-0.13%
	3	Mr. Roshan Lal Aggarwal	1.17%	0.00%
	4	Mr. Narender Kumar Agarwal	2.22%	-0.00%
	5	CJ Logistics Corporation	50.00%	-
As at 31 March 2021	1	Mr. Krishan Kumar Agarwal	1.24%	0.42%
	2	Mr. Darshan Kumar Agarwal	0.81%	-
	3	Mr. Roshan Lal Aggarwal	1.17%	-
	4	Mr. Narender Kumar Agarwal	2.22%	-0.21%
	5	CJ Logistics Corporation	50.00%	-

(e) Shares reserved for issue under options

1,200,000 shares (31 March 2021: 1,200,000) shares of INR 10 each are outstanding towards employee stock options which is currently being held by TCG ESOP Trust. The Share Holder Agreement (SHA) with CJ Logistics Corporation (which holds 50% shareholding), inter-alia, requires the Group to cancel the shares held in this ESOP trust by obtaining prior approval from NCLT (National Group Law Tribunal). The Group has filed the petition to NCLT for cancellation of these shares on 18 July 2021 (Refer note 42)

16 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
General reserve (1)		
Balance at the beginning of the year	951.87	951.87
Closing balance (A)	**951.87**	**951.87**
Securities premium (2)		
Balance at the beginning of the year	1,137.91	1,137.91
Closing balance (B)	**1,137.91**	**1,137.91**
Capital redemption reserve (3)		
Balance at the beginning of the year	54.00	54.00
Closing balance (C)	**54.00**	**54.00**
Retained Earnings (4)		
Balance at the beginning of the year	2,111.41	1,783.00
Add: Profit for the year	613.67	317.47
Add: Other comprehensive income / (loss) for the year (net of tax)	(6.92)	10.94
Closing balance (D)	**2,718.16**	**2,111.41**
Total other equity (A+B+C+D)	**4,861.95**	**4,255.20**

(1) General reserve

Under the erstwhile Companies Act 1956, General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(2) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(3) Capital redemption reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(4) Retained Earning

Retained earnings are the loss that the Compnay has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to standalone statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

17 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Non Current		
Secured loan		
Term loan from banks (refer note A)	1,137.45	995.95
Term loan from financial institution (refer note B)	-	17.57
Unsecured		
Term loan from banks (refer note C)	97.12	22.03
Deposits (refer note D)	223.73	192.68
	1,458.30	**1,228.23**
Less: Current maturities of long-term borrowings		
Secured loan		
Term loan from banks	408.25	416.53
Term loan from financial institution	-	17.57
Unsecured		
Term loan from banks	17.55	22.03
Deposits	71.95	45.37
	497.75	**501.50**
Total long term borrowings	**960.55**	**726.73**
Current		
Secured		
Working capital loan (refer note E)	2,982.27	2,243.71
Overdraft (refer note F)	0.18	1.87
Current maturities of long-term borrowings (secured)	408.25	434.11
Unsecured		
Working capital loan (refer note G)	790.00	500.00
Loans from related party (refer note H and note 36)	-	100.00
Deposits (refer note I)	70.82	75.18
Current maturities of long-term borrowings (refer above)	89.50	67.40
Total short term borrowings	**4,341.02**	**3,422.27**

Secured term loan from banks

A) Term loan amounting to INR 859.54 million (31 March 2021: INR 772.40 million) relates to rupee term loans from banks towards asset purchased under hire purchase/financing arrangement and are secured by way of hypothecation of the respective assets. Some of these term loans are further secured by way of personal guarantee of some of the Directors of the Company. These term loans carry fixed interest rates ranging from 6.86% to 9.72% per annum (31 March 2021: 7.90% to 9.72% per annum) and are repayable in balance monthly instalments ranging from 1 to 66 (31 March 2021: 5 to 51) with monthly instalment ranging from INR 0.01 million to INR 0.24 million (31 March 2021: INR 0.01 million to INR 0.23 million).

INR 22.93 million (31 March 2021: INR 164.98 million) relates to rupee term loan from bank towards working capital and is secured by first pari-passu charge by way of hypothecation over the Company's book debts (including unbilled receivables and current assets), equitable mortgage of one property owned by the Company and standby letter of credit arranged by CJ logistics Corporation Korea in favour of consortium banks. This is further secured by way of personal guarantee of some of the directors of the Company. This term loan carries floating interest rates of 7.00% per annum (31 March 2021: 7.40%) and is repayable in 3 balance (31 March 2021: 15) monthly instalments of INR 11.47 million (31 March 2021: INR 11.47 million).

INR 130.00 million (31 March 2021: INR 10.00 million) relates to rupee term loan from bank towards working capital and is secured by second charge by way of hypothecation over the Company's book debts (including unbilled receivables and current assets), equitable mortgage of one property owned by the Company and standby letter of credit arranged by CJ logistics Corporation Korea in favour of consortium banks. This loan is further secured by way of guarantee by National Credit Guarantee Trustee Company Limited. This term loan carries floating interest rates of 7.30% per annum (31 March 2021: 7.30%) and is repayable in 48 (31 March 2021: 48) equal monthly instalments starting from 1 May 2022.

INR 124.98 million (31 March 2021: INR 48.57 million) relates to rupee term loan from bank towards working capital and is secured by specific charge against one property. This is further secured by way of personal guarantee of some of the Directors of the Company. This term loan carries floating interest rate of 6.90% per annum (31 March 2021: 7.40%) and is repayable in 46 balance (31 March 2021: 58) monthly instalments of INR 3.11 million (31 March 2021: INR 1.00 million).

Secured term loan from financial institutions

B) Term loan amounting to INR Nil million (31 March 2021: INR 17.57 million) relates to rupee term loans from financial institution towards asset purchased under hire purchase / financing arrangement and are secured by way of hypothecation of the respective assets. This is further secured by way of personal guarantee of some of the directors of the Company. These term loans carry fixed interest rate Nil per annum (31 March 2021: 7.62% per annum) and are repayable in balance monthly instalments ranging from Nil (31 March 2021: 5 to 7) with equated monthly instalment ranging from INR Nil million (31 March 2021: INR 0.02 million to INR 0.05 million).

Unsecured term loan from bank

C) Term loan amounting to INR 97.12 million (31 March 2021: INR 22.03 million) relates to unsecured rupee term loan from bank. This loan carries floating interest rate of 6.90% per annum (31 March 2021: 7.45% per annum) and is repayable in 58 balance (31 March 2021: 7) monthly instalment of INR 1.98 million (31 March 2021: INR 3.27 million.

Unsecured Public Deposit

D) INR 223.73 million (31 March 2021: INR 192.68 million) relates to Deposits from Public and carry interest rate ranging from 6.25% to 8.25% per annum (31 March 2021: 6.50% to 8.25% per annum) (including 0.50% per annum extra interest to senior citizens) and are repayable after period ranging from 1 month to 36 months (31 March 2021: 13 month to 36 months) from the respective dates of deposit.

Secured short term borrowings

(E) Working capital loans amounting to INR 2,982.27 million (31 March 2021: INR 2,243.71 million) from banks are secured by first pari-passu charge by way of hypothecation over the Company's book debts (including unbilled receivables and current assets), equitable mortgage of one property owned by the Company and standby letter of Credit arranged by CJ logistics Corporation Korea in favor of consortium banks. The said loans are further secured by way of personal guarantee of some of the Directors of the Company. These loans are renewed at the end of one year or any extension given by the banks from the date of respective sanctions and carries fixed interest rate ranging 4.95% to 8.15% per annum (31 March 2021: 6.35% to 8.05% per annum).

(F) Overdraft from banks amounting to INR 0.18 million (31 March 2021: INR 1.87 million) are secured by way of pledge of some of the fixed deposits with the banks. These overdrafts carries respective fixed interest rate."

Unsecured short term borrowings

(G) Working capital demand loans INR 300.00 million (31 March 2021: INR 500.00 million) from bank is backed by Corporate Guarantee by CJ logistics Corporation Korea. This demand loan has bullet repayment within 3 months from the date of disbursement and carries fixed interest rate 5.05% per annum (31 March 2021: 5.90%).

Working capital demand loans INR 490.00 million (31 March 2021: INR Nil) from bank is unsecured. This demand loan has bullet repayment within 3 months from the date of disbursement and carries fixed interest rate ranging 5.05% to 5.18% per annum per annum (31 March 2021: Nil).

