



Ingenuity In Motion

August 17, 2024

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38
<b>Scrip Code:</b> 532345 <b>ISIN No.:</b> <u>INE152B01027</u> <b>Re.:</b> <u>Allcargo Gati Limited</u>	<b>Symbol :</b> <u>ACLGATI</u> <b>ISIN No.:</b> <u>INE152B01027</u> <b>Re.:</b> <u>Allcargo Gati Limited</u>

Dear Sir/Madam,

**Subject: Notice of 29<sup>th</sup> Annual General Meeting and Annual Report of the Company for the Financial Year 2023-24.**

Pursuant to Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed herewith the Notice convening 29<sup>th</sup> Annual General Meeting (“AGM”) and the Annual Report of the Company for the financial year 2023-24.

The 29<sup>th</sup> AGM will be held on **Tuesday, September 10, 2024 at 3:00 P.M. (IST)** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) without physical presence of the Members and in compliance with the applicable provisions of the Companies Act, 2013 (“the Act”) read with rules made thereunder and various Circulars issued by MCA and SEBI from time to time in this regard, with the latest circular General Circular No 10/2022 dated December 28, 2022, General Circular No 11/2022 dated December 28, 2022 (MCA) and and General Circular No. 09/2023 dated September 25, 2023 read with applicable SEBI circulars (hereinafter collectively referred to as “the Circulars”) to transact the businesses as set out in the Notice of the 29<sup>th</sup> AGM.

In compliance with the above circulars the Annual Report for the financial year 2023-24 and Notice of the 29<sup>th</sup> AGM has been sent electronically to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s).

In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, as amended from time to time and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Company is providing e-voting facility to its members (holding shares either in physical or dematerialized form) to exercise their right to vote by electronic means on the businesses specified in the Notice of the 29<sup>th</sup> AGM of the Company (“Remote e-voting”).

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**Allcargo Gati Limited (Formerly known as “Gati Limited”)**

**Registered Office:** 4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina Santacruz (East), Mumbai – 400098, Maharashtra, India

**Corporate Office:** Western Pearl, 4<sup>th</sup> Floor, Survey No. 13(p), Kondapur, Hyderabad, Rangareddy – 500084, Telangana, India

**E-mail:** investor.services@allcargologistics.com **Tel:** 022 66798100

**CIN:** L63011MH1995PLC420155 | **Website:** www.gati.com



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The Company is also offering the facility to the Members to cast their vote electronically during the AGM. Accordingly, the Company has fixed **Tuesday, September 03, 2024** as the cut-off date to determine the eligibility of the members to cast their vote by electronic means and e-voting during the AGM.

The voting rights of Members shall be in the proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of **Tuesday, September 03, 2024**.

The remote e-voting will commence on **Saturday, September 07, 2024 at 9:00 AM (IST)** and close on **Monday, September 09, 2024 at 5:00 PM (IST)**.

The brief details of the agenda items proposed to be transacted and important information relating to the 29<sup>th</sup> AGM are provided in **Annexure I** and **Annexure II** respectively.

The information contained in this intimation shall also be made available on the Company's website [www.gati.com](http://www.gati.com), on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

We request you to kindly take the same on your record.

Thanking you,

Yours faithfully,  
For **Allcargo Gati Limited**  
(Formerly known as "Gati Limited")

**T.S. Maharani**  
Company Secretary & Compliance Officer  
M. No. F8069

**Encl.:** As above

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**Annexure I**

**Brief Summary of the Resolutions proposed to be transacted at the 29<sup>th</sup> AGM of the Company.**

<b>Resolution No.</b>	<b>Details of the Resolution</b>	<b>Ordinary/Special Resolution</b>
<b>Ordinary Business:</b>		
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.	<b>Ordinary</b>
2.	To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the Report of the Auditors thereon.	<b>Ordinary</b>
3.	To appoint a Director in place of Mr. Shashi Kiran Shetty (DIN: 00012754), who retires by rotation and, being eligible, offers himself for re-appointment.	<b>Ordinary</b>
<b>Special Business:</b>		
4.	Approval for the payment of commission to the Non-Executive and Independent Director(s) of the Company.	<b>Special</b>
5.	Approval to advance any loan, give any guarantee or to provide any security to all such person specified under section 185 of the Companies Act, 2013 upto an aggregate limit of Rs.500 crores.	<b>Special</b>
6.	Additional objective for utilization of the proceeds of the Preferential Issue of Warrants made during FY 2021-22 by the Company.	<b>Special</b>

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## Annexure II

### Information at a glance

Sr. No.	Particulars	Details
1.	Day, Date and Time of AGM	Tuesday, September 10, 2024 at 3:00 P.M. (IST).
2.	Mode	Video Conference (VC)/Other Audio-Visual Means (OAVM).
3.	Participation through Video-Conferencing	Members can login from 2:30 p.m. (IST) on the date of AGM at <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>
4.	Helpline Number for VC participation	022 - 4886 7000 and 022 - 2499 7000
5.	Speaker Registration and Submission of Questions / Queries Before AGM	Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, e-mail ID, mobile number at <a href="mailto:investor.services@allcargologistics.com">investor.services@allcargologistics.com</a>  Questions / queries received by the Company till 5:00 p.m. on Sunday, September 08, 2024 shall only be considered and responded during the AGM.
6.	Recorded transcript	Will be made available post AGM at <a href="http://www.gati.com">www.gati.com</a>
7.	Cut-off date for e-voting	Tuesday, September 03, 2024
8.	Remote E-voting start time and date	Saturday, September 07, 2024 at 9:00 A.M. (IST)
9.	Remote E-voting close time and date	Monday, September 09, 2024 at 5:00 P.M. (IST)
10.	Remote E-voting website of NSDL	<a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>
11.	Email Registration & Contact Updation Process	Detailed in the Notes forming part of this Notice of 29 <sup>th</sup> AGM.

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# GREEN PATH FOR THE NEW FUTURE.

**ANNUAL REPORT  
2023-24**



# CORPORATE INFORMATION

## Board of Directors

Mr. Shashi Kiran Shetty  
Chairman and Managing Director

Mr. Nilesh Shivji Vikamsey  
Independent Director

Mr. Dinesh Kumar Lal  
Independent Director

Mr. Kaiwan Dossabhoy Kalyaniwalla  
Non-Executive & Non-Independent Director

Mr. Hetal Madhukant Gandhi  
Independent Director

Ms. Vinita Dang Mohoni  
Independent Director

Mr. Ravi Jakhar  
Non-Executive & Non-Independent Director

Mr. Pirojshaw Aspi Sarkari  
Non-Executive & Non-Independent Director

## Key Managerial Personnel

Mr. Shashi Kiran Shetty  
Managing Director

Mr. Anish T Mathew  
Chief Financial Officer

Mrs. T. S. Maharani  
Company Secretary & Compliance Officer

## Members of the Committees

### Audit Committee

Mr. Dinesh Kumar Lal, Chairman  
Mr. Nilesh Shivji Vikamsey, Member  
Mr. Kaiwan Dossabhoy Kalyaniwalla, Member  
Mr. Hetal Madhukant Gandhi, Member

### Nomination & Remuneration Committee

Mr. Dinesh Kumar Lal, Chairman  
Mr. Kaiwan Dossabhoy Kalyaniwalla, Member  
Ms. Vinita Dang Mohoni, Member

### Risk Management Committee

Mr. Nilesh Shivji Vikamsey, Chairman  
Mr. Kaiwan Dossabhoy Kalyaniwalla, Member  
Mr. Pirojshaw Aspi Sarkari, Member

### Stakeholders Relationship Committee

Ms. Vinita Dang Mohoni, Chairperson  
Mr. Kaiwan Dossabhoy Kalyaniwalla, Member  
Mr. Dinesh Kumar Lal, Member

