

BOARD'S REPORT

To,
The Member of
Allcargo Logistics Limited

The Directors present their Twenty Seventh Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Total Income	738,751	692,867	173,540	168,866
Total Expenses	714,285	663,180	162,300	146,224
Profit before share of profit from associates, joint ventures, exceptional items and tax	24,466	29,687	11,240	22,642
Share of profits from associates and joint ventures	607	521	-	-
Profit before exceptional items and tax	25,073	30,208	11,240	22,642
Exceptional items	5,471	-	15,364	-
Profit before tax after exceptional items	30,544	30,208	26,604	22,642
Tax expense				
- Current tax	13,450	9,253	8,504	4,790
- Deferred tax charge / (credit)	(6,340)	(3,829)	(3,875)	(4,198)
Profit for the year	23,434	24,784	21,975	22,050
Other Comprehensive Income				
Items that will not be reclassified subsequently to Statement of Profit and Loss:				
Re-measurement gain/(loss) on defined benefit plans	(12)	(57)	(20)	(50)
Items that will be reclassified subsequently to Profit or Loss:				
Exchange difference on translation of foreign operations	3,458	(791)	-	-
Income tax effect	86	(418)	-	-
Other comprehensive income for the year, net of tax	3,532	(1,266)	(20)	(50)
Total comprehensive income for the year, net of tax	26,965	23,518	21,955	22,000
Profit attributable to:				
- Equity holders of the Parent	22,300	24,196	21,975	22,050
- Non-controlling interests	1,134	588	-	-
Other comprehensive income attributable to:				
- Equity holders of the Parent	3,422	(1,325)	(20)	(50)
- Non-controlling interests	110	59	-	-
Total comprehensive income attributable to:				
- Equity holders of the Parent	25,723	22,871	21,955	22,000
- Non-controlling interests	1,243	647	-	-
Total comprehensive income attributable to owners of the equity at the beginning of the year	148,647	145,151	81,754	76,381
Total comprehensive income for the year	25,723	22,871	21,955	22,000
On account of business combination	(2,146)	-	-	-
Effect of adoption of new accounting standard	-	(3,085)	-	(337)
Less Appropriation				
Cash Dividend on equity shares	(7,369)	(13,513)	(7,369)	(13,513)
Tax on Dividend	(1,515)	(2,777)	(1,515)	(2,777)
Total comprehensive income attributable to owners of the equity at the end of the year	163,340	148,647	94,825	81,754



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

IMPACT OF COVID-19 ON BUSINESS

Presently, the COVID-19 pandemic developed rapidly into a global crisis, forcing Governments to enforce lockdowns of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. Since, the logistics sector is the backbone of the economy, to provide movement of essential goods, the shipping, ports, transportation and ancillary services have been declared essential services by the Government. The Company ("Allcargo") is an integrated multinational logistics company and therefore, our operations have been and shall be open and running only to the extent permitted and allowed under regulations notified by the State and Central Government. The Company have been focused on digital and technology initiatives. The Company have further intensified efforts to keep customers' businesses moving by enabling teams to work remotely and empowering our customers with our in-house digital business tools like our ECU360 platform. E-Bill of Lading, EDelivery Order, E-Payments facilities etc. have been made available for customers.

The Company is well prepared to exploit remote collaborative working solutions to their fullest. The health and safety of our employees, partners and customers are of the utmost priority to the Company. We have taken all the necessary precautions like providing masks, hand sanitizers, disinfectants and temperature checks for staff and essential visitors at all our facilities which are operational. The ground staff have obtained relevant approvals from local Government Authorities and ensured compliance with safety norms. Our employees are empowered and well facilitated to efficiently work from home and we continue to closely monitor their wellbeing.

Business Segment updates:

Multimodal Transport Operations (MTO): There has been limited business impact for the MTO segment as a result of significant initiatives on business continuity. Our team is doing an exceptional job in customer service and propagating use of technology tools like ECU360. All our offices continue to be operational across the world by managing work from home leading to no major disruptions. International business has shown only modest contraction through end March as a result of supply chains needed to be restocked post an extended Chinese New Year holiday period. We saw an upsurge in volumes in late February and mention to late March. With more and more of the world being enclosed and staying home in April we are only now seeing a slowing trend.

Container Freight Stations (CFS): The CFS segment has observed minor decline in overall volumes primarily due to slowdown in Exports. The overall capacity utilization across our CFS locations has been very high, due to continued inflows and lower deliveries. This is caused by closure of businesses under lockdown and also the disruption in transportation as a result of shortage of drivers. The Company is monitoring the ground level situation closely and expects the situation to improve gradually.

Project & Engineering Solutions (P&E): As most of the sites have been mandated to be closed after the nationwide lockdown, the equipments are naturally not operating. Majority of the contracts are linked with long term infrastructure projects where significant capital investment commitments have been made by our clients, and we expect them to resume these projects at the earliest as the lockdown comes to an end.

Logistics Parks (LP): Since most of the constructed sites have been pre-leased, the Company has not witnessed any business impact. For sites under construction, there is naturally a temporary disruption. As of now, the Company does not expect any significant deviation from the planned execution schedules, and will continue to closely monitor the situation.