(H) Loan amounting to INR Nil million (31 March 2021: INR 100 million) from related party carry interest rate Nil per annum (31 March 2021: 7.00%) and repayable after a period Nil months from the date of disbursement of loan. Lender have an option to request for repayment of this loan before maturity date - in such case, the Company shall deduct 1% interest rate from the contractual rate i.e. 7% per annum.

(I) Deposits amounting to INR 70.81 million (31 March 2021: INR 75.18 million) from public carry interest rate ranging from 5.50% to 7.00% per annum (31 March 2021: 6.00% to 7.75% per annum) (including 0.50% per annum extra interest to senior citizens) and are repayable after period ranging from 1 months to 12 months (31 March 2021: 1 months to 12 months) from the respective dates of deposit.

Notes:

The Company has filed quarterly returns/statement of current assets with banks and financial institutions and these are in agreement with books of accounts for the year ended 31 March 2022 and year ended 31 March 2021.

18 Other Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Security deposit#	23.51	17.02
Interest accrued but not due on borrowings	11.62	9.69
	35.13	**26.71**
Current		
Interest accrued but not due on borrowings	22.45	15.69
Unclaimed matured deposits and interest accrued thereon	2.69	1.67
Payable for capital expenditure	2.06	0.79
Security deposits#	14.51	17.75
Others	13.83	14.36
	55.54	**50.26**

Includes deposits received from related parties as at 31 March 2022 of INR 9.66 million (31 March 2021: INR 9.66 million). Refer note 37.

19 Employee Benefit Obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Gratuity (refer note 38)	80.23	50.82
	80.23	50.82
Current		
Compensated absences	78.02	73.93
Gratuity (refer note 38)	39.18	33.01
	117.20	106.94

20 Deferred tax liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Items leading to creation of deferred tax liabilities		
Property, plant and equipment and Intangibles assets- impact of difference between tax and books depreciation/amortisation"	186.65	188.20
Right-of-use assets	127.88	44.77
Others	-	1.08
Total (A)	314.53	234.05
Items leading to creation of deferred tax assets		
Employee benefit obligations	46.60	39.63
Provision for doubtful debt & advances	58.35	49.73
Lease liabilities	122.40	48.08
Expenses allowed as deduction on payment basis	8.47	27.90
Total (B)	235.82	165.34
Net deferred tax liabilities (A-B)	78.71	68.71

Movement in deferred tax liabilities (net)

Particulars	Property, plant and equipment and Intangibles	Right-of-use assets	Others	Defined benefit obligations	Provision for doubtful debt & advances	Lease liabilities	Expenses allowed as deduction on payment basis	Total
As at 1 April 2020	176.26	47.26	1.98	(33.80)	(73.77)	(49.75)	(20.13)	48.05
(Charged)/ credited:								
- to profit or loss	11.94	(2.49)	(0.90)	(9.51)	24.04	1.67	(7.77)	16.98
- to other comprehensive income/loss	-	-	-	3.68	-	-	-	3.68
As at 31 March 31 2021	188.20	44.77	1.08	(39.63)	(49.73)	(48.08)	(27.90)	68.71
Charged/ (credited):								
- to profit or loss	(1.55)	83.11	(1.08)	(4.63)	(8.62)	(74.32)	19.43	12.33
- to other comprehensive income/loss	-	-	-	(2.34)	-	-	-	(2.33)
As at 31 March 2022	186.65	127.88	-	(46.60)	(58.35)	(122.40)	(8.47)	78.70

21 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Dues to Micro and Small Enterprises *	-	-
Dues to enterprises other than Micro and Small Enterprises	1,249.40	830.91
Payables to related parties (refer note 37)	-	160.04
	1,249.40	990.95

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Trade payable ageing schedule

Particulars	Outstanding as at 31 March 2022 from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,132.84	66.04	6.32	44.20	1,249.40
	1,132.84	66.04	6.32	44.20	1,249.40

Particulars	Outstanding as at 31 March 2021 from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	885.63	85.88	2.43	17.01	990.95
	885.63	85.88	2.43	17.01	990.95

There are no disputed dues as at 31 March 2022 and 31 March 2021.

22 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Provision for contingencies	20.88	15.28
	20.88	15.28

The Group has recorded a provision of INR 20.88 million as at 31 March 2022 (31 March 2021: INR 15.29 million) against contingent liabilities as a matter of abundance caution (refer note 39).

23 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance against sale of assets*	64.76	26.00
Statutory dues	221.35	86.45
	286.11	112.45

* Includes advance received from related parties of INR 15.11 million (31 March 2021: INR 15.00 million). Refer note 37.

24 Revenue from contracts with customers

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rendering of services (Services transferred over time)		
Transportaion of goods	36,570.80	28,685.11
Other services	243.01	190.58
	36,813.81	28,875.69
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	36,877.61	28,928.99
Adjustments		
Incentives and penalties	(63.80)	(53.30)
Revenue from contracts with customers	36,813.81	28,875.69

Revenue from rendering of services is earned primarily from customers within India.

Revenue recognised in the current year that was included in the opening contract liability balance is INR 15.77 million (31 March 2021: INR 17.41 million). Revenue related to performance obligation satisfied in current year are INR Nil (31 March 2021: Nil).

The transaction price allocated to the remaining performance obligation (partially unsatisfied) as at 31 March 2022 is INR 454.18 million (31 March 2021: INR 350.76 million). Such remaining performance obligation are expected to be recognised within one year.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from customers

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Receivables $	7,740.43	6,133.87
Contract assets (refer note 1 below) *	345.61	302.61
Contract liabilities (refer note 2 below) #	28.14	15.77

$ Trade receivables includes unbilled revenue amounting to INR 1,777.38 Million (31 March 2021: INR 1,620.05 Million).

* Contract assets of INR 302.61 Millions (31 March 2021: INR 140.32 Million) recognised at the beginning of the year has been transferred to trade receivables.

Net increase by INR 12.37 Millions (31 March 2021: INR 1.65 Million decrease) is on account of cash received excluding revenue recognised during the year from contract liability as the beginning of the year.

Notes:

1. The contract assets primarily relate to the Group's rights to consideration for work partially completed and not billed at reporting date. The contract assets are transferred to the receivables on completing performance obligation and when the rights become unconditional.

2. Contract liabilities relates to payments received in advance of performance and unearned revenue against which amount has been received from customer but services are yet to be rendered on the reporting date either in full or in parts. Contract liabilities are recognized evenly over the period of service, being performance obligation of the Group.

25 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on		
- Bank deposits carried at amortised cost	12.61	12.68
- Income tax refund	1.48	62.75
- Others	6.88	2.99
Interest income on - unwinding of security deposits	1.60	1.21
Rental income	22.09	23.67
Profit on sale of properties classified as assets held for sale (net)	3.76	-
Profit on sale of property, plant and equipment other than asset held for sale (net)	29.01	59.76
Profit on sale of investments (net)	0.03	-
Bad debts earlier written off, now recovered	18.46	-
Liabilities/provisions no longer required written back	16.30	19.95
Net gain on financial assets measured at fair value through profit or loss	0.33	-
Profit on termination of lease contract	3.44	1.17
Miscellaneous income	32.59	16.35
	148.58	200.53

26 Cost of services*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lorry hire, haulage and other ancillary cost	33,112.61	25,839.92
Vehicles' taxes	41.62	40.55
Repairs and maintenance	106.83	100.14
Consumption of tyres, tubes and other spare parts	162.81	83.87
Vehicle and marine insurance	87.87	70.43
Claims for losses and damage (net)	3.78	86.40
Commission to agents	8.00	9.35
Other charges	119.67	139.66
	33,643.19	26,370.32

*includes expenses incurred on running of trucks and rail container owned by the Group.

27 Employee benefit expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salary, wages and bonus	1,163.41	1,015.78
Gratuity expenses (refer note 38)	26.20	24.35
Contribution to provident and other funds (refer note 38)	82.01	68.32
Workmen and staff welfare expenses	28.80	25.57
	1,300.42	1,134.02

28 Finance cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest:		
- borrowings at amortised cost #	207.19	319.82
- on lease liabilities (refer note 43)	16.03	18.07
- on others - delayed payment of TDS / GST	0.00	0.16
Other finance charges*	85.93	42.28
	309.15	380.33

underlying borrowings are carried at amortised cost.