### Corporate Social Responsibility Committee

Mr. Kaiwan Dossabhoy Kalyaniwalla, Chairperson  
Mr. Dinesh Kumar Lal, Member  
Ms. Vinita Dang Mohoni, Member

### Auditors

M/s. S.R. Batliboi & Associates LLP  
Chartered Accountants

### Bankers/Financial Institutions

IndusInd Bank Limited  
Axis Bank Limited  
State Bank of India Limited  
Canara Bank Limited

### Registered Office:

4th Floor, B Wing, Allcargo House, CST Road, Kalina Santacruz (East),  
Mumbai – 400098, Maharashtra, India. Tel: 022 66798100

### Corporate Office:

Western Pearl, 4th Floor, Survey No. 13(p), Kondapur. Hyderabad,  
Rangareddi – 500084, Telangana, India. Tel: 040 7120 4284

### Registrar and Share Transfer Agents

Link Intime India Private Limited  
Corporate Registry  
Unit: Gati Limited, C -101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai – 400 083, Maharashtra  
Tel. No.: 18003454001  
E-mail: rnt.helpdesk@linkintime.co.in  
Website: www.linkintime.co.in

Disclaimer: We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward-looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual results deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above-mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and up-to-date nature of information taken, and declared as being taken, from third parties, as well as for forward-looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# CONTENTS

## CORPORATE OVERVIEW

Business Outlook	03
ESG	06
Message from the Chairman	08
Financial Metrics	11
Board of Directors	12
Management Team	13
India's Leading end-to-end Logistics Solutions	14
Ground Express	15
Air Express	16
Supply Chain	17
Retail Services	18
AllcargoGATI's CSR Vision	19
Awards and Accolades	20

## STATUTORY REPORTS

Notice	22
Directors' Report	33
Report on Corporate Governance	50
Management Discussion and Analysis	65
Business Responsibility and Sustainability Report	70

## FINANCIAL STATEMENTS

### STANDALONE

- Independent Auditor's Report	99
- Balance Sheet	108
- Statement of Profit & Loss	109
- Cash Flow Statement	110
- Statement of Changes in Equity	112
- Notes to the Financial Statements	114

### CONSOLIDATED

- Independent Auditor's Report	161
- Balance Sheet	168
- Statement of Profit & Loss	169
- Cash Flow Statement	170
- Statement of Changes in Equity	172
- Notes to the Financial Statements	174

2024

# DRIVING GROWTH TOWARDS A GREENER PATH

For over three decades, AllcargoGATI has been delivering progress with ingenious solutions, enabling enterprise with nationwide reach and agility.

As we strive forward with digitally-enabled logistics services, augmented reach, and world-class infrastructure, we are conscious of our commitment to Environment Social and Governance (ESG) norms and sustainability. It is a key guiding force that steers us to take strategic decisions that reduce ecological impact and empower businesses with green mobility.

Through collaborative, result-oriented action, we build on the dreams of a young, bold India, driving growth towards a greener path and protecting our planet for future generations.



# BUSINESS OUTLOOK



**With more than three decades of experience, AllcargoGATI, offers Ground Express, Air Express and Supply Chain Solutions to meet varied customer requirements. A commitment to facilitate our customers' business growth with excellent logistics services and green mobility, drives us to deliver customized solutions, designed to delight and provide a seamless experience.**

We have evolved to provide multiple services and solutions in logistics and distribution, to emerge as a market leader in varied segments. Backed by an extensive network across India, we offer services to more than 19,800 pin codes, covering 735 out of 739 districts in India, operating more than 1900 scheduled routes. Further, 1000 PIN Codes were moved from ESS to direct delivery during the year, augmenting reach and speed. Our integrated multi-modal transportation network comprising surface and air helps to ensure timely deliveries across the length and breadth of the country. AllcargoGATI's PAN-India warehousing facilities also play a crucial role in offering customized Supply Chain Solutions to customers across verticals.

As part of Allcargo, We are geared to grow into a digitally-enabled market leader committed to contributing towards driving India's growth story forward.



**Genie**



**Digital  
Payments**



**Vehicle  
Tracking**



**Organization-wide  
ERP System**



# GOING GREEN FOR BUSINESSES AND THE ENVIRONMENT

**At AllcargoGATI, we are dedicated to fostering a sustainable future by embracing green initiatives and reducing our carbon footprint. Our commitment to going green is not just a corporate responsibility but a core value that drives our operations and partnerships. Through innovative solutions and strategic collaborations, we are paving the way for a cleaner, greener tomorrow.**

### **Alternatives to fossil fuel**

Making a headway in its commitment to reduce carbon emissions, AllcargoGATI has introduced EVs for first and last mile deliveries, with more than 100 EVs deployed, in an introductory phase, across the country. Further, with an MoU with clean energy solutions provider, Gentari, we are adding another 500 electric cargo vehicles to its existing fleet.

### **Enabling businesses to go green**

In fact, we have been supporting Swedish furniture giant, IKEA's mission to be 100% zero emission in home deliveries by 2025. In 2019, we started with two electric vehicles which contributed to 2% of all home deliveries in Hyderabad, India. Today, 61% of all deliveries from the IKEA Hyderabad store take place through electric vehicles. This EV-led last-mile delivery partnership

was expanded for the IKEA Nagasandra store Bengaluru, by deploying electric three-wheeler cargo vehicles. There are also plans to onboard larger-capacity, four-wheeler cargo vehicles in the near future.

Recently, we also collaborated with Schneider Electric to power their deliveries with alternative fuel compressed natural gas (CNG) vehicles, to go green for all in-city transportation by 2025.

**AllcargoGATI remains steadfast in our mission to create a sustainable environment for future generations. By continually expanding our green initiatives and partnering with like-minded organizations, we are setting new standards in eco-friendly logistics and transportation. Together, we are making significant impact and lead the way towards a more sustainable and environmentally conscious world.**

With Care for Environment and Society enshrined in our core values, we have adopted a strategic approach to Environment, Social and Governance (ESG) norms. Under the expertise of our ESG knowledge partners, a dedicated ESG team works in collaboration with teams across India. Equipped with insights and empirical data provided by our AI powered ESG technology partner, we have mapped our ESG goals vis-à-vis carbon emissions to labour practices, human rights and cyber security.

As an express logistics company, reducing our carbon emissions is a top priority for us, for which we have taken considerable steps during the year. We have made significant investments in Electric Vehicles (EVs) and forged partnerships to provide other alternative fuel options with aim of converting our entire pick-up and delivery fleet to alternative fuel by 2025 and contributing to India's goal of being net-zero in carbon emissions by 2070. Giving direction our initiatives is our ESG goal of becoming carbon neutral by 2040.

# ESG



# Our approach towards sustainability

## OUR CSR PILLARS

We take pride in our Corporate Social Responsibility (CSR) programs which are focused on uplifting and bringing a positive change in communities where we operate.

Our business is built on the foundation of sustained value creation for our stakeholders. As a result, we believe, it is not sufficient to concentrate solely on the bottom line. Instead, we recognize the importance of building and sustaining long-term reciprocal relationships with all our stakeholders. To maximize value creation for every stratum of society, our CSR activities are modelled around education, skill development, environment and disaster management during natural calamities.



### Education

Adopting government schools to facilitate infrastructure development, providing tools for enhanced learning and aiding a hygienic and safe learning environment with a focus on activities that foster physical and mental wellbeing.



### Rural Development Projects and Contributions

Rural development is a dynamic process and we make significant contributions towards the improvement of economic and social infrastructure to improve rural health and skill development initiatives.



### Environment

We recognize the importance of environmental sustainability to lay the foundations for a successful business. We ensure optimum utilization of natural resources to meet present needs without jeopardizing the supply of resources for future generations.