Supply Chain Management (SCM): The business has been temporarily disrupted with the current lockdown. There are fixed services such as storage solutions, which continue to accrue revenue, however, certain variable service have been suspended and variable revenue has been impacted significantly. However, overall impact is not very substantial and we expect it to bounce back once lockdown restrictions are lifted.

The Company has made substantial investment in Gati Limited ("Gati"). Gati has rolled out a slew of measures towards safety and wellbeing of employees and provided digital infrastructure for an efficient work from home environment. Operations in many express distribution centres, warehouses and supply chain services have been disrupted. The Company had to scale down and suspend operations in most locations. However, in past few days, Government has lifted restrictions on movement of non-essential goods as well and we expect situation to improve.

Lastly, the Company has joined the fight against the COVID-19 pandemic by contributing ₹ 1 crore to the Chief Minister's Relief Fund in Maharashtra and the Company is also supporting various initiatives to help migrant labourers, daily-wage earners as well as doctors and paramedics who are on duty.

At Allcargo, we believe that challenging times such as these, prepare us for a better future. The Company is taking this opportunity to increase focus on digitization now more than ever. The commitment of our employees and support from all our partners has ensured business continuity against all odds. We continue to focus on efficiencies and business



continuity plans to bring down our costs. Given that our business fundamentals remain strong, with a diversified client base and industry wide presence, the direct impact of COVID-19 outbreak on our business and operations has been and is expected to be limited.

Broadly, it led to significant disruptions in equipment business. However, MTO segment and CFS segment comprising over 90% revenues were largely unaffected in financial impact.

The Company continued to work across the world, with most people working from home, except for essential workers at CFS, warehouses etc. The Company was able to keep all its services operational.

Structured crisis management team closely monitors issues on a daily basis and responds effectively to any and all challenges. The Company has significantly focused on digital empowerment of employees to facilitate effective work from home.

The Company has taken appropriate measures to ensure requisite liquidity and there is no significant concern.

DIVIDEND

During the year under review, the Company has declared and paid an Interim Dividend of ₹ 3 per equity share (150%) on the paid-up capital of the Company for the Financial Year ended March 31, 2020.

In view of outlay on account of Interim Dividend, the Board recommended that the Interim Dividend declared on March 16, 2020 shall be treated as the Final Dividend on the equity shares of the Company for the Financial Year ended March 31, 2020.

The dividend payout is in accordance with the Company's Dividend Distribution Policy. In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the 'Dividend Distribution Policy' has been hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies> is annexed as **Annexure-1**.

PERFORMANCE REVIEW

Consolidated:

The revenue from operations for FY2019-20 increased from ₹ 689,486 lakhs to ₹ 734,624 lakhs, an increase of 7% over the previous year. The increase in revenue was mainly on account of increase in revenue from MTO division and better utilization of crane.

The Earnings before Interest, Depreciation, Tax and Amortisation ("EBIDTA") stood at ₹ 54,472 lakhs, an increase of 13% as compared to ₹ 48,233 lakhs earned in the previous year. The Profit for the year attributable to the Members and non-controlling interest was ₹ 23,434 lakhs, an increase by 5% as compared to ₹ 24,784 lakhs of the previous year.

Cash Flow:

The Cash flows from operations were positive ₹ 26,259 lakhs (as at March 31, 2019 ₹ 32,443 lakhs). Spend on capex was ₹ 69,170 lakhs. The borrowing of the Company as at March 31, 2020 stood at ₹ 139,791 lakhs (as at March 31, 2019 ₹ 59,825 lakhs). Cash and bank balances including investment in mutual funds stood at ₹ 31,501 lakhs (as at March 31, 2019 ₹ 26,575 lakhs). The Net Debt to Equity stood at 0.53 times (as at March 31, 2019 0.16 times).

Standalone:

The revenue from operations for FY2019-20 increased from ₹ 152,822 lakhs to ₹ 161,931 lakhs, an increase of 6% over the previous year

EBIDTA stood at ₹ 29,070 lakhs, a decrease of 21% as compared to ₹ 36,674 lakhs earned in the previous year.

The Profit after taxes was ₹ 21,975 lakhs, a decrease by 0.34% as compared to ₹ 22,050 lakhs of the previous year.

Cash Flow:

The Cash flows from operations were positive ₹ 20,740 lakhs (as at March 31, 2019 ₹ 15,431 lakhs). Spend on capex was ₹ 13,808 lakhs. The borrowing of the Company as at March 31, 2020 stood at ₹ 95,053 lakhs (as at March 31, 2019 ₹ 47,893 lakhs). Cash and bank balances including investment in mutual funds stood at ₹ 5,340 lakhs (as at March 31, 2019 ₹ 3,536 lakhs). The Net Debt to Equity stood at 0.61 times (as at March 31, 2019 0.33 times).

BUSINESS OVERVIEW

The Company operates mainly into four segments i.e. (i) Multimodal Transport Operations; (ii) Container Freight Stations/Inland Container Depots (iii) Project and Engineering Solutions and (iv) Logistics Park.

The Company is carrying out Contract Logistics business through its joint venture i.e. Avvashya CCI Logistics Private Limited.