* Includes forward premium as at 31 March 2022 of INR 67.69 million (31 March 2021: INR 29.72 million), paid to bank.

29 Depreciation and amortization expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment* (refer note 3 and 5)	353.56	325.76
Amortisation of intangible assets (refer note 4)	6.49	6.35
Depreciation of right-to-use assets (refer note 43)	76.41	107.24
	436.46	439.35

*including depreciation of INR 2.04 million (31 March 2021: INR 2.04 million) on building classified as investment properties.

30 Other expenses

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Non-executive directors' commission		1.42	1.42
Directors sitting fee		1.09	0.83
Rent		38.91	29.75
Rates and taxes		22.07	1.50
Communication		28.78	24.38
Legal and professional		68.10	41.90
Commission		6.25	3.90
Advertisement and publicity		8.92	9.27
Business promotion and entertainment		7.69	4.98
Travelling and conveyance		23.42	12.95
Printing and stationery		10.96	13.47
Insurance		4.63	25.00
Vehicles running and maintenance		24.26	17.24
Repairs and maintenance (others)		33.23	29.61
Electricity and water		18.94	15.96
Payments to auditors (refer details below)		12.50	5.08
Donations		2.80	4.80
Expenditure on corporate social responsibility		14.72	17.97
Provision for doubtful trade receivables, advances, contingent liabilities and other assets		71.23	4.71
Bad debts, advances and claims written off	18.59		
Less: Adjusted from provision for doubtful debts and advances	(5.46)	13.13	18.16
Loss on theft and embezzlement		0.04	0.00
Outsourced manpower expenses		13.06	24.55
Miscellaneous expenses		46.87	20.54
		473.02	327.97

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to auditors comprises:		
As auditor:		
Audit fee	4.16	4.96
Certification fees	1.01	0.12
Other Services	6.91	-
Reimbursement of expenses	0.42	-
	12.50	5.08

Note: Above amount is excluding of INR 4.50 million on account of services provided w.r.t. proposed IPO of the Compnay. This amount is outstanding under prepaid expenses 31 March 2022 and expensed off on the completion of IPO. Portion of these expenses are recoverable from selling Shareholders. The recoverable amount will be determined on the completion of IPO.

31 Income tax expense

The major components of income tax expense for the year ended 31 March 2022 and 31 March 2021 are:

(a) Profit or loss section

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax		
- current tax on profits for the year	211.97	88.67
- adjustment for tax for earlier years	(36.83)	(1.18)
MAT credit entitlement	2.01	(2.47)
Deferred tax charge		
- Relating to (reversal) / addition of temporary difference	(12.91)	21.74
- Relating to temporary difference of earlier years	22.24	-
Total tax expense	186.48	106.76
Income tax effect of re-measurement gains on defined benefit plans taken to other comprehensive income	2.33	(3.68)

(b)Reconciliation of tax expense and the accounting profit

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before income tax expense	800.15	424.23
Tax at the Indian tax rate of 25.168% (Year ended 31 March 2021 – 25.168%)	201.38	106.77
Adjustments :		
Expense not allowable under income tax as deductible expense	5.97	7.26
Interest under Income-tax Act	0.00	-
Adjustment due to different income tax rates applicable to subsidiaries	0.06	0.56
Additional benefits allowable as per income tax for the expenses incurred under section 80 JJAA	(7.65)	(5.26)
Adjustments in respect of deferred tax/current income tax of previous years	(14.12)	(1.18)
Effect of unrecognised business losses	-	1.10
Others	0.84	(2.49)
Income tax expense reported in the statement of profit and loss	186.48	106.76

32 Earnings per share

Basic EPS is calculated by dividing the net 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 EPS, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity holders of the Company	613.67	317.47
Effect of dilution	-	-
Profit attributable to equity holders for the effect of dilution	613.67	317.47
Weighted average number of equity shares in calculating basic EPS	2,26,62,142	2,26,62,142
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	2,26,62,142	2,26,62,142
Basic earning per share (INR)	27.08	14.01
Diluted earning per share (INR)	27.08	14.01

Notes forming part of the standalone Ind AS financial statements as at and for the year ended 31 March 2022

(All amounts in INR millions, unless stated otherwise)

33 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated Ind AS Financial Statements are in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the Consolidated Ind AS Financial Statements are prudent and reasonable. 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. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

A. Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Ind AS Financial Statements:

Determining the lease term of the contract with renewal and termination option - Group as a 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 or when they need to be adjusted to reflect the terms and conditions of the lease.

Operating lease commitments – Group as a lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Consolidated Ind AS Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

i) Revenue from contracts with customers

- **Determining method to estimate variable consideration**

Certain contracts for the transportation of goods include incentives or penalties, that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the transportation of goods with incentives or penalties, given the large number of customer contracts that have similar characteristics.

- **Estimating number of days for application of over the period**

The Group records revenue by estimating the total number days the vehicle will take to deliver the goods. Number of days usually begin from the date of preparation of consignment note, to either actual delivery date or expected date of delivery agreed with customer.

ii) Taxes

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the respective companies will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and is included in Deferred Tax Assets. The respective companies review the same at each reporting period and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that respective companies will be able to absorb such credit during the specified period. For further details about taxes refer note 9, 20 and 31.

iii) Defined benefit plans

The cost of the defined benefit gratuity plan and compensated absences 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. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

iv) Provision for trade receivable

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. For the purpose of measuring the expected credit loss for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible on assessment of facts & circumstances. For details of allowance for doubtful debts please refer note 12.

v) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting year to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. In assessing 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. There is no indicator of impairment of non-financial assets as at 31 March 2022.

vi) Provisions and Contingent liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluations of uncertain provisions and contingent liabilities and assets requires judgement and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts. Refer note 39 for further details about Contingent liabilities and related provisions.

vii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Consolidated Ind AS Financial Statements of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. 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. Refer note 34 and 35 for further disclosures.

viii) **Useful life of Property, Plant and Equipment and Intangibles.**

The useful life to depreciate property, plant and equipment is based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturer's warranties, maintenance and support period, etc. The charge for the depreciation is derived after considering the expected residual value at end of the useful life. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year end and adjusted prospectively, if appropriate. Further details about property, plant and equipment and intangible assets are given in note 3 and 4.

34 Fair value measurements

a) The carrying value of financial instruments by category

Particulars	31 March 2022			31 March 2022		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets						
Investments in mutual funds	11.33	-	-	-	-	-
Trade receivables	-	-	7,740.43	-	-	6,133.89
Cash and cash equivalents	-	-	123.77	-	-	199.88
Bank balances other than Cash and cash equivalents	-	-	92.80	-	-	69.72
Other financial assets (1)	-	-	342.52	-	-	330.53
Total financial assets	**11.33**	**-**	**8,299.52**	**-**	**-**	**6,734.02**
Financial liabilities						
Borrowings (3)(4)	-	-	5,335.64	-	-	4,174.38
Trade payables	-	-	1,249.40	-	-	990.95
Other financial liabilities (2)	-	-	56.60	-	-	51.59
Total financial liabilities	**-**	**-**	**6,641.64**	**-**	**-**	**5,216.92**

(1) Included in other current / non-current financial assets.

(2) Included in other current / non-current financial liabilities, excluding interest accrued but not due on borrowings.

(3) Borrowings includes interest accrued but not due of INR 34.07 millions (31 March 2021: 25.38 millions).

(4) Borrowings for the year ended 31 March 2022 includes borrowings of INR 375.03 million (31 March 2021: INR Nil million) carrying floating interest rates.

(b) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath.

i) Assets and liabilities which are measured at amortised cost for which fair values are disclosed below:

As at 31 March 2022	Carying value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	7,740.43	-	-	7,740.43	7,740.43
Cash and cash equivalents	123.77	-	-	123.77	123.77
Bank balances other than Cash and cash equivalents	92.80	-	-	92.80	92.80
Other financial assets (3)	342.52	-	54.58	288.66	343.24
Total financial assets	**8,299.52**	**-**	**54.58**	**8,245.66**	**8,300.24**
Financial liabilities					
Borrowings (1)(2)	5,335.64	-	5,359.72	-	5,359.72
Trade payables	1,249.40	-	-	1,249.40	1,249.40
Other financial liabilities (4)	56.60	-	18.62	12.74	31.36
Total financial liabilities	**6,641.64**	**-**	**5,378.34**	**1,262.14**	**6,640.48**

As at 31 March 2022	Carying value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	6,133.89	-	-	6,133.89	6,133.89
Cash and cash equivalents	199.88	-	-	199.88	199.88
Bank balances other than Cash and cash equivalents	69.72	-	-	69.72	69.72
Other financial assets (3)	132.75	-	132.64	-	132.64
Total financial assets	**6,536.24**	**-**	**132.64**	**6,403.49**	**6,536.13**
Financial liabilities					
Borrowings (1)(2)	4,174.38	-	4,248.65	-	4,248.65
Trade payables	990.95	-	-	990.96	990.96
Other financial liabilities (4)	51.59	-	37.89	13.70	51.59
Total financial liabilities	**5,216.92**	**-**	**4,286.54**	**1,004.66**	**5,291.20**

(1) Borrowings includes borrowings of INR 375.03 millions (31 March 2021: Nil) carrying floating interest rates.