### Community

We organize multiple welfare events to reach out to the marginalized sections of society. We strongly believe in creating awareness about healthcare and enabling sustainability within the community.

# Message from the Chairman



**Dear Shareholders,**

FY 2023-24 has been a year marked by sustainable innovation and progress. As leaders in ground express, and as a responsible corporate citizen, we believe it is our responsibility to not only deliver excellent logistics services that moves India forward but also to contribute positively to the environment and the communities we serve.

This year, sustainability has been at the heart of our strategy, as we have continued with our green strides. We have implemented eco-conscious initiatives across our operations, from optimizing delivery routes to reducing our carbon footprint, we are taking concerted efforts to provide businesses with solutions in alignment with their carbon emission goals. Our commitment to sustainable practices is driven by our belief that a thriving business and a healthy planet go hand in hand.

### Powering Future-Ready Green Logistics

Climate change being an issue that impacts all irrespective of geography, there is an increasing focus on reducing carbon emissions, the world over. Various countries have announced their target year by which to achieve carbon neutrality, and numerous governments have passed stringent environmental policies, such as the Scandinavian countries – companies from such nations are looking for sustainable solutions even in the country of operation.

Consequently, there is an increasing requirement for a more responsible supply chain, with anticipated global demand for green logistics being approximately \$50 billion in 2025 and with an expectation to rise to roughly \$350 billion in 2030.

In India, the government has set a target of 2070 to achieve the goal of net zero carbon emissions, and has also committed to cutting the ratio of greenhouse emissions to gross domestic product to 45% of its 2005 level by 2030.

At AllcargoGATI we are geared to support the country's carbon emission goals, and contribute to the health of our environment. This shift towards green logistics aligns perfectly with our ESG commitments, aiming for carbon neutrality by 2040 and converting our fleet to alternative fuel vehicles by 2026.

As global supply chains diversify, India's bold logistics ambitions and our focused efforts to reduce environmental impact through digitalization and infrastructure development will create a significant competitive advantage. In fact, AllcargoGATI has partnered global brands such as IKEA and Schneider Electric with alternative fuel vehicles for their deliveries.

### Maximizing the Potential of India's Growth Story

India is poised for significant socio-economic growth, supported by stable policies and development initiatives, aimed at achieving a Viksit Bharat.

The logistics sector, which is one of the key development levers for India is set to reach USD 591 billion by FY27, supporting the nation's expanding economic activity.

India, today, is the largest market in terms of end user industry, and the expanding middle-class with an increased spending capacity is driving retail consumption. The Indian retail market witnessed a significant 34% growth between 2019-2023. Further, the internet revolution – wherein 54% of the population actively uses the internet – has transformed the spending habits of Indians. The Indian e-commerce market is expected to become the second-largest worldwide, by 2034. At a time when the digital economy is opening up new consumption frontiers, global companies are establishing manufacturing bases in India and the nation is staking its claim in the global value chain.

Moreover, it is a matter of great pride that India has officially emerged as the world's third-largest startup ecosystem, boasting over 1.25 lakh startups and 110 unicorns. MSMEs are considered the backbone of the economy, contributing around 38% of the country's manufacturing output and strengthening India's trade by contributing nearly half of the total exports.

Further, with the Make in India initiative, aimed at turning India into a global manufacturing hub, and Budget 2024's focus on encouraging MSMEs through the credit guarantee scheme, we are taking

various strides towards becoming an atmanirbhar bharat. These foresighted development policies need to be complemented with robust ground logistics services, that can penetrate difficult terrains and remote locations. The multimodal connectivity initiatives like the visionary PM Gati Shakti National Master Plan and National Logistics Policy are already laying the foundation for this development, but the success of these initiatives will depend upon active participation from private players as well.

This is where AllcargoGATI is perfectly geared to partner India's growth with unparalleled reach into the hinterlands and excellent metro connectivity. The customised solutions for large enterprises, e-commerce businesses, as well as SMEs are helping them reach new frontiers of growth.

### Excellence in Ground Express and Contract Logistics

AllcargoGATI has emerged as a trusted partner for businesses, with an integrated network comprising 18 surface express centres, 21 surface transshipment hubs, and 86 distribution hubs. Our coverage spans the whole of India, ensuring safe and timely deliveries.

We have accelerated capacity creation, implemented hub modernization, and enhanced automation to provide industry-leading turnaround times. Our multimodal solutions for ground and air express, combined with enhanced delivery services, have enabled businesses across India to move even time-sensitive parcels and special cargo with ease.

Creating synergies with Allcargo's contract logistics wing, Allcargo Supply Chain, we cater to specific needs of marquee customers in various sectors, delivering high

standards of customer service and identifying new markets for expansion.

**Optimizing Operations with Digital Technology**

Streamlining operations and optimizing costs through transformation and digital infrastructure is a key focus area. Our state-of-the-art hubs offer economies of scale, cross-docking for improved turnarounds, and automation for smoother operations.

Our digital-first approach creates a competitive advantage for customers, with tools like Salesforce-based CRM, digital payment modes, WhatsApp chatbot Gati Genie, and data-driven route optimization enabling high service quality at the best possible costs. GEMS, the legacy operating system is being upgraded to a cloud native system. The core operational software will be designed to have a modern interface that offers improved customer experience. AI and machine learning will automate several tasks in GEMS 2.0, and the application will prioritise security and robust performance across different geographical operations.

**Progress Driven by Our People**

Our people are our greatest strength. We continue to strengthen our management and leadership team, realign sales structures, and create growth opportunities within the organization. Our focus on Diversity, Equity, and Inclusion (DEI), helps us attract and retain top talent. It is commendable that the first shift of 9 our facilities is operated entirely by women, and certain job openings are exclusively offered to women logistics professionals in an effort to increase the gender diversity of a rather male-dominated sector.

**Social and Governance**

In addition to our efforts to conserve the environment by offering green logistics, we also uphold stringent social and governance parameters. Through our CSR arm, Avashya Foundation we work collaboratively with a network of well curated partner NGOs to reach out the wider community with carefully crafted initiatives in the six intervention areas of Education, Environment, Health, Women Empowerment, Disaster Relief and Sports. I'm happy to share that during the year, Maitree – one of our key projects planted a landmark one million trees.

Further, on the governance front, AllcargogATI exemplifies a forward-thinking approach aligned with the principles and guidelines of ISO 31000 Risk Management. Through a comprehensive framework encompassing emergency response, cyber security, and crisis management, seamless operations and exceptional service delivery are ensured. The ISO 27001 certification underscores our unwavering commitment to cyber security, guaranteeing the safety and security of our customers' data.

**Looking Ahead**

Delivering on India's progress and global ambitions every day is our driving force. We are aligned with national initiatives and look forward to collaborating with customers, partners, and associates to enhance the global competitiveness of the logistics sector through skill-building, infrastructure development, cost reduction, and streamlined supply chains.