Multimodal Transport Operations (MTO)

The Company operates in MTO business segment including Non Vessel Owning Common Carrier ("NVOCC") operations related to Less than Container Load consolidation and Full Container Load forwarding activities. Our NVOCC services are built on the strength of our nationwide and global reach with 300+ offices in 160+ countries. With our global network, we serve over 2,400 global tradelanes, including over 300 tradelanes that connect India, connecting business across the world.

A quarter century of global expertise and experience has evolved us into the world leader in LCL consolidation and India's leading integrated logistics solutions provider, offering one-stop-solutions that empower businesses in India and across the world. Our global network, local insights and operational excellence gives the edge and peace of mind that our customers experience only the World LCL Leader.



Our NVOCC services gives the benefit of LCL, FCL and Air Freight services, backed by first and last mile delivery, having the convenience of dealing with just one partner for end-to-end needs of our customers. Latest processes, state-of-the-art systems and experienced workforce ensure highest standards of multimodal services. With value added services like inland trucking service and warehousing capabilities, we ensure complete transit with safety. We have successfully eliminated transit time by adding direct lines within the network.

Our technology is designed to add to Customer's efficiency, reliability and convenience. Adopting the latest tech-tools, further adds to our operational and functional efficiencies and brings greater agility and transparency in our service offerings. ECU360, our in-house developed state-of-the-art platform, enables Customers to effortlessly manage their shipments, with real-time information on their fingertips.

Container Freight Stations (CFS)/ Inland Container Depots (ICD)

The CFS/ICD segment caters to the handling of Import/Export cargo, Customs clearance, Warehousing and other related ancillary services.

The CFS/ICD facilities are strategically located near the major ports and the Indian hinterland, supporting the EXIM trade since many years. The Company has strategically created its presence in CFS at key Container Terminals of the country viz. JNPT- Mumbai, Chennai, Mundra and Kolkata, which drives around 80% of India's container traffic.

The facilities are geared with the latest state-of-the-art technology and backed by experienced team, who are equipped and trained to handle all import and export shipment requirements. Developing Green facilities like kitchen gardening, STP tank, solar generator system and rainwater harvesting are some of the initiatives that the Company has undertaken towards a sustainable and environmentally conscious business model. The Company operates its business model with unique synergies between its MTO, Contract logistics and CFS segments.

The Company has been diversifying its product portfolio to facilitate all of the customer's logistics needs under one roof and continuously exploring services that can synergize well with the existing set of services enabled by technology and cost competitiveness across all products, there by offering Value added services.

While doing this we continuously strive hard to operate all our facilities in complete safe and secure environment. During the COVID-19 pandemic we have provided the mask, sanitizers, created special place for social distancing in all our facilities across India. We have also taken special care of customers for handling documents digitally.

The future of this industry is taking a shift towards Logistics Park, which is a freight-handling facility comprising

mechanized warehouses, specialized storage solutions and facilities for mechanized material handling. The Company plans to move to the next level of growth by building a string of logistics parks across India by capitalizing on its deep and strong customer relations and its vast experience in CFS business, combining it with scope to handle domestic and product specific cargo. In lieu of this, the Company is developing logistics parks in Jhajjar, Haryana over a span of 180 acres of land and further is developing its land bank of more than 200 acres in Hyderabad and Bengaluru, with an additional land bank in Nagpur.

Project and Engineering Solutions (P&E)

The economic impact of the 2020 coronavirus pandemic in India has been largely disruptive. Major companies in India have temporarily suspended or significantly reduced operations. Young startups have been impacted as funding has fallen. Further, due to the departure of labour and stringent social distancing policy, the speed of manufacturing has also been impacted causing the drag on production and connected logistics activities.

On May 12, 2020, the Government of India announced an overall economic package worth ₹ 20 lakh crore (US\$280 billion) i.e. 10% of India's GDP, with emphasis on India as a self-reliant nation. The Government has continued its focus on affordable housing, micro-irrigation, solid waste management, sports complexes, exhibition, and cultural centres, which indicates the Government's serious intent for infra building across sectors. In the post COVID situation, for employment generation, the federal investment shall continue and the Roads & Highways sector will remain the main growth driver for the infrastructure industry, followed by Metros, Irrigation and Ports.

With Government extensive focus on Infrastructure development with committed investment of US \$1.4 Trillion investment in National Infrastructure Pipeline in another 05 years and doing away with the upper cap on Renewable Auctions, there will be ample opportunities for growth in the Long term for Equipment Rental in India. In the last few years, construction equipment witnessed record sales due to high demand from Government-led projects such as Pradhanmantri Gram Sadak Yojana, Housing for All, Smart City Project, etc.

Due to COVID-19 Concerns, growth would be muted for the short term however the Company expect quick recovery post Q1FY20-21. Crane Rental market would see consolidation and further standardization and optimization. Key players would be sharing resources and more focus would be given to Safety, Manpower training, Virtual Working.