(2) Borrowings includes interest accrued but not due of INR 34.07 millions (31 March 2021: 25.38 millions).

(3) Included in other current / non-current financial assets.

(4) Included in other current / non-current financial liabilities, excluding interest accrued but not due on borrowings

Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

- The fair value of security deposit has been estimated using DCF model which consider certain assumptions viz. forecast cash flows, discount rate, credit risk and volatility.

- The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at 31 March 2022 and 31 March 2021 was assessed to be insignificant.

There are no transfer of levels during the year.

As of 31 March 2022 and 31 March 2021 the fair value of cash and cash equivalents and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments.

35 Financial risk management objectives & policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to provide finance to the Group to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior and top management oversees the management of these risks. The Company's senior and top management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company's senior management is supported by a Risk Management Policy adopted by the Board of Directors that advises on financial risk and appropriate financial risk governance framework for the Company. It is Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review the policies periodically for managing each of these risks, which are summarized below.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The major exposure to the credit risk at the reporting date is from trade receivables and other receivables. The Group is also exposed to credit risk from deposits with banks and financial institutions and foreign exchange transactions.

(i) Trade Receivables

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. Trade receivables and contract assets are typically unsecured and are derived from revenue earned through customers. Customer credit risk is managed by the Group subject to the credit policy, procedures and control relating to customer credit risk management. Credit to each customer is given based on its credit rating score. Outstanding customer receivables are regularly monitored in the receivable review committee for any expected default in repayment. An impairment analysis is performed at each reporting date on an individual basis for all customers. Trade receivables are non-interest bearing and are generally on 30 to 120 days' credit terms.

The Group follows a 'simplified approach' (i.e. based on lifetime Expected credit losses (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). A large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. For the purpose of measuring lifetime ECL allowance for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. The Group, based on past trends and age based provisioning policy of the Group, recognizes allowance for trade receivables. Further, allowance is also recognised for cases indicating any specific trail of credit loss within the ageing brackets mentioned above. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several industries and operates in largely independent markets.

Individual trade receivables are written off when management deems them not to be collectible. Any subsequent recovery is recognized as Income in the consolidated statement of Profit and Loss. Refer Note 12 for the carrying amount of credit exposure on Trade receivables as on reporting date.

(ii) Security deposits

The Group also carries credit risk on lease deposits with landlords for properties taken on leases, for which agreements are signed and property possessions are taken for operations. The risk relating to refunds after vacating the premises is managed through successful negotiations or appropriate legal actions, where necessary.

(iii) Financial instruments & cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within Board assigned limits. Counterparty limits are reviewed by the Group's Board of Directors throughout the year subject to the recommendation of the Group's Management Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 as it's carrying amounts as disclosed in notes 6, 8, 13 and 14. The Group's maximum exposure relating to financial derivative instrument is noted in note 34 (B) and liquidity table below.

(B) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain continuity of optimum levels of liquidity to meet its fund requirements. The Group closely monitors its liquidity position and maintains adequate source of financing through the use of cash credit facility, demand loans, commercial credit cards, vehicle refinance, unsecured loan, public deposit. Processes and policies related to such risks are overseen by the Group's treasury department under guidance of the senior management. 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. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Accordingly, no liquidity risk is perceived.

(i) Maturities of financial liabilities

The maturity profile of the Company's financial liabilities based on contractual undiscounted payments is given in the table below:

As on 31 March 2022					
Particulars	**On Demand**	**Less than 1 year**	**1 to 5 years**	**More than 5 year**	**Total**
Borrowing and interest thereon	3,772.45	646.16	1,028.42	24.12	5,471.15
Trade payable	-	1,249.40	-	-	1,249.40
Other financial liabilities	-	33.09	23.51	-	56.60
Lease liabilities	-	127.79	419.76	34.11	581.66
	3,772.45	**2,056.44**	**1,471.69**	**58.23**	**7,358.81**

As on 31 March 2021					
Particulars	**On Demand**	**Less than 1 year**	**1 to 5 years**	**More than 5 year**	**Total**
Borrowing and interest thereon	2,845.58	629.29	765.50	-	4,240.37
Trade payable	-	905.75	-	-	905.75
Other financial liabilities	-	34.57	43.31	-	77.88
Lease liabilities	-	79.75	135.83	31.60	247.18
	2,845.58	**1,649.36**	**944.64**	**31.60**	**5,471.18**

(C) 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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2022. The analyses exclude the impact of movements in market variables on the carrying values of gratuity, pension obligation and other post-retirement obligations and provisions. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2022 and 31 March 2021.

(i) 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 operates on very selective international destinations and is somewhat exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The Group has major foreign currency risk in united state dollars (USD).

The Group's net exposure to foreign currency risk as at the 31 March 2022 is INR. 43.21 million net payables (31 March 2021: INR 20.47 millions net receivables) and unhedged as at the year end:

Particulars	Change in forex rates by 5%	Effect on profit before tax
As at 31 March 2022		
Foreign currency exposure	+ 5%	(2.16)
	- 5%	2.16
As at 31 March 2021		
Foreign currency exposure	+ 5%	1.02
	- 5%	(1.02)

(ii) 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 and working capital facilities.

Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in basis points	Effect on profit before tax
As at 31 March 2022*		
Borrowings	+0.50%	(1.88)
	-0.50%	1.88
As at 31 March 2021		
Borrowings	+0.50%	-
	-0.50%	-

*The Company has INR 375.03 million (31 March 2021: INR NIL) outstanding borrowings/working capital facilities with floating interest rate as at 31 March 2022.

36 Capital management

(a) Risk management

For the purposes of the Company's capital management, Capital includes equity and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company's endeavor is to maintain the gearing ratio below 200%.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and cash equivalents) divided by total equity.

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings including lease liabilities (refer note 17 and 42)	5,787.88	4,340.05
Cash and cash equivalents (refer note 13)	(123.77)	(199.88)
Net debt	**5,664.11**	**4,140.17**
Equity	**5,088.57**	**4,481.84**
Net debt to equity ratio	**111.31%**	**92.38%**

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2022 and year ended 31 March 2021.

37 Related party disclosures:

Names of related parties and related party relationship:

Related parties under Ind AS 24:

a) Subsidiary companies	Transrail Logistics Limited DARCL Logistics Nepal Private Limited Fr8ology Private Limited CJ Korea Express India Private Limited
b) Key management personnel	Krishan Kumar Agarwal (Chairman and Managing Director) Darshan Kumar Aggarwal (Joint Managing Director) Roshan Lal Aggarwal (Joint Managing Director) Narender Kumar Agarwal (Joint Managing Director) Hyoung Gun Kang (Whole Time Director & Deputy CEO) [till 24 August 2021] Chol Hoi Kim (Chief Financial Officer) [till 31 January 2021] Jaehee Lee (Chief Financial Officer) [w.e.f. 01 June 2021] Apoorva Kumar (Company Secretary) Junghun Baig (Whole Time Director & Deputy CEO) [w.e.f. 25 August 2021] Aarti Bhargava (Joint Company Secretary) [w.e.f. 18 October 2021]
c) Relatives of key management personnel	Sushma Agarwal Yogesh Agarwal Puneet Agarwal Vineet Agarwal Nitin Agarwal Nitesh Agarwal Nikhil Agarwal Ishant Agarwal Mahima Agarwal Sakshi Agarwal Shweta Gupta Vibha Agarwal Usha Bansal
d) Enterprises owned/significantly influenced by key management personnel or their relatives	Tek Chand & Sons (HUF) ASM (India) Investments Private Limited Daffodil Software Limited TCG ESOP Trust TCG Media Limited J B T A Logistics Private Limited Autoload Solutions LLP Fretron Private Limited (Formerly known as Fretron LL P) S. Dayal Construction Private Limited Gargo Investments Private Limited
e) Enterprises having significant influence over the Group	CJ Logistics Corporation