Sincerely,



**Shashi Kiran Shetty**

Chairman  
AllcargogATI



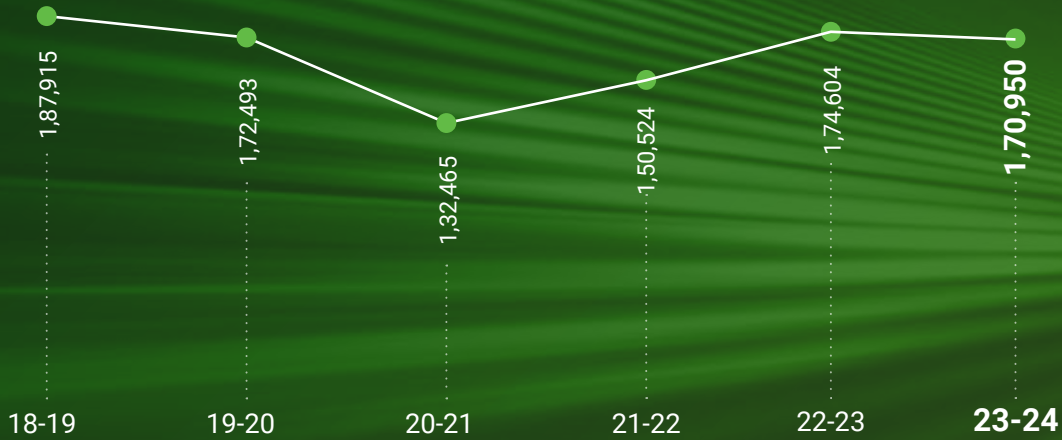


# FINANCIAL METRICS

(Consolidated)

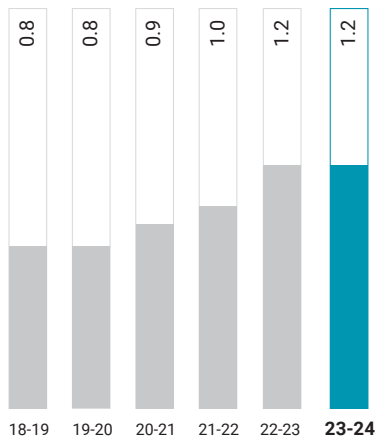
## Total Income

(₹ in Lakhs)



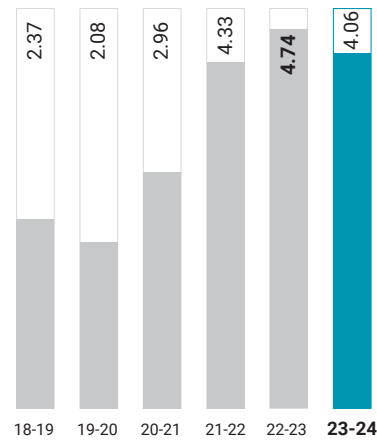
## Current Ratio

(in times)



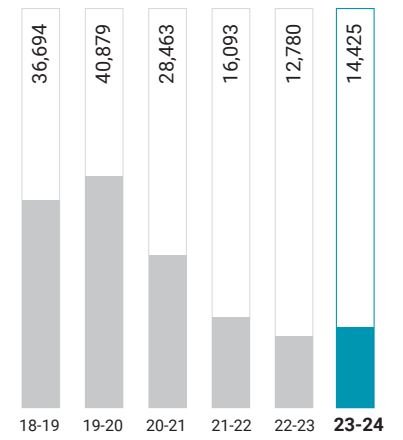
## Turnover on Capital Employed

(in times)



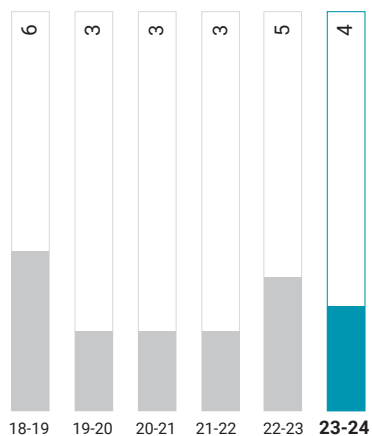
## Debt

(₹ in Lakhs)



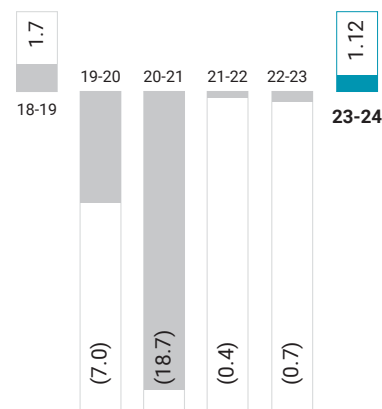
## EBITDA

(%)



## EPS

(₹)



\*Before Exceptional Item

# BOARD OF DIRECTORS



**Mr. Shashi Kiran Shetty**  
Chairman and Managing Director



**Mr. Nilesh Shivji Vikamsey**  
Independent Director



**Mr. Dinesh Kumar Lal**  
Independent Director



**Mr. Kaiwan Dossabhoy  
Kalyaniwalla**  
Non-Executive &  
Non-Independent Director



**Mr. Hetal Madhukant Gandhi**  
Independent Director



**Ms. Vinita Dang Mohoni**  
Independent Director



**Mr. Ravi Jakhar**  
Non-Executive &  
Non-Independent Director



**Mr. Pirojshaw Aspi Sarkari**  
Non-Executive &  
Non-Independent Director



For additional details  
scan the QR Code

# MANAGEMENT TEAM



**Mr. Ketan Kulkarni**  
Deputy Managing Director



**Mrs. T. S. Maharani**  
Company Secretary &  
Compliance Officer



**Mr. Mehernosh Mehta**  
Chief HR Officer



**Mr. Anish Mathew**  
Chief Financial Officer



**Mr. Sanjay Khiyani**  
Deputy Chief Information Officer



**Mr. Uday R. Sharma**  
Chief Commercial Officer



**Mr. Sandeep Kulkarni**  
Chief Operating Officer



**Mr. Kapil Mahajan**  
Global Chief Information  
& Technology Officer



**Kaushal Shetty**  
Head of Marketing  
& Transformation

# INDIA'S LEADING END-TO-END LOGISTICS SOLUTIONS



Ground Express



Supply Chain



Air Express

Our end-to-end logistics solutions are designed to offer multi-modal services across road and air spans the whole of India. And with more than 500 pick-up points across India, backed by our commitment to technology, AllcargoGATI is today a preferred partner for end-to-end logistics across India owing to the reach, speed, convenience and reliability it offers its customers.

- ▶ Truly end-to-end services with road and air movement, warehousing, and supply chain management
- ▶ Dedicated call centers with 24x7 support
- ▶ Experience across industries

# GROUND EXPRESS

Our Ground Express service brings you its multi-modal deliveries that covers over 19800 PIN codes of the country's districts. You can choose and customize distribution services based on your needs. Whether you need to move parcels, freight or special cargo, our cost-effective and time-sensitive services have you covered.

## Advantages

- Customized end-to-end logistics solutions
- Unparalleled reach across India
- State-of-the-art tracking services
- Quick and trusted claim process
- Over 5000 trucks
- Alternative fuel vehicles
- Over 600 offices
- Reverse logistics expertise
- On-time deliveries



# AIR EXPRESS

With a focus to safety and reliability - AllcargoGATI Air brings a dedicated air freight service built on over 30 years of logistics and supply chain experience, and a commitment to moving your cargo across India's metros and non-metro cities alike. Our experience combined with our network and tie-ups with some of India's leading airlines give us an edge when it comes to safely and efficiently moving your cargo across India.