In continuation of the Company's effort towards expansion beyond the Indian shore, the Company has consolidated its order position in neighbouring countries. Apart from that, the Company has made inroad in East Africa geography and select countries in West Africa. Due to the short-term impact of COVID-19, the Company expects drag on infra spending in short-cycle though it seems to have a limited impact on

committed infra projects in Oil & Gas, Metro, Grid Upgrade and refinery sector. The Company foresees continued engagement in these sectors with committed Infrastructure spends and financial closures with a continued focus on Africa and the Far-east market. With the ongoing plan of sale of its older equipment assets and more focus on the asset-light business model, the division is optimistic of keeping its asset utilization to over 70 percent. The division has a healthy order book and foresees them to grow in the coming months.

In summation, it does not seem a long term impact for the division beyond Q3FY20-21, by when the market will stabilize and core sectors will get back to Normal.

Logistics Park (LP)

The Company has set up state-of-the-art strategically located logistics parks across India and is looking to expand its footprint further.

With a nationwide warehousing footprint of about 6 million sq. ft. by 2021 through strong connectivity to industrial hubs and transport routes. Focus on asset light strategy by moving assets to SPVs with planned stake dilution. Developing existing land bank mapped to the current demand foreseen in Grade A warehouse.

The Company is in a great spot to get economies of a scale. Consumption drive and infrastructure development would boost multi modal logistics parks with capability of serving all types of cargo. Logistics parks would have to provide warehousing, contract logistics and first and last mile connectivity.

The Company has 6 million sq. ft. of developed Grade-A logistics parks that are developed or under development across the Delhi-NCR, Bengaluru, Hyderabad, Ahmedabad, Pune, JNPT in Mumbai, Hosur and Goa, and are in an advanced stage of development and has additional 3 million sq. ft. in the pipeline for further development.

About 80 per cent of its warehousing portfolio is pre-leased, of which close to 2.5 million sq. ft. are occupied.

Contract Logistics through Avvashya CCI Logistics Private Limited ("ACCI")

Contract logistics is one of the fastest growing sub-sectors of logistics in India and the Company expanded and strengthened its presence in this segment through its joint venture, Avvashya CCI Logistics Private Limited.

Currently, ACCI manages 5 million plus sq. ft. of warehousing space at 47 locations with significant presence in major consumption centres across India. Out of which 1.5 million sq. ft. for auto segment, 2.5 million sq. ft. for chemical segment and around 1.0 million sq. ft. for e-commerce segment have been utilized. ACCI is further consolidating its position by increasing its warehouse footprints over 1.5 million sq. ft. in next financial year through built-to-suit warehouse infrastructure. ACCI is also making adequate investment in storage technology like orbiter system, put to light system

and sorter system. Further, investments are also made in state-of-art warehouse management system (WMS).

ACCI is one of the predominant players in this segment managing activities for key clients in Chemical, Auto and Engineering, Pharma, Retail & Fashion, E-commerce and Consumer Sector. ACCI is looking at doubling its footprint and spread in next 2 years across the verticals and geography and engaging mega warehouses sites across the major growth market in India.

Detailed information on the Business overview, segment wise performance, outlook and state of the affairs of the Company is provided in the 'Management Discussion and Analysis Report' as required under Regulation 34 of the Listing Regulations, which forms part of the Annual Report.

STATE OF COMPANY AFFAIRS

Acquisition of substantial equity stake and control in Gati Limited, an express logistics entity

The Company has entered into Share Purchase Agreement ("SPA") with some of the existing Promoter and Promoter Group of Gati Limited ("Gati") viz. Mr Mahendra Kumar Agarwal, Mahendra Investment Advisors Private Limited, TCI Finance Limited and Gati for acquisition of substantial stake in Gati and further, executed Share Subscription Agreement ("SHA") with Gati for infusion of capital by subscribing to its preferential issue.

Pursuant to above SPA and SHA, the Company has made Open Offer for acquisition 3,17,42,615 fully paid-up equity shares having a face value of ₹ 2/- each at a price of ₹ 75/- per equity share representing 26% of the Expanded Voting Share Capital of Gati by making public announcement dated December 5, 2019, detailed public statement dated December 12, 2019, draft Letter of Offer dated December 17, 2019 and Letter of Offer dated March 2, 2020, in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time and completely acquired upto 26% stake in Gati.

Further, the Company has acquired 10.93% equity stake in Gati by subscribing to preferential issue of Gati pursuant to SHA. It has directly bought 5.16% stake from the Gati promoters pursuant to SPA and also acquired another 4.74% stake through market purchases.

In aggregate, the Company has acquired substantial equity stake 46.86% thereby gained control in Gati, and inducted its two Directors on the Board of Gati.

Business Transfer Agreements for transfer of warehouses to the wholly owned subsidiaries of the Company

During the under review, the Company undertook a restructuring of its warehousing undertakings and has executed and completed Business Transfer Agreements with the following wholly owned subsidiaries ("WOS") of the Company and transferred the respective undertaking including transfer of warehouses and other assets of

Logistics Park Business as a 'going concern' on slump sale basis:

- Allcargo Logistics & Industrial Park Private Limited
- Madanahatti Logistics and Industrial Parks Private Limited
- Malur Logistics and Industrial Parks Private Limited
- Venkatapura Logistics and Industrial Parks Private Limited

Sale of majority equity stake in certain subsidiaries to Blackstone

During the year under review, the Company has executed definitive transaction documents with BRE Asia Urban Holdings Ltd, an entity controlled by funds managed or advised by affiliates of The Blackstone Group Inc. ("Blackstone"), which is a globally renowned real estate private equity investor, for transfer of a part of the warehousing business of the Company. Pursuant to the transaction documents, Blackstone has agreed to make an investment in the company's subsidiaries through a combination of equity and debentures upto ₹ 380 crores ("Transaction"). The partnership between Blackstone and the Company proposes to make further investment in the future to develop industrial and logistics parks across certain key markets of India.