37. Related Party Transactions (Continued)

a) The following is the summary of transactions with key management personnel for the year ended 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	**Remuneration to Key Management Personnel**			
	Krishan Kumar Agarwal	Employee benefit expense	33.12	23.32
	Darshan Kumar Aggarwal	Employee benefit expense	28.97	17.94
	Roshan Lal Aggarwal	Employee benefit expense	28.99	17.98
	Narender Kumar Agarwal	Employee benefit expense	28.96	18.18
	Hyoung Gun kang	Employee benefit expense	5.60	15.69
	Chol Hoi Kim	Employee benefit expense	-	11.80
	Jaehee Lee	Employee benefit expense	10.93	-
	Junghun Baig	Employee benefit expense	11.68	-
	Apoorva Kumar	Employee benefit expense	3.35	3.56
	Aarti Bhargava	Employee benefit expense	0.68	-
2	Darshan Kumar Aggarwal	Purchase of services- Cost of Services- Lorry Hire, haulage and other ancillary cost	254.53	135.55

b) The following is the summary of outstanding balances with key management personnel as at 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	Krishan Kumar Agarwal	Trade Payable	0.75	20.03
	Krishan Kumar Agarwal	Security deposits payable	1.31	1.31
2	Darshan Kumar Aggarwal	Trade Payable	0.86	20.91
3	Roshan Lal Aggarwal	Trade Payable	0.79	21.27
	Roshan Lal Aggarwal	Security deposits payable	3.38	3.38
4	Narendar Kumar Agarwal	Trade Payable	0.86	20.92
	Narendar Kumar Agarwal	Security deposits payable	1.66	1.66
5	Hyoung Gun kang	Trade Payable	-	0.60
6	Apoorva Kumar	Trade Payable	0.26	0.21
7	Junghun Baig	Trade Payable	0.78	-
8	Jaehee Lee	Trade Payable	0.84	-
9	Aarti Bhargava	Trade Payable	0.38	-

c) The following is the summary of transactions with Enterprises owned/significantly influenced by key management personnel or their relatives for the year ended 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	ASM (India) Investment Pvt. Ltd.	Loan taken	-	4.20
		Loan repaid by the Group	-	8.33
		Interest expense	-	0.13
2	Fretron Private Limited (Formerly known as Fretron LLP)	Rental income	2.53	1.50
		Purchase of fixed assets	-	1.39
		Purchase of intangible assets	4.63	7.17
		Cost of Services-Lorry Hire, haulage and other ancillary cost	1.15	4.66
3	TCG Media Limited	Cost of Services-Lorry Hire, haulage and other ancillary cost	-	1.68
4	Autoload Solutions LLP	Cost of Services-Lorry Hire, haulage and other ancillary cost	0.74	1.38
5	Tek Chand & Sons (HUF)	Rent	0.45	0.45

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
		Advance received against sale of Property, plant and equipment	0.11	15.00
6	JBTA Logistics Private Limited	Rent	1.35	0.76
		Security deposits paid	0.34	-
7	S Dayal Construction Pvt. Ltd.	Rent	12.85	15.63
		Cost of Services-Lorry Hire, haulage and other ancillary cost	-	1.32
		Revenue from operations	0.03	-
		Security deposits received back	2.00	-
8	Daffodil Software Pvt. Limited	Interest expense	2.57	1.14
		Purchase of intangible assets	-	0.31
		Loan taken	-	100.00
		Loan repaid by the Group	100.00	-

d) The following is the summary of outstanding balance with Enterprises owned/significantly influenced by key management personnel or their relatives as at 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	Fretron Private Limited (Formerly known as Fretron LLP)	Other Recoverable	0.17	0.01
		Trade payable	-	0.17
		Security deposits payable	1.05	1.05
2	J B T A Logistics Private Limited	Security deposits payable	0.34	-
3	S Dayal Construction Pvt. Ltd.	Security deposits payable	7.88	9.88
		Trade payable	-	1.54
4	Daffodil Software Pvt. Limited	Loan Received	-	100.00
5	Tek Chand & Sons (HUF)	Other financial liabilities	15.11	15.00

e) The following is the summary of transactions with relatives of Key Management Personnel for the year ended 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	Sushma Agarwal	Rent	1.35	0.76
		Security deposit paid	0.34	-
2	Puneet Agarwal	Rent	0.04	0.04
		Employee benefit expense	10.97	11.13
3	Yogesh Agarwal	Rent	0.04	0.04
4	Shweta Gupta	Rent	0.04	0.04
5	Vibha Agarwal	Rent	0.04	0.04
6	Vineet Agarwal	Rent	0.04	0.04
		Employee benefit expense	11.51	10.15
7	Nitin Agarwal	Rent	0.04	0.04
		Employee benefit expense	8.71	8.37
8	Nitesh Agarwal	Rent	0.04	0.04
		Employee benefit expense	10.12	9.79
9	Ishant Agarwal	Rent	0.04	0.04
		Employee benefit expense	7.04	6.74
10	Nikhil Agarwal	Rent	0.15	0.15
		Employee benefit expense	16.30	8.27
11	Mahima Agarwal	Employee benefit expense	5.76	5.80
12	Usha Bansal	Employee benefit expense	40.00	-

f) The following is the summary of outstanding balance with relatives of Key Management Personnel as at 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	Puneet Agarwal	Trade payable	0.44	0.36
2	Vineet Agarwal	Trade payable	0.46	0.36
		Security deposits payable	0.60	0.60
3	Nitesh Agarwal	Trade payable	0.56	0.48
		Security deposits payable	0.39	0.39
4	Nitin Agarwal	Trade payable	0.05	0.55
5	Nikhil Agarwal	Trade payable	0.50	0.54
6	Mahima Agarwal	Trade payable	0.34	0.31
		Security deposits payable	0.09	0.09
7	Ishant Agarwal	Trade payable	0.41	0.40
		Security deposits payable	1.18	1.18
8	Sushma Agarwal	Security deposits payable	0.34	-

g) The following is the summary of transactions with Enterprises having significant influence for the period ended 31 March 2022 and year ended 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	CJ Logistics Corporation	Revenue from operations	3.42	5.47
		Cost of Services-Lorry Hire, haulage and other ancillary cost	27.40	0.27
		Management fee received	11.71	-
		Manpower Support	2.80	1.65
		Expenses incurred	61.48	59.23

h) The following is the summary of outstanding balance with Enterprises having significant influence as at 31 March 2022 and 31 March 2021:

S.No.	Name of the Related party	Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
1	CJ Logistics Corporation	Trade receivable	1.11	0.66
		Trade payable	10.08	1.51
		Other recoverable	32.63	36.53

Terms and condition of transaction with related party

(i) The sales to and purchase 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. There have been no guarantees provided or received for any related party receivable or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties for the period ended 31 March 2022 (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(ii) For terms and conditions of loan taken from Daffodil Software Private Limited (refer note 17(H))"

Terms and condition of Loan to Directors & KMP

(i) The Group operates loans scheme providing loans to employees. Under the scheme, the Group offers its employees a facility to borrow the money at an average market rate of interest.

Notes:

(i) The above particulars do not include working capital loans and corporate term loans availed from banks, which are further secured by way of personal guarantee of some of the directors, relatives and some of their related entities.

(ii) Does not include INR 1.50 millions (31 March 2021: INR 9.20 millions) paid to relatives of KMP as incentives, the provision for the same was created in earlier years.

(iii) Amount outstanding on account of provision for expense accrued are not disclosed in balance as at 31 March 2022 and 31 March 2021.

(iv) As Gratuity expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included in employee benefits expenses to KMP.

(v) Security deposits payables represents the undiscounted value of the security deposits received.

38 **Gratuity and other post- employment benefits plan**

A. Defined benefit plan (Gratuity)

The Group has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of INR 2.00 millions. The scheme is funded with an insurance Group in the form of qualifying insurance policy. The benefit is payable on termination of service or retirement, whichever is earlier. The employees do not contribute towards this plan and the full cost of providing these benefits are borne by the Group.

Regulatory framework, funding arrangement and governance of the Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Group and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax act and rules. The Group is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India.