## Advantages

- Tie-up with India's leading commercial airlines
- Movement to urban and semi-urban cities
- Expertise in moving cargo weighing more than 5 kg
- Cost-effective solutions
- Guaranteed on-time delivery
- Direct connection to 34 commercial airports across the country



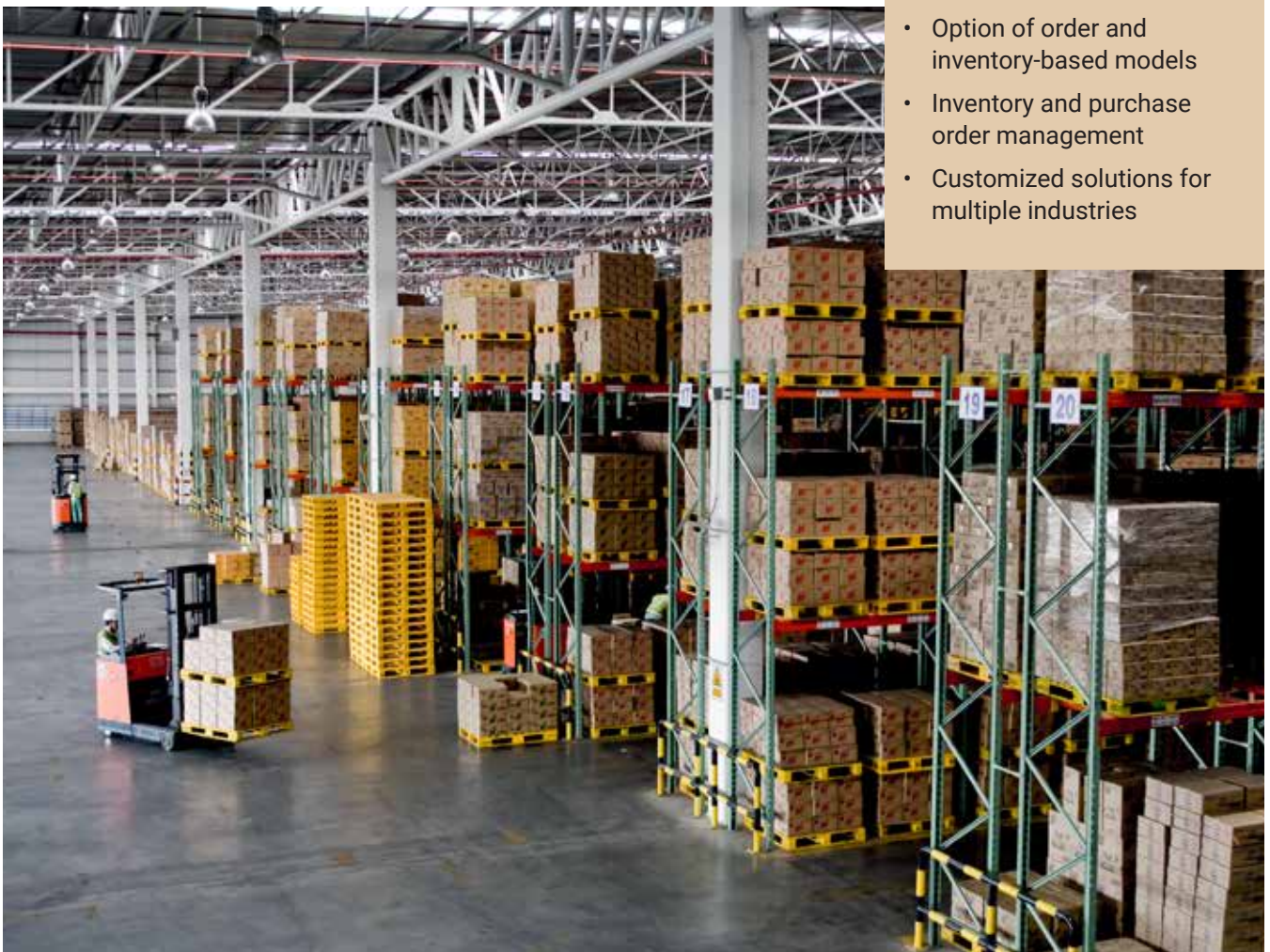
# SUPPLY CHAIN

Our supply chain management solutions span over 65 warehouses across the country, including 3 E-Fulfillment centers that cater to sectors like E-Commerce, Hospitality, Healthcare and Electronics, among others. With each warehouse designed and built to meet global standards, our dedicated team of experts is backed by the latest in tools, technologies and processes designed for your advantage.

- **Shop floor automation**
- **Sophisticated racking system and conveyor belts**
- **World-class material handling**
- **Technology-enabled warehouses**

#### Advantages

- Best-in-class Warehouse Management System
- Integrated warehousing and distribution
- Option of order and inventory-based models
- Inventory and purchase order management
- Customized solutions for multiple industries



GROUND EXPRESS | AIR EXPRESS | SUPPLY CHAIN

# RETAIL SERVICES

## Premium Flexilite

Air shipments for cargo up to 5 kg



## Laabh

Surface deliveries of cargo weighing up to 20 kg



## Surface Lite

Surface deliveries for cargo up to 5 kg



## Bike Express

Special services for moving your bike from one city to other



## Student Express

Hassle free movements from Home-to-hostel and Hostel-to-home



## Vir Express

Dedicated services for our Army Personnel





# AllcargoGATI's CSR VISION

**In the coming years, the focus will be on creating greater impact and reaching out to more communities and individuals, through a variety of initiatives that serve those who need it the most.**

AllcargoGATI has a rich and long history of giving back to society. Through its CSR arm, Avvashya Foundation, initiatives are being implemented across different areas like Health, Education, Environment, Women's Empowerment, Disaster Relief, and sports. Initiatives in the sphere of health, revolve around affordability and accessibility of quality healthcare for the marginalised.

An important project providing a ray of light for young children is the support given to educational institutions in Hyderabad, enabling them to ensure better facilities and a better learning experience for children. The Government High School, at Banjara Hills; the Zilla Parishad High School in Miyapur, Kardex Facilities Services Pvt Ltd. have been supported for many years now.



# AWARDS AND ACCOLADES

2024

**Masters of Risk Management - Logistics Industry**

CNBC-TV18 India Risk Management Awards

**Environment, Social and Governance (ESG) - Logistics Industry**

CNBC-TV18 India Risk Management Awards

2023

**Environment Social and Governance (ESG) and Business Continuity Management**

CNBC-TV18 India Risk Management Awards

**Certificate of Excellence and Silver Award**

(Conferred on Gati Air), Vistara Partner Excellence Awards

**Successful Leadership award**

Pragati Leadership on 13th September 2023, in Mumbai.

**Champion of Diversity Award**

Maritime SheEO Conference 2023

2022

**Young Achiever of the Award 2022**

(Conferred to our Head of Franchisee and Ground Operations) at the Stars of the Industry (since 2006) for Excellence and Leadership Award, powered by ETAscent.

**The India Risk Management Awards**

Won a Master of Risk in Cyber Security in the mid-cap category, at the 8th edition of The India Risk Management Awards.

2021

**Exemplary Leadership Award**

Mr. Adarsh Hegde has been honoured with the 'Exemplary Leadership Award' at the 19th edition of Asian Leadership Awards For Excellence in Logistics &amp; Supply Chain

**Best Express Logistics Service Provider Of The Year**

Awarded as the 'Best Express Logistics Service Provider of the year' at the 19th edition of Asian Leadership Awards For Excellence in Logistics and Supply Chain

**World Leadership Congress & Awards**

Won 'Company of the year' at the 19th global and 4th Indian edition of Business Leader of the Year awards by the World Leadership Congress &amp; Awards

# Notice

**NOTICE** is hereby given that the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting (“AGM”) of the Members of Allcargo Gati Limited (CIN: L63011MH1995PLC420155) will be held on **Tuesday, September 10, 2024 at 3:00 P.M. (IST)** through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) for which purpose the Registered office of the Company situated at 4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina Santacruz (East), Mumbai – 400098, Maharashtra, India shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

3. To appoint a Director in place of Mr. Shashi Kiran Shetty (DIN: 00012754), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shashi Kiran Shetty (DIN: 00012754), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

## SPECIAL BUSINESS:

4. **Approval for the payment of commission to the Non-Executive and Independent Director(s) of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Memorandum and Articles of Association, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for payment of commission to each of the Non-Executive and Independent Director of the Company for a sum not exceeding ₹ 30,00,000/- (Rupees Thirty Lakhs only) per annum (inclusive of sitting fees being paid to them for attending the meeting of the Board and its Committees), for the Financial Year 2023-24 and subsequent financial years, in such manner and up to such extent as the Board of Directors of the Company may, from time to time, determine.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to take all necessary actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

5. **Approval to advance any loan, give any guarantee or to provide any security to all such person specified under section 185 of the Companies Act, 2013 upto an aggregate limit of ₹ 500 crores.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 185 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan(s) and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/Loan taken/to be taken/availed/to be availed by any entity which is a Subsidiary/ Associate/Joint Venture or such other entity/person as specified under Section 185 of the Companies Act, 2013 and more specifically to such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested; provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to the Entities shall not at any time exceed the aggregate limit of ₹ 500 Crores (Rupees Five Hundred Crores Only).