The Transaction is expected to conclude in a phase wise manner over the next 12 months, subject to satisfaction of customary closing conditions and achievement of certain milestones as prescribed in the transaction documents executed by and among Blackstone, the Company and certain subsidiaries of the Company for carrying out the business of warehousing. Post conclusion of the Transaction, the Company will cease to have sole control over certain subsidiaries engaged in the warehousing business, and will retain a minority stake in such subsidiaries.

Pursuant to above and upon receipt of respective amount during the year, the Company has divested 90% stake in Allcargo Logistics & Industrial Park Private Limited and Madanahatti Logistics and Industrial Parks Private Limited, the wholly owned subsidiaries engaged in the development and operations of the warehousing business, to the Blackstone Group.

Scheme of Amalgamation (Merger by Absorption) between Allcargo Shipping Co. Pvt. Ltd, wholly owned subsidiary and the Company

Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated September 27, 2019 has approved the Scheme of Amalgamation (Merger by Absorption) between Allcargo Shipping Co. Private Limited (a wholly owned subsidiary of the Company) and the Company under Sections 230 to 232 of the Act which became effective from November 5, 2019. Pursuant to said order, all the assets and liabilities of Allcargo Shipping Co. Private Limited became assets and liabilities of the Company with effect from appointed date i.e. April 1, 2018.

Scheme of Amalgamation (Merger by Absorption) between Hindustan Cargo Limited, wholly owned subsidiary and the Company

The Company has approved the Scheme of Amalgamation (Merger by Absorption) under Sections 230 to 232 of the Companies Act, 2013 between Hindustan Cargo Limited (a wholly owned subsidiary of the Company) and the Company, and their respective shareholders subject to the approval of the National Company Law Tribunal and other requisite approvals.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company, subsequent to close of FY2019-20 till the date of this Report.

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

During the year under review, no significant and material orders have been passed by any Regulators or Courts or Tribunals which would impact going concern status of the Company and its future operations.

CREDIT RATING

The Company continues to have credit rating which denotes high degree of safety regarding timely servicing of financial obligation. The Company has received the following credit ratings for its long term and short term Bank Loan facilities, Commercial Papers and proposed Non-Convertible Debentures from various rating agencies:

Rating Agency	Rating	Instrument / Facility
CARE	CARE A1+	Commercial Paper
CRISIL	CRISIL AA-/Stable (Reaffirmed)	Long Term Bank Loan
	CRISIL A1+ (Re-affirmed)	Short Term Bank Loan
ICRA	ICRA AA (Re-affirmed)	Non-Convertible Debentures
CARE	CARE AA/Stable	
CRISIL	CRISIL AA-/Stable	

PUBLIC DEPOSITS

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

SHARE CAPITAL

During the year under review, there is no change in the Issued, Subscribed and Paid-up Share Capital of the Company. However, Authorised Share Capital has been changed on account of amalgamation of Allcargo Shipping Co. Private Limited, a wholly owned subsidiary with the Company.

As at March 31, 2020, the Authorised Share Capital of the Company is ₹ 60,50,00,000/- divided into 27,52,25,000 Equity Shares of ₹ 2/- each and 500 4% Cumulative Redeemable Preference Shares of ₹100/- each and 5,45,000 Preference Shares of ₹100/- each.

Further, Issued, Subscribed and Paid-up Share Capital of the Company as at March 31, 2020 is ₹ 491,391,048/- divided into 245,695,524 equity shares of ₹ 2/- each.

DEBENTURES

During the year under review, the Company issued 11.25%, 1,600 Senior, Rated, Secured, Listed, Redeemable, Non-Convertible Debentures ("NCDs") of face value of ₹ 10,00,000 per NCD aggregating to ₹160 crores on private placement basis for a tenure of three years. These NCDs are listed on Debt Segment of BSE Ltd ("BSE"). Since, the Company has sufficient funds available, it has made prepayment on June 11, 2020 towards full redemption of NCDs in terms of provisions of Debenture Trust Deed and delisted from Debt Segment of BSE.

CORPORATE GOVERNANCE REPORT

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

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

BOARD OF DIRECTORS

Number of meetings of the Board of Directors

During the year under review, 7 (seven) Board Meetings were convened and held, the details of which are provided in the 'Corporate Governance Report'.

Committee Position

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

Recommendation of Audit Committee

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

Directors

Appointment

Based on the recommendation of the Nomination and Remuneration Committee ("NRC") and in accordance with provisions of the Act and the Listing Regulations, Ms Cynthia Dsouza (DIN: 00420046) was appointed as an Additional Non-Executive Independent Woman Director of the Company for a tenure of 2 years with effect from June 30, 2020. In accordance with Section 161 of the Act, Ms Cynthia holds office upto the date of the ensuing AGM and a notice under Section 160(1) of the Act has been received from a Member signifying the intention to propose her appointment as Director.