Inherent risks

The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The following tables summarize the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognized in the balance sheet for Gratuity Plan.

onsolidated Statement of Profit and Loss

Net employee benefit expense recognised in employee cost:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	20.12	19.31
Interest on net defined benefit liability /(assets)	6.08	5.04
Interest income on plan assets	-	-
	26.20	**24.35**

ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial changes arising from changes in		
- demographic assumptions	-	0.16
- financial assumptions	(3.41)	3.30
- experience adjustments	13.22	(17.19)
Return on plan assets (excluding amounts included in employee cost)	(0.56)	(0.89)
	9.25	**(14.62)**

Changes in Defined benefit obligation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	153.87	143.59
Current service cost	20.12	19.31
Interest cost	10.39	9.58
Actuarial (gain) / loss	9.81	(13.73)
Benefits paid	(9.28)	(4.88)
Balance at the end of the year	**184.91**	**153.87**

Changes in plan assets

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Fair value of plan assets as at the beginning of the year	69.91	69.36
Interest income	4.31	4.54
Return on plan assets	0.56	0.89
Benefits paid	(9.28)	(4.88)
Fair value of plan assets as at the end of the year	**65.50**	**69.91**

Net assets / liabilities recognised in the consolidated statement of assests and liabilities as at reporting date

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the end of the year	184.91	153.87
Fair value of plan assets at the end of the year	65.50	69.91
Net liabilities / (assets) recognised in the consolidated statement of assests and liabilities	119.41	83.96
Net Asset/(liability) recognised in the consolidated statement of assests and liabilities is bifurcated as:		
- Non current provision	80.23	50.94
- Current provision	**39.18**	**33.02**

Investment details

Particulars	As at 31 March 2022	As at 31 March 2021
Insurance policies	100%	100%

Principle actuarial assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	6.75%	6.40%
Expected return on plan assets (per annum)	6.75%	6.40%
Expected increase in salary costs (per annum)	6.00%	6.00%
Attrition rate	15.00%	15.00%
Mortality	-	IALM 2012-14 Ultimate
Retirement age	60 years	60 years

Quantitative sensitivity analysis for significant assumptions is as below:

Particulars	Change in assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate	+ 1%	(8.72)	(5.44)
	- 1%	9.56	9.48
Withdrawal rate	+ 1%	(0.13)	(7.22)
	- 1%	0.10	(7.69)
Expected rate of salary increase	+ 1%	8.79	8.25
	- 1%	8.05	(7.59)

The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Particulars	As at 31 March 2022	As at 31 March 2021
Expected benefits for year 1	39.17	33.02
Expected benefits for year 2	11.38	19.96
Expected benefits for year 3	9.91	18.68
Expected benefits for year 4	9.74	17.79
Expected benefits for year 5 and above	114.70	75.33

The average duration of the defined benefit plan obligation at the end of the reporting year is 17 years (March 31, 2021: 6.33 years).

B. Defined contribution plan

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employers contribution to provident and other fund	82.01	68.32

* Above amount excludes the Group's expenses on other funds.

39 Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against thClaims against the Group not acknowledged as debts		
- Value added tax / Sales tax matters (refer note a)	15.18	32.69
- Goods and Service tax matters (refer note b)	0.47	0.37
- Income Tax matters (refer note c)	18.94	18.94
- Other claims (refer note d)	116.55	133.15
- ESI	11.60	11.60
Bank guarantee outstanding (refer note e)	946.17	796.46
Unpaid Bonus (refer note f)	24.00	24.00

a) Value added tax / Sales Tax matters mainly relates to the demands raised by the VAT/Sales Tax authorities of various states on account of online transit forms not prepared by drivers under laws of those states. The matters are contested by the Group at various Commissionerate level against the authorities.

b) GST demands relates to e-way bill issues like expiry of e-way bill, non updation of Part-B etc.. The matters are contested by the Group at various appellate authorities against the tax authorities.

c) Demands raised by the Income Tax Authorities relates to disputes on disallowance related to sec 14A and bad debts etc. The matters are contested by the Group at various appellate authorities against the tax authorities.

d) In view of the large number of cases pending at various forums and honourable courts, it is not practicable to furnish the details of each case. Based on the discussions with the solicitors / favourable decisions in similar cases / legal opinion taken by the Group, the management believes that the Group has a strong chance of success in the cases.

e) Bank guarantee primarily pertains to performance guarantee given to various customers of the Group.

f) The Payment of Bonus Act, 1965 ("the Act") was amended vide the Payment of Bonus (Amendment) Act, 2015 notified on 1 January 2016. The Act, inter-alia, has been amended to take retrospective effect with effect from 1 April 2014 and accordingly the revised bonus by way of arrears related to the year ended 31 March 2015 is required to be paid to the eligible employees. Based on advisors opinion obtained by the Group stay orders from various High Courts across the country against the amendment to the Payment of Bonus Act to the extent that it gives retrospective effect from 01 April 2014, the statutory bonus for financial year 2014-15 amounting to INR 23.35 million has not been recognized and treated as contingent liability in the current year as well as in the previous year. The Group will remain vigilant to watch the actual Court proceeding and clarification / notification from the Central Government and will review the accounting impact as on 31 March 2022.

g) There are numerous interpretative issues relating to effective date of the Hon'ble Supreme Court (SC) judgement on Provident Fund dated 28 February 2019. The Group has given impact to the SC order on a prospective basis from the date of the said order. The Group will give required effect in the financial statements, if any, on receiving further clarity on the subject.

h) The Group has recorded a provision of INR 20.88 million (31 March 2021 INR 15.28 million) against these contingent liabilities as a matter of abundance caution (refer note: 22)

i) On 24 March 2022, one vessel hired by the Group for transportation through see route tilted in the water, which resulted in damaged of goods loaded on the vessel. The owners of the goods have initiated claim against the Group, for goods damaged. The Group is of the view that the matter is still in the initial stage, and it will be further assessed to ascertain the party at fault. The Group has, meanwhile, intimate the insurance Group, about the incidence.

40 The Chief Operating Decision maker primarily focusses on Transportation of goods and allied services in making decisions on operating matters. Accordingly, the Group operates only in one reportable segment i.e. Transportation of goods and allied services; and hence, no separate disclosure is required for Segment.

Non- current operating assets

All non-current assets of the Group are located in India.

41 Capital and other commitments

(a) The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amount to INR 42.37 million (31 March 2021: INR 32.79 million).

(b) The Group has other commitments on accounts of contracts remaining to be executed which are entered into in the normal course of business. The Group does not have any other long term contracts including derivative contracts for which there will be any material foreseeable losses.

42 Employee Stock Option Plan

In terms of the approval accorded by the shareholders at their Extra-Ordinary General Meeting held on 9 February 2008, the Group on 19 February 2008, had given an interest free advance of INR 6.00 million to TCG ESOP Trust ('the Trust'). The trust in turn purchased 600,000 equity shares of INR 10 each fully paid up from the Group for the purposes of granting share options to the employees of the Group. Subsequent to allotment of 600,000 shares to the trust, the Group in financial year 2007-2008 had allotted bonus in the ratio of 1:1 bonus share for each equity share held in the Group. Apart from the above advance, the Group had also given INR 0.20 million to the trust towards its formation etc. on 19 February 2008. The trust has refunded an amount of INR 6.00 million till the year ended 31 March 2013. TCG ESOP Trust holds 1,200,000 equity shares with face value of INR 10 each. The trust is holding entire 1,200,000 equity shares of INR10/-each of the Group (including 600,000 Equity Shares issued as Bonus Shares) as on 31 March 2022. The Share Holder Agreement (SHA) with CJ Logistics Corporation (which holds 50% shareholding), inter-alia, requires the Group to cancel the shares held in this ESOP trust by obtaining prior approval from National Group Law Tribunal (NCLT). The Group has filed the petition to NCLT on 18 July, 2021 for cancelation of these shares, which is yet to be approved by NCLT. The next date of hearing is scheduled on 22 August 2022.

Upon cancellation of 12,00,000 equity shares held by TCG ESOP Trust, the Group will also cancel 12,00,000 Equity Shares currently held by CJ Logistics Corporation.

43 Leases

a) Group as lessee

The Group has lease contracts for various items of Land, Buildings, vehicles and other equipment used in its operation. Lease of building generally have lease term between 1 to 20 Years, while leases of vehicles and other equipment generally have lease term of 1 to 5 years. The Group's obligation under its leases are secured by the lessor's title to the leased asset.