**RESOLVED FURTHER THAT** the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

**RESOLVED FURTHER THAT** keeping the best interest of the Company in view, any approval accorded by the Board of Directors and shareholders of the Company

under Section 185 of the Companies Act, 2013 under this resolution shall be in force till the period any amendment to the said resolution will be made by the Board of Directors and Shareholders thereof.

**RESOLVED FURTHER THAT** any one of the Directors(s) or the Chief Financial Officer or the Company Secretary of the Company be and is/are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution.”

**6. Additional objective for utilization of the proceeds of the Preferential Issue of Warrants made during FY 2021-22 by the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013, if any, read with rules made there under and subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)

Regulations, 2015 and other applicable rules, regulations and laws, the consent of the members of the Company be and is hereby accorded for including an additional purpose / objective namely ‘Granting of Inter-Corporate Deposits to fellow subsidiaries/associates/joint ventures/any other entity in which the Directors of the Company are interested’ for utilization of the proceeds of the Equity Warrants issued on preferential basis amounting to ₹ 52,49,99,610/- (Rupees Fifty Two Crores Forty Nine Lakhs Ninety Nine Thousand Six Hundred and Ten only) approved for issue of Equity Shares of the Company to the Promoters on preferential basis vide Extra-ordinary General Meeting of the Company held on June 03, 2021.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By order of the Board of Directors  
for **Allcargo Gati Limited**  
(Formerly known as “Gati Limited”)  
**T.S. Maharani**  
(Company Secretary & Compliance Officer)  
Membership No: F8069

Place: Mumbai  
Date: August 02, 2024

**Registered Office:**  
4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina Santacruz  
(East), Mumbai – 400098, Maharashtra, India  
**Contact:** +91 040-7120 4284 / +91 022 66798100  
**CIN:** L63011MH1995PLC420155  
**Website:** [www.gati.com](http://www.gati.com)  
**Email:** [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com)

## NOTES:

1. The Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, General Circular No 10/2022 dated December 28, 2022, General Circular No 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs' through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility till September 30, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 29<sup>th</sup> AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 29<sup>th</sup> AGM shall be the Registered Office of the Company.
2. **Pursuant to the provisions of the act, a member entitled to attend and vote at the agm is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this agm is being held pursuant to the mca circulars through vc/oavm, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the mca circulars and the sebi circulars, the facility for appointment of proxies by the members will not be available for this agm and hence the proxy form, attendance slip and route map of the agm venue are not annexed to this notice.**
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. All the Members of the Company including retail individual investors, institutional investors, etc. are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Corporate members intending to appoint their authorised representatives to attend and participate at the AGM, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer at [pjandcofirm@gmail.com](mailto:pjandcofirm@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting on first-come first-served basis by following

the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ("NSDL") e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.

6. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant. For members who have not registered their e-mail address and on request, hard copies of the Annual Report 2023-24 are being sent in the permitted mode. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website [www.gati.com](http://www.gati.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of the National Securities Depository Limited ("NSDL") a service provider for voting through remote e-Voting, for participation in the 29<sup>th</sup> AGM through VC/OAVM facility and e-Voting during the 29<sup>th</sup> AGM at <https://www.evoting.nsdl.com/>.
7. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

**The remote e-voting period begins on September 07, 2024 (9:00 a.m. IST) and ends on September 09, 2024 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 03, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 03, 2024.**

### How do I vote electronically using NSDL e-Voting system?


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

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

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

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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "<b>NSDL speed-e</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility, upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

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

**How to Log-in to NSDL e-Voting website?**

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

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

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.



(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [pjandcofirm@gmail.com](mailto:pjandcofirm@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Amit Vishal, Senior Manager – NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of e mail IDs for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the **login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do

not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email ID, mobile number at [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com). Questions / queries received by the Company till 5:00 p.m. on Sunday, September 08, 2024 shall only be considered and responded during the AGM.
6. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
7. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system during the AGM.

**Other Instructions:**

- (a) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Tuesday, September 03, 2024. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to vote. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.
- (b) The login ID and password for e-voting is being sent to the members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (c) The facility for voting, the Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.
- (d) Any person who become member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) with a copy to [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com). However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote.

The Register of members and share transfer books of the Company will remain closed from Tuesday, September 03, 2024 to Tuesday, September 10, 2024 (both days inclusive) for the purpose of AGM.

- (e) The Scrutinizer, after scrutinising the votes cast at the time of the meeting and through e-voting, will, within stipulated time, make a consolidated scrutinizer's report and submit the same to the Chairman not later than two working days from the conclusion of the AGM. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. [www.gati.com](http://www.gati.com) and on the website of NSDL i.e. <https://www.evoting.nsdl.com/>. The results shall simultaneously be communicated to the Stock Exchanges.
- (f) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Tuesday, September 10, 2024.
- (g) Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP).
- (h) All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com) till the date of AGM.
- (i) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the certificate from Secretarial Auditors of the Company certifying that the 'Gati - Employees Stock Appreciation Rights Plan - 2021' (ESAR 2021) are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021, as amended, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Tuesday, September 10, 2024. Members seeking to inspect such documents can send an email to [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com).
- (j) The members who have not surrendered their old share certificates (Issued by the then Transport Corporation of India Limited, now known as TCI Industries Limited, the transferor Company, under the Scheme of Arrangement) are requested to surrender their old share certificates to TCI Industries Limited, Mukesh Textile Mills Private Limited, N.A. Sawant Marg, Colaba, Mumbai – 400 005 to obtain their new share certificates of four companies including this Company.
- (k) Members holding shares in physical mode are:
- i. Required to submit their Permanent Account Number (PAN) and bank account details to the Secretarial Department of the Company / Link Intime India Private Limited ("Link Intime"), Registrar and Share Transfer Agent of the Company, if not registered with the Company as mandated by SEBI.
  - ii. Advised to register the nomination in respect of their shareholding in the Company.
- iii. Requested to register / update their e-mail address with the Secretarial Department of the Company / Link Intime for receiving all communications from the Company electronically.
- (l) Members holding shares in electronic mode are:
- i. Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
  - ii. Advised to contact their respective DPs for registering the nomination.
  - iii. Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
- (m) Non-Resident Indian members are requested to inform Link Intime / respective DPs, immediately of:
- i. Change in their residential status on return to India for permanent settlement.
  - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- (n) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime / Secretarial Department of the Company, in case the shares are held by them in physical form.
- (o) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Link Intime / Secretarial Department, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- (p) Pursuant to the provisions of the Companies Act, 1956/2013, the Company has transferred the unpaid or unclaimed dividends for the period of seven years i.e. upto the financial year 2015-16, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members who have not encashed their dividend warrant(s) so far for the financial year ended March 31, 2017 or any subsequent financial years are requested to make their claim to the office of Link Intime, Registrar and Share Transfer Agent, or the Nodal Officer of the Company, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to IEPF. Shares on which dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.
- (q) Pursuant to Section 101 and Section 136 of the Act read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with

the Depository Participant(s). Members who have not registered their email address with the Company can now do the same by submitting a duly filled-in 'Shareholder Registration Form' available on the website of the Company i.e. [www.gati.com](http://www.gati.com). Alternatively, Members holding shares in physical mode and who have not registered/updated their e-mail addresses with the Company are requested to register/update their email addresses by sending a duly signed request letter to the Company's Registrar and Share Transfer Agent viz. Link Intime by providing Folio No. and Name of the Member or may also send an e-mail to Mrs. T.S. Maharani, Company Secretary at [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com). Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