Re-appointment

In accordance with the Section 152 of the Act and the Articles of Association of the Company, Mr Adarsh Hegde (DIN: 00035040), Director of the Company, retires by rotation at ensuing AGM and being eligible, offers himself for re-appointment.

Attention of the Members is invited to the relevant items in the Notice of the 27th AGM and the explanatory statement thereto.

Resignation

Mr Hari L Mundra (DIN: 00287029) and Ms Malini Thadani (DIN: 01516555) resigned as Independent Directors from the Board of the Company with effect from April 1, 2020 and April 3, 2020 respectively.

Mr Kaiwan Kalyaniwalla (DIN:00060776) has resigned as Non Executive Director of the Company w.e.f. June 30, 2020.

Mr Mundra and Ms Thadani, Independent Directors of the Company have confirmed that there were no other material reason for their resignations from the Board other than the reasons as mentioned in their resignation letters respectively.

The Board of Directors places on record its deep appreciation for their outstanding contribution and wishes them well in their future engagements.

Declaration from Independent Directors

The Company has received declarations from all Independent Directors confirming that they meet the criteria of

independence as prescribed under Section 149(6) and (7) of the Act and Regulations 16 and 25 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

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

BOARD EVALUATION

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

Based on the criteria set by NRC, the Board has carried out annual evaluation of its own performance, its Committees and individual Directors for FY2019-20. The questionnaires on performance evaluation were prepared in line with the Guidance Note on Board Evaluation dated January 5, 2017, issued by SEBI. An online platform has been provided to each Director for their feedback and evaluation.

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

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

KEY MANAGERIAL PERSONNEL

During the year under review, the following changes have been taken place in the Key Managerial Personnel ("KMP") of the Company:

1. Mr Suryanarayanan Sivaramakrishnan had been re-designated as Chief Transformation Officer (CEO-Transformation) and KMP of the Company from

Executive Director- Strategy & Finance of the Company (not being a Director on the Board) with effect from November 08, 2019 and has ceased to be CEO-Transformation and KMP of the Company with effect from February 29, 2020.

2. Mr Sheetal Gulati has been appointed as Group Chief Financial Officer and KMP of the Company with effect from November 08, 2019.

As at March 31, 2020, the following are the KMP of the Company:

- Mr Shashi Kiran Shetty, Chairman and Managing Director;
- Mr Adarsh Hegde, Joint Managing Director;
- Mr Sheetal Gulati, Group Chief Financial Officer;
- Mr Prakash Tulsiani, CEO-CFS-ICD;
- Capt Sandeep R Anand, CEO-Project & Engineering Solutions;
- Mr Deepal Shah, Chief Financial Officer; and
- Mr Devanand Mojidra, Company Secretary

REMUNERATION POLICY

NRC has framed a policy on Directors, KMP and other Senior Management Personnel appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other related matters in accordance with Section 178 of the Act and the Rules framed thereunder and Regulation 19 of the Listing Regulations. The criteria as aforesaid is given in the 'Corporate Governance Report'. The Remuneration Policy of the Company is annexed as **Annexure-2**.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

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

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

RISK MANAGEMENT POLICY

The Company is engaged in providing integrated logistics business solutions for National and International Trade, Warehousing, Transportation and handling of all kinds of Cargo, running ICD, CFS and Shipping Agents. Thus, the Company is prone to inherent business risks like any other organisation. With the objective to identify, evaluate, monitor, control, manage, minimize and mitigate identifiable business risks, the Board of Directors have formulated and implemented a Risk Management Policy.

The Company has adopted ISO 31000 framework for risk management. Under the guidance of the Board, the Chief Assurance and Risk Executive facilitates dedicated risk workshops for each business vertical and key support functions wherein risks are identified, assessed, analysed and accepted/mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also maintained and reviewed from time to time for risk mitigation plans and changes in risk weightage, if any. The Audit Committee monitors risk management activities of each business vertical and key support functions. Fraud Risk Assessment is also part of overall risk assessment. In the Audit Committee meeting, Chief Assurance and Risk Executive make the presentation on risk assessment and minimization procedures.

The purpose of risk management is to achieve sustainable business growth, protect the Company's assets, safeguard shareholders investments, ensure compliance with applicable laws and regulations and avoid major surprises of risks. The Policy is intended to ensure that an effective risk management framework is established and implemented within the Company.

Risk Management Committee met once on March 18, 2020 during the year under review.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has laid down Internal Financial Controls and believes that the same are commensurate with the nature and size of its business. Based on the framework of internal financial controls, work performed by the internal, statutory and external consultants, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2019-20 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 accounting records and timely preparation of reliable financial disclosures.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report on the business outlook and performance review for the year ended March 31, 2020, as stipulated in Regulation 34 read with Schedule V of the Listing Regulations, is available as a separate section which forms part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The brief outline of the Corporate Social Responsibility ("CSR") Policy of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-3** of this Report in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is hosted on the Company's website <https://www.allcargologistics.com/investors/investorservices/corporatepolicies>.