The changes in the carrying value of ROU asset are as follows:

Particulars	Land	Building	Commercial Vehicles	Other Equipment	Amount
As at 01 April 2020	**25.73**	**120.62**	**53.87**	**9.84**	**210.06**
Additions *	20.08	104.98	8.68	1.28	135.02
Deletions	-	(12.64)	(7.05)	-	(19.69)
Depreciation expense	(0.83)	(56.26)	(41.36)	(8.79)	(107.24)
As at 31 March 2021	**44.98**	**156.70**	**14.14**	**2.33**	**218.15**
Additions *	230.61	158.17	-	-	388.79
Deletions	(0.62)	(18.98)	(0.79)	(2.02)	(22.41)
Depreciation expense	(6.04)	(56.70)	(13.35)	(0.31)	(76.41)
Balance as at 31 March, 2022	**268.93**	**239.19**	**-**	**-**	**508.12**

* Additions includes addition of leases, modification to existing lease in form of lease extension or restriction.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount
As at 01 April 2020	**197.67**
Additions	116.42
Deletions	(20.86)
Accretion of interest	18.07
Payments	(120.25)
As at 31 March 2021	**191.05**
Additions	388.79
Deletions	(25.85)
Accretion of interest	16.03
Payments	(83.71)
As at 31 March 2022	**486.31**

The effective interest rate for lease liabilities is 6% (31 March 2021: 8%).

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	99.33	66.21
Non-current lease liabilities	386.98	124.84
Closing balance	**486.31**	**191.05**

The following are the amounts recognised in consolidated statement of profit and loss

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation expense of right-of-use assets	76.41	107.24
Interest on lease liabilities	16.03	18.07
Expense relating to short term lease included in Lorry hire, haulage and other ancillary cost (refer note 26)	74.62	78.94
Expense relating to short term lease (refer note 30)	37.99	29.22
Profit on termination of lease contracts	(3.44)	(1.17)
Total	**201.61**	**232.30**

The Group does not face a 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.

The group has certain leases of building and vehicles with less than 12 months and certain lease asset with low value. The Group applies the “short term lease and “lease of low value assets” recognition exemption for these leases.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

Details of the contractual maturity of lease liabilities as at 31 March 2022 and 31 March 2021 on an undiscounted basis are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	127.79	79.75
Later than one year but not later than five years	419.76	135.83
Later than five years	34.11	31.60

b) Group as Lessor

Leases for which Group is a lessor is classified as finance or operating lease. Whenever the term of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other lease are classified as operating lease.

For operating lease, rental income is recognised on a straight line basis over the term of the relevant lease. The Group has given certain commercial vehicle under operating lease arrangement, which are generally cancellable at the option of the Group.

Details of the contractual maturity of lease liabilities as at 31 March 2022 and 31 March 2021 on an undiscounted basis are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Rental Income for the year	47.39	32.39
Gross block of leased asset	378.95	366.92
Depreciation provided during the year ended	24.50	25.26
Accumulated depreciation	222.97	200.86
Written down value of leased asset	155.98	166.06

44. The Group has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act 1961. Since, the law requires existence of such information and documentation of to be contemporaneous in nature, Group is in the process of updating the documentation entered with the joint venture during the financial year and expects such records to be in existence latest by the due date under that law. The management is of the opinion that it's transaction are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.
45. A sum of INR 69.64 millions (31 March 2021: INR 71.17 millions) is appearing under 'Claims receivable' (under note 6) from insurance companies and customers as at 31 March 2022. Also, 'Balance with government authorities' (under note 8) includes an amount of INR 41.85 millions (31 March 2021: INR 28.08 millions) receivable against deposits given at various check posts. The Group believes that these amounts are recoverable. However, in view of the fact that the pace of recovery in respect of these balances is very slow and as a matter of abundance caution, the Group has made a provision of INR 44.34 millions and INR 18.00 millions as at 31 March 2022 (31 March 2021: INR 49.35 millions and INR 6.00 millions) against these claims receivable and deposits, respectively.
46. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has issued draft of the Code on Social Security (Central) Rules, 2020 on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. During the period ended 31 March 2022, the Group has increased basic salary from 40% to 50% w.e.f 01 June 2021 for certain employees. The Group is in the process of assessing the impact of the other clauses of the Code and will record related impact, if any, in the period Code becomes effective.

47 Net movement in provision for doubtful trade receivables, advances, claims, security deposits and other assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	300.07	417.10
Additions / (reversal)	71.23	4.71
Write off	(5.46)	(121.74)
Closing as at year end	**365.84**	**300.07**

48 Carve out assets

The Group entered into Shareholder Agreement with CJ Logistics Corporation, a Group registered under the Laws of Republic of Korea along with other Shareholders on 5 June 2017 which was further amended on 30 July 2017 and 6 April 2018 and further on 9 August 2019. As per the terms of Agreement, certain properties have been agreed to be carved out from the Group by way of sale at the prevailing circle rate before the expiry of 12 months from the release of all carved out assets by the lenders which may be further extended for 12 months based on mutual consent of both parties. The mechanism for carving out assets is as under:

a) There are total 25 immovable properties in asset block of the Group having book value of INR 104.60 Millions as on 30 September 2016 and reference circle rate of INR 229.90 Millions (hereinafter referred to as 'Aggregate reference circle rate') as per the agreement which have been agreed to be carved out from the Group termed as "Carve- Out Assets" in a span of 12 months from the release of all carved out assets by the lenders which may be further extended for 12 months based on mutual consent of both parties.

b) After the pledge on all Carve-Out Assets has been removed by the lenders, Group Promoters and/or third-party purchasers identified by the Promoters shall have paid to the Group a sum which is equal to the book value of all Carve-Out Assets i.e. INR 104.60 Millions as part of sales proceeds. The Group may enter into agreements for sale of certain Carve-Out Assets of which the pledge has been removed by the lenders. Any amount received for sale of such Carve-Out Asset will be counted towards the First Tranche Amount. In event, all carve out assets are not bought by Promoters, KPE's or third party (identified by promoters) within span of 12 months from the release of all carved out assets by the lenders which may be further extended for 12 months based on mutual consent of both parties, then Promoters shall pay to the Group a sum equivalent to then prevailing circle rate of such remaining carve out assets less the first tranche amount and purchase all carve out assets.

c) In case, there is any shortfall between amount received in the Group on account of sale of all carve out asset and the aggregate reference circle rate, such shortfall will be adjusted by the Group from the Promoters on pro rata basis. In case, amount received in the Group on account of sale of all carve out asset exceeds the aggregate reference circle rate, such excess amount shall be paid to the Promoters on pro rata basis.

d) The Group paid INR 10 millions as retention bonus to each promoter aggregating to INR 40 millions after a period of 1 month from date of receipt of first tranche, in the month of April 2021 as per the terms of SHA. Further, the Group had to pay INR 10 millions as second retention bonus to each promoter aggregating to INR 40 millions after a period of 6 months from the first retention bonus. However,the promoters have waived off their right on the second tranche of INR 10 millions each aggregating to INR 40 millions which was approved by the Board of Directors in their meeting held on 24 August 2021, thus the second tranche of retention bonus is not payable by the Group.

e) Tax on the sale of the carve out assets shall be paid by Group, provided that tax payable on sale of carve out assets in excess of INR 15.00 Millions shall forthwith be paid by the Promoters of the Group.

f) As at 31 March 2022, lien on all 25 carve-out assets have been vacated. Out of these 25 vacated assets, 7 assets have been sold till the period end and remaining 18 assets have been shown as "Assets Held for sale" in the books of accounts at their carrying value, as at 31 March 2022.

49 Group Information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of the subsidiaries	Country of incorporation	Principal activity	% equity interest	
			31 March 2022	31 March 2021
Transrail Logistics Limited	India	Transportation & logistics services	100%	100%
Fr8ology Private Limited	India	IT enable logistics services	100%	100%
Darcl Logistics Nepal Private Limited	Nepal	Transportation & logistics services	100%	100%
CJ Korea Express India Private Limited	India	Transportation & logistics services	100%	100%

Entities with significant influence over the Group

CJ Logistics Corporation owns 50.00% of the equity shares in CJ Darcl Logistics Limited.