- (r) The Company has transferred the unpaid or unclaimed dividends declared up to the financial years 2015-16 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on September 04, 2023 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the

link: <https://www.gati.com/investor-relations/unclaimed-dividend-details/>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

- (s) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company is under the process of transferring the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more to the IEPF Authority and which were due for transfer during the financial year 2023-24. Details of the shares to be transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://www.gati.com/investor-relations/unclaimed-dividend-details/>.
- (t) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://www.iepf.gov.in/IEPF/refund.html> or contact Link Intime for lodging claim for refund of shares and / or dividend from the IEPF Authority.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No.4

The Company's Non-Executive Independent Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation amongst others. They have been shaping and steering the long-term strategy and make invaluable contributions towards the Company's business strategy, monitoring of risk management and compliances. On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 02, 2024 have approved the proposal for payment of commission to each of the Non-Executive Independent Directors of the Company, not exceeding ₹ 30,00,000/- (Rupees Thirty Lakhs only) per annum (inclusive of sitting fees being paid to them for attending the meeting of the Board and its Committees), for the Financial Year 2023-24 and subsequent financial years, in such manner and up to such extent as the Board of Directors of the Company may, from time to time, determine.

All Non-Executive Independent Director(s) of the Company may be deemed to be concerned or interested in this resolution to the extent of Commission that may be payable to them from time to time and none of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution, except to the extent of their shareholding, if any.

The Board recommends the Special Resolution set out at Item No.4 of the Notice for approval by the shareholders.

### Item No.5

Pursuant to the provisions of Section 185 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), no company shall, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner.

However, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that (a) a special resolution is passed by the company in general meeting and the loans are utilized by the borrowing company for its principal business activities.

In order to augment the long term resources of the Company and to render support for the business requirements of the entities in which director of the Company is interested or deemed to be interested from time to time, the Board of Directors in its meeting held on August 02, 2024 has, subject to the approval of shareholders of the Company, proposed and approved for seeking the shareholder approval for advancing any loan, giving any guarantee or providing any security to all such person specified under Section 185 of the Companies Act, 2013 and more specifically such other entity/person as the Board of

Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested and upto an aggregate limit of ₹ 500.00 Crores. Further, the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities and that keeping the best interest of the Company.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 5 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

#### Item No.6

The Members of the Company approved for fund raising by the Company through preferential issue of equity shares and warrants to one of the promoters of the Company, Allcargo Logistics Limited ("Holding Company") for an amount not exceeding ₹ 80,00,00,000/- (10,23,020 Equity shares having face value of ₹ 2/- each and 71,61,120 equity warrants).

The Members accorded their approval to utilise the proceeds of the Preferential issue of Equity Shares and Warrants for the following purposes vide General Meetings of Members of the Company held on June 03, 2021 and September 15, 2022, respectively:

- (i) Repay Debt
- (ii) Meet working capital requirement
- (iii) General Corporate purposes
- (iv) Granting of Inter Corporate Deposits to subsidiaries

The entire proceeds from the Preferential issue of equity shares and part proceeds realised w.r.t. Preferential issue of warrants were utilised for the purposes as mentioned and approved accordingly without any deviation and compliance in this regard duly notified to the Regulatory Authorities as per the Listing Regulations.

Further, the balance available proceeds of Preferential issue of warrants partly remain as surplus funds with the Company, and the Company proposes to deploy such surplus to advancing any loan, giving any guarantee or providing any security to all such person specified under Section 185 of the Companies Act, 2013 and more specifically such other entity/person as the Board of Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities) which purpose has been considered and approved by the Board of Directors of the Company vide its meeting held on August 02, 2024 and now placed for the approval of the members of the Company.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP, is in any way concerned with or interested, financially or otherwise, except to the extent of their respective shareholding, in the resolution set out at Item No. 6 of the accompanying notice.

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

**PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED IS FURNISHED BELOW:**

**Item No. 3:**

<b>Mr. Shashi Kiran Shetty (DIN: 00012754)</b>	
Age	67
Qualifications	Bachelor of Commerce.
Experience (including expertise in specific functional area) / Brief Resume	In 1993, he founded Allcargo Logistics which today enjoys the status of being India's largest integrated logistics company. Its trajectory of success and wide portfolio of world-class services like Multimodal Transportation, Contract (3) Logistics and Project Equipment are testimony to Mr. Shetty's entrepreneurial spirit and foresight.
Terms & Conditions of Re-appointment	Director liable to retire by rotation.
Remuneration Last Drawn (FY 2023-24)	NIL
Remuneration proposed to be paid	NIL
Date of first appointment on the Board	February 04, 2020
Shareholding in the Company as on March 31, 2024	NIL
Relationship with other Directors/Key Managerial Personnel	Not related to any director/key managerial personnel
Number of meetings of the Board attended during the financial year (2023-24)	4 out of 6
Directorships of other Boards as on March 31, 2024	<ul style="list-style-type: none"> <li>• Allcargo Logistics Limited;</li> <li>• Allcargo Multimodal Private Limited;</li> <li>• Malur Logistics and Industrial Parks Private Limited;</li> <li>• Allcargo Terminals Limited;</li> <li>• Allcargo Inland Park Private Limited;</li> <li>• AGL Warehousing Private Limited;</li> <li>• Alltrans Logistics Private Limited;</li> <li>• Avvashya CCI Logistics Private Limited;</li> <li>• Gati Express &amp; Supply Chain Private Limited;</li> <li>• FTL (India) Private Limited;</li> <li>• Avashya Holdings Private Limited;</li> <li>• Avashya Corporation Private Limited;</li> <li>• Talentos Entertainment Private Limited;</li> <li>• Talentos Warehousing &amp; Industrial Parks Private Limited;</li> <li>• Hoskote Warehousing &amp; Industrial Parks Private Limited</li> </ul>
Membership/ Chairmanship of committees of other listed companies as on March 31, 2024 (includes only Audit Committee and Stakeholders Relationship Committee)	Allcargo Logistics Limited: Stakeholders Relationship Committee

By order of the Board of Directors  
for **Allcargo Gati Limited**  
(Formerly known as "Gati Limited")  
**T.S. Maharani**  
(Company Secretary & Compliance Officer)  
Membership No: F8069

Place: Mumbai  
Date: August 02, 2024

**Registered Office:**

4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina Santacruz (East), Mumbai – 400098, Maharashtra, India  
**Tel:** +91 040-7120 4284 / 022 66798100  
**CIN:** L63011MH1995PLC420155  
**Website:** [www.gati.com](http://www.gati.com)  
**Email:** [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com)

# Directors' Report

Dear Members,

Your Directors present the report of the Business and Operations of your Company ('the Company' or 'AGL'), along with the audited financial statements, (standalone and consolidated) for the financial year ended March 31, 2024. The Consolidated Performance of your Company and its subsidiaries has been referred to wherever required.