CONSOLIDATED FINANCIAL STATEMENTS

A statement containing the salient features of the Financial Statements including the performance and financial position of each Subsidiaries, Joint Ventures and Associate Companies as per the provisions of the Act, is provided in the prescribed Form AOC-1 which is annexed as **Annexure -4**.

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

The Company will make available the said Financial Statements and related detailed information of the subsidiary companies upon the request by any Member of the Company. These Financial Statements will also be kept open for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM.

Pursuant to the provisions of Section 136 of the Act, the Audited Standalone and Consolidated Financial Statements of the Company along with relevant documents and separate accounts in respect of subsidiaries are available on the website of the Company.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

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

Sr. No.	Name of Company	Relationship	Change	Effective Date
1	Avvashya Projects Private Limited	WOS	Incorporated	July 02, 2019
2	Avvashya Inland Park Private Limited	WOS	Incorporated	July 02, 2019
3	Panvel Logistics and Warehousing Solutions Private Limited	WOS	Incorporated	August 31, 2019
4	Allcargo Shipping Co. Private Limited	WOS	Amalgamated	November 05, 2019
5	Allcargo Logistics & Industrial Park Private Limited	WOS	Ceased	February 12, 2020
6	Madanahatti Logistics and Industrial Parks Private Limited	WOS	Ceased	February 12, 2020
7	Gati Limited	Associate	Acquired stake	January 28, 2020
8	Ecu-Logistics N.V.	WOS	Liquidated	March 31, 2020
9	Ecu Worldwide Romania SRL	WOS	Liquidated	October 08, 2019
10	China Consolidated Company Ltd.	WOS	Liquidated	August 19, 2019
11	Ecu Worldwide Vietnam Co. Ltd.	Subsidiary	Purchase of additional stake	February 26, 2020
12	General Export srl.	Subsidiary	Ceased	December 23, 2019
13	East Total Logistics B.V	WOS	Acquired	July 19, 2019
14	PAK DA (HK) LOGISTIC Ltd	Subsidiary	Acquired	July 01, 2019
15	ECU Worldwide Tianjin Ltd.	Subsidiary	Acquired	July 01, 2019
16	Allcargo Logistics FZE	WOS	Incorporated	October 17, 2019
17	SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD	Subsidiary	Acquired	October 01, 2019
18	Allcargo Logistics China Ltd.	Subsidiary	Acquired	October 01, 2019

Sr. No.	Name of Company	Relationship	Change	Effective Date
19	Asiapac Logistics Mexico SA de CV	WOS	Incorporated	August 28, 2019
20	FCL Marine Agencies Gmbh (Hamburg)	Associate	Liquidated	August 14, 2019
21	FMA-LINE France S.A.S.	WOS	Liquidated	March 01, 2020

WOS-Wholly owned subsidiary

Allcargo Shipping Co. Private Limited, WOS, has been merged with the Company pursuant to the Scheme of Amalgamation (Merger by Absorption) w.e.f. November 05, 2019.

Allcargo Logistics & Industrial Park Private Limited and Madanahatti Logistics and Industrial Parks Private Limited, ceased to be WOS w.e.f. February 12, 2020 pursuant to the Business Transfer Agreement executed with BRE Asia Urban Holding Ltd. by transferring 90% holding.

During FY2020-21, the Company has acquired majority stake of 46.86% in Gati Limited.

Ecu-Line Switzerland GmbH is under the process of liquidation.

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions/contracts/arrangements that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business except as mentioned under Form AOC-2 and were in compliance with the applicable provisions of the Act and the Listing Regulations. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, KMP or Senior Management Personnel which may have a potential conflict with the interest of the Company at large.

Certain transactions with the wholly owned subsidiaries, related parties are disclosed under Form AOC-2 which is annexed as **Annexure-5**.

All related party transactions were placed before the Audit Committee for its approval and review on quarterly basis. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and of a repetitive nature. The transactions entered into with related parties are certified by the Management and the Independent Chartered Accountants stating that the same are in the ordinary course of business and at arm's length basis.

The Policy on materiality of Related Party Transactions



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

The details of related party transactions that were entered during FY2019-20 are given in the notes to the Financial Statements as per Ind AS 24, which forms part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The Company is engaged in the business of providing integrated logistics services which falls under the infrastructural facilities as categorized under Schedule VI of the Act. Hence, the provisions of Section 186 of the Act are not applicable to the Company to the extent of loans given, guarantees or securities provided or any investment made. However, as a good governance practice of the Company, the details of loans given, guarantees and securities provided are annexed as **Annexure-6**. Details of investments made are provided in the Notes to the Financial Statements.

AUDITORS

Statutory Auditors and their Report

M/s S R Batliboi & Associates LLP, Chartered Accountants ("SRBA"), hold office upto the conclusion of the ensuing AGM of the Company.

SRBA have under Sections 139 and 141 of the Act and Rules framed thereunder confirmed that they are not disqualified from being re-appointed as Statutory Auditors of the Company for a second term and have stated their willingness for their re-appointment as the Statutory Auditor of the Company. They have also furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the Listing Regulations.