50 Statutory Group Information

Net Assets of the Company and its subsidiaries as at 31 March 2022 and 31 March 2021

As at 31 March 2022

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million
Holding Company								
CJ Darcl Logistics Limited	94.65%	4,816.20	98.68%	605.56	100.58%	(6.96)	98.65%	598.60
Subsidiaries								
Indian								
Transrail Logistics Limited	5.17%	262.98	1.38%	8.48	-0.58%	0.04	1.40%	8.52
Fr8ology Private Limited	0.07%	3.91	0.00%	0.01	0.00%	-	0.00%	0.01
CJ Korea Express India Private Limited	0.13%	6.43	0.13%	0.82	0.00%	-	0.14%	0.82
Foreign								
Darcl Logistics Nepal Private Limited	-0.02%	(0.95)	-0.19%	(1.19)	0.00%	-	-0.20%	(1.19)
	100.00%	5,088.57	100.00%	613.68	100.00%	(6.92)	100.00%	606.76

As at 31 March 2021

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million	As % of consolidated total comprehensive income/(loss)	Amount in Rs. Million
Holding Company								
CJ Darcl Logistics Limited	94.27%	4,224.94	96.16%	305.30	99.91%	10.93	96.29%	316.23
Subsidiaries								
Indian								
Transrail Logistics Limited	5.68%	254.45	5.20%	16.50	0.09%	0.01	5.03%	16.51
Fr8ology Private Limited	0.09%	3.90	0.01%	0.04	0.00%	-	0.01%	0.04
CJ Korea Express India Private Limited	-0.04%	(1.71)	-1.07%	(3.40)	0.00%	-	-1.04%	(3.40)
Foreign								
Darcl Logistics Nepal Private Limited	0.01%	0.24	-0.30%	(0.97)	0.00%	-	-0.29%	(0.97)
	100.00%	4,481.82	100.00%	317.47	100.00%	10.94	100.00%	328.41

51. The Group has filed application with Hon'ble National Group Law Tribunal on 18 July 2021 seeking sanction of the Scheme of Arrangement among amongst CJ Darcl Logistics Limited ('Transferee Group' or 'CJDL'), ASM (India) Investments Private Limited ('Transferor Group 1' or 'ASM'), Gargo Investments Private Limited ('Transferor Group 2' or 'GIPL') and Fr8ology Private Limited ('Transferor Group 3' or 'FPL'), and their respective shareholders and creditors (hereinafter referred to as the 'Scheme'), for

a. the amalgamation of ASM, GIPL, FPL into and with CJDL with effect from the Appointed Date as mentioned in the Scheme.

b. the reduction of the paid up share capital of CJDL by cancellation of 12,00,000 fully paid up equity shares of INR 10 each of the Group held by TCG ESOP Trust without payment of any consideration to TCG ESOP Trust.

Appointed date is opening hours of business on 1 April 2021 and Effective Date will be pursuant to Order of Hon'ble NCLT.

The order of first motion petition was released on 19 May 2022 dispensing the meeting of Shareholders and creditors of all petitioner companies. The second motion petition was filed on 24 May 2022 with Hon'ble National Group Law Tribunal, Chandigarh. The first hearing of second motion petition was held on 3 June 2022, wherein the Tribunal ordered for serving notice of petition to regulatory authorities. The next date of hearing fixed is of 22 August 2022.

52. The outbreak of Coronavirus (COVID-19) is causing significant disturbance and slowdown of economic activity in India and across the globe. The Group has evaluated impact of this pandemic on its business operations. Based on its review and current indicators of economic conditions, there is no significant impact on its financial statements. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

53. Other statutory information

(i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group do not have any transactions with companies struck off.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), 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 Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group have not received any fund from any person(s) or entity(is), 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,

(vii)The Group have not 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

(viii) The Group has used the borrowings from banks and financial institution for the specific purpose for which it was taken.

54. Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

55. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these Consolidated Ind AS Financial Statements have been rounded off or truncated as deemed appropriate by the management of the Group.

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountant
ICAI Firm Registration No. 101049W/E300004

Sd/-
per Yogesh Midha
Partner
Membership No. 094941

Place: New Delhi
Date: 05 August 2022

On behalf of the Board of Directors of
CJ Darcl Logistics Limited

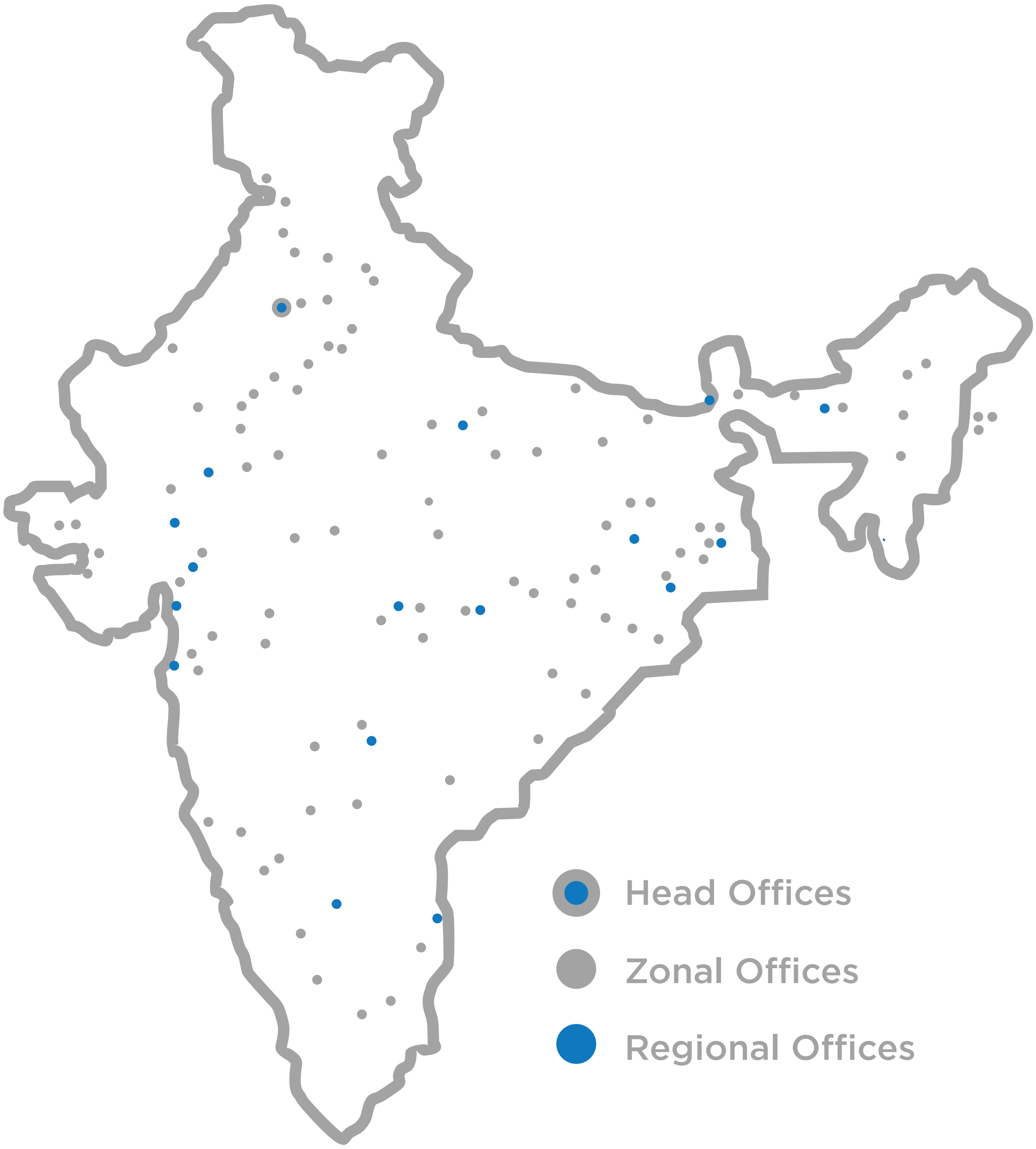
Sd/-
Krishan Kumar Agarwal
(Chairman and Managing Director)
DIN: 00151179

Sd/-
Narender Kumar Agarwal
(Joint Managing Director)
DIN: 00052456

Sd/-
Jaehee Lee
(Chief Financial Officer)

Sd/-
Apoorva Kumar
(Company Secretary)
FCS: 4905

Place: Gurugram
Date: 05 August 2022



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Registered Office

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