## 1) Financial Highlights

The summarized standalone and consolidated financial results of the Company for the financial year ended March 31, 2024 as compared to the previous year are as under:

Particulars	(₹ in Lakhs)			
	Standalone		Consolidated	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Total Income	23,031	26,406	1,70,950	1,74,604
<b>Profit/(Loss) before Finance Cost, Depreciation &amp; Amortization Expenses, Exceptional items &amp; Tax Expenses</b>	757	385	6,341	9,291
Less: Finance cost	8	34	3,002	2,936
Less : Depreciation and Amortization Expenses	53	67	6,894	5,921
<b>Profit/(Loss) before tax &amp; Exceptional items</b>	<b>696</b>	<b>284</b>	<b>(3555)</b>	<b>434</b>
Exceptional items – Income / (Expense)	2663	(803)	3449	96
<b>Profit/(Loss) before tax</b>	<b>3359</b>	<b>(520)</b>	<b>(106)</b>	<b>530</b>
Less: Tax expenses	(58)	24	(718)	1621
<b>Profit/(Loss) after tax</b>	<b>3417</b>	<b>(544)</b>	<b>612</b>	<b>(1,091)</b>
Attributable to				
Owners of the company	3417	(544)	1453	(928)
Non –controlling Interest	-	-	(841)	(163)
Add: other comprehensive Income (net of Tax)	2	(15)	(113)	(612)
<b>Total comprehensive income</b>	<b>3419</b>	<b>(588)</b>	<b>499</b>	<b>(1,703)</b>
Attributable to				
Owners of the company	3419	(588)	1,374	(1,361)
Non –controlling Interest	-	-	(875)	(342)

## 2) Dividend

In view of the loss for the year ended, the Directors do not recommend any dividend on the equity shares of the Company for the financial year ended March 31, 2024. The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at <https://www.gati.com/wp-content/uploads/2021/06/Dividend-Distribution-Policy.pdf>.

## 3) Review of Operations

### Consolidated:

During the year under review, at consolidated level, your Company achieved a revenue of ₹ 1,70,950 Lakhs, EBITDA of ₹ 6,341 Lakhs, PBT of ₹ (106) Lakhs and PAT of ₹ 612 Lakhs as against a revenue of ₹ 1,74,604 Lakhs, EBITDA of ₹ 9,291 Lakhs, PBT of ₹ 530 Lakhs and PAT of ₹ (1,091) Lakhs respectively in the previous year.

### Standalone:

At standalone level, your Company recorded revenue of ₹ 23,031 Lakhs, EBITDA of ₹ 757 Lakhs, PBT of ₹ 3,359 Lakhs and PAT of ₹ 3,417 Lakhs as against revenue of

₹ 26,406 Lakhs, EBITDA of ₹ 385 Lakhs, PBT of ₹ (520) Lakhs and PAT of ₹ (544) Lakhs in the previous year.

## 4) Performance and Financial Details of Subsidiaries and Associates

The financial performance of the subsidiaries and associate companies are discussed in the Report on Management Discussion & Analysis Report. Pursuant to the provisions of Sections 129, 133, 134 and 136 of the Companies Act, 2013 ("the Act") read with Rules framed thereunder, the Company has prepared Consolidated Financial Statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries and associate in Form AOC-1 forms part of the Annual Report.

In accordance with Section 136 of the Act, the Annual Accounts of the Subsidiaries are available on the Company's website and also open for inspection by any Member at the Company's Corporate Office. The Company will make available these documents and the related detailed information upon request by any Member of the Company or any Member of its Subsidiary, who may be interested in obtaining the same.

## 5) Subsidiaries, Associates & Joint Ventures and Consolidated Financial Statements

In accordance with the Ind-AS 110 on Consolidated Financial Statements read with the Ind-AS 28 on Accounting for Investments in Associates notified under Section 133 read with Section 129(3) of the Act, the Audited Consolidated Financial Statements are provided in the Annual Report.

The financial statements of the following Subsidiaries have been consolidated into the financial statements of the Company:

- i. Gati Express & Supply Chain Private Limited (formerly known as "Gati-Kintetsu Express Private Limited") ("GESCPL")
- ii. Gati Import Export Trading Limited ("GIETL")
- iii. Zen Cargo Movers Private Limited ("ZCMPL")
- iv. Gati Logistics Parks Private Limited ("GLPPL")
- v. Gati Projects Private Limited ("GPPL")

The Company has one Associate Company i.e. Gati Ship Limited and the same is not considered in the consolidation of accounts as the Company ceases to have significant control after the sale of stake of 12.09% on May 16, 2014. Further, the Company has no Joint Ventures.

In accordance with Regulation 16(1)(c) of the Listing Regulations, GESCPL has been identified as a material unlisted subsidiary of the Company.

The Policy for Determining Material Subsidiaries as approved by the Board is uploaded on the Company's website at <https://www.gati.com/pdf/Investors/announcements/Policy-on-material-subsidiaries.pdf>

## 6) Shifting of the Registered office of the Company

During the year under review, the Registrar of Companies (ROC), Hyderabad and Registrar of Companies (ROC), Mumbai, Ministry of Corporate Affairs have approved form INC 22 giving effect to the change in the registered office address of the Company at "4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai – 400 098.

## 7) Reserves

No amount transferred to Reserves, in view of the losses of the Company at the end of the financial year.

## 8) Fixed deposits (FD)

As on March 31, 2024, fixed deposits of your Company stood at ₹ 126.39 Lakhs out of which ₹ 27.54 Lakhs remain unclaimed and there were no overdue deposits as on that date. During the year under review, your Company has not accepted any Fresh/Renewal of deposits. There was no default in repayment of deposits or payment of interest thereon during the year and there are no deposits which are in non-compliance with the requirements of the Act. The current fixed deposits carry a rating of "CARE BBB" issued by CARE Ratings Limited. The Company has also transferred unclaimed public deposits as at March 31, 2024 amounting to ₹ 17,86,174/-, (Rupees Seventeen Lakhs Eighty Six Thousand One Hundred and Seventy Four only) during the period under review.

## 9) Directors and Key Managerial Personnel (KMP)

### i. Appointment/Resignation/Cessation of Director:

There has been no changes in the Board of Directors and KMP from the last reporting period till the date of this report.

### ii. Re-appointment of Director:

During the year under review, the Company has re-appointed Mr. Kaiwan Dossabhoy Kalyaniwalla (DIN: 00060776) as Non-Executive Non-Independent Director of the Company, who retired by rotation at the 28<sup>th</sup> AGM held during the year.

### iii. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Act, read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Shashi Kiran Shetty (DIN: 00012754), Executive and Non-Independent Director of the Company, who retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment and the Board recommends his re-appointment.

In compliance with Regulation 36(3) of the Listing Regulations, brief resume of the Director proposed to be re-appointed forms part of the Annexure to the Notice of the ensuing AGM.

### iv. Key Managerial Personnel:

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

1. Mr. Shashi Kiran Shetty – Managing Director
2. Mr. Anish T Mathew – Chief Financial Officer
3. Ms. T. S. Maharani – Company Secretary

There were no changes to the Key Managerial Personnel of the Company during the reporting period.

### v. Appointment of Mr. Ketan Nishikant Kulkarni as Deputy Managing Director of Gati Express & Supply Chain Private Limited ("GESCPL"), Material Subsidiary of the Company

Mr. Ketan Nishikant Kulkarni was appointed as Deputy Managing Director of GESCPL at the meeting of its Board of Directors held on August 02, 2024 for a period of five consecutive years commencing from August 02, 2024 to August 01, 2029 (both days inclusive), subject to approval of shareholders of GESCPL.

## 10) Particulars of Employees and related disclosures

The remuneration paid to your Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations. The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this Annual report.

The information required under section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time



being in force) in respect of Directors/employees of the Company is set out in the Annexure –A to this report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) and as per the provisions of Section 136(1) of the Act, the annual report is being sent to all the members excluding the statement showing names and other particulars of the top ten employees and employees drawing remuneration in excess of the limits prescribed under the said rules. The said statement is available for inspection at the request of the shareholders to be sent via e-mail at investor.services@allcargologistics.com up to the date of this AGM of the Company.

### 11) Declaration by Independent Directors

Pursuant to sub section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the Listing