Accordingly, the Audit Committee and the Board recommended for reappointment of SRBA as the Statutory Auditor of the Company to hold office for a second term from the conclusion of ensuing AGM till the conclusion of the 32nd AGM of the Company.

Further, the report of the Statutory Auditors along with the notes on the Financial statements is enclosed to this Report. Auditors Report do not contain any qualifications, reservation, adverse remarks, observations or disclaimer on Standalone Audited Financial Statement for the year ended March 31, 2020. However, Auditors Report on Consolidated Audited Financial Statements for the year ended March 31, 2020 contain an modified opinion for non-consolidation of share of profits from one associate Gati Limited. The Company has not accounted share of profit/loss and cash flows in respect of Gati Limited ("Gati") as it has not received audited financial statement of Gati for the last two month period of FY2019-

20, at the time of approval of audited financial statement of the Company. The management believes that there would not have been any material effect of non-consolidation of share of profit/loss of Gati on the financial performance of the Group.

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

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

Secretarial Auditor

Pursuant to Section 204 of the Act and Rules framed thereunder, the Company has appointed M/s Parikh & Associates, Company Secretaries in practice, to undertake the Secretarial Audit of the Company for FY2019-20. The Report of Secretarial Auditor in Form MR-3 for FY2019-20 is annexed as **Annexure-7**.

The Company has also obtained Secretarial Compliance Report for FY2019-20 from M/s Parikh & Associates, Company Secretaries in practice in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to the Regulation 24A of the Listing Regulations.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. No instance of fraud has been reported by the Auditors.

Compliance of Secretarial Standards

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

PARTICULARS OF EMPLOYEES

The details of employees remuneration as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-8**.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Further, in terms of Section 136 of the Act, the Annual Report and the Audited Financial Statements are being sent to the Members and others entitled thereto, excluding the aforesaid statement. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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

During the year under review, none of Directors of the Company has received any remuneration from the Subsidiary Companies.

SAFETY, HEALTH AND ENVIRONMENT

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

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

The Project and Equipments division of the Company has successfully renewed its OHSAS 18001:2007 Standards Certification as well as Lifting Equipment Engineers Association ("LEEA") Certification. It is a testimony that the Company is maintaining very high safety standards as well as ensures the use of quality equipments and follows the best Health and Safety practices as per LEEA standards.

The following safety measures are taken at various locations:

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

- Accident prone routes identified and supervisors allocated to have control over the vehicle movement.
- OHSAS audits and Fire and Safety audits are conducted by competent agencies at regular intervals.
- Fortnightly visit by Doctors to office for medical counseling of employees. Further, Medical Health check-up of all employees are conducted at regular intervals.
- CCTV and Safety alarms are installed at major locations.
- Green initiatives are taken at various locations to protect the environment.

INFORMATION TECHNOLOGY (IT)

In line with Company's vision & mission and guiding principles as outlined by the Chairman of the Company to "Adapt tech tools proactively to our advantage" various initiatives are been undertaken by the respective departments of the Company.

The Company is ensuring a financial transformation process by phasing out legacy systems and implementing new ERPs like D365 which will be in sync with the scale of our growth of the Company. The Company is in the process of HR digital transformation which will roll out a cloud based solution taking care of hire to retire phase. The Company is investing in processes to streamline operations, improve customer service and efficiency so that technology acts as an enabler in the process of catapulting to next level.

The Project and Engineering division has a Google maps enabled track and trace mechanism for the vehicles. It helps the operations team to determine the position of fleet resulting in minimization of asset idling time and maximizing manpower utilization and ensures transparency.

The Container Freight Station division is implementing cutting edge- pricing and container tracking tool which shall increase transparency of container positioning and improve customer satisfaction. Massive CRM transformation is being undertaken so as to understand the customers in a better way and channelize our sales force as per the customer segmentation for improved customer service.

The Warehousing division is in the process of implementing a niche WMS solution which will ensure smooth operations for our e-commerce customers and will help in inventory management as per the standards set by the customers.

MTO vertical which is in the midst of 'uberization storm' of containers is rightly placed and is using technology to reach out to customers by presenting several tools for booking, quoting and tracking via ECU360 portal. The operational efficiency of the system is multiplied manifold owing to implementation of unified software, TOPAZ across different countries.

The Company is looking at implementing a data analytics excellence to take advantage of the data and churn it into valuable insights. Use of new age tools like Machine Learning

and Robotic process automation too are being explored with great delight by the tech-hungry leadership and will soon be re-defining the way the business and operations will be looked at. The Company is literally negotiating the cusp of technological wave and will stand out clearly a leader, very soon.

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

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act and Rules framed thereunder, is annexed as **Annexure-9**.

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

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

During the year under review, no complaints of sexual harassment were received and 2 (two) Awareness Program about Sexual Harassment Policy were conducted and held at workplace.

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

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rules framed thereunder, an extract of the Annual Return in Form MGT-9 is annexed as **Annexure-10**.

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors of

Shashi Kiran Shetty
Chairman and Managing Director
(DIN: 00012754)

Place: Mumbai
Date: June 30, 2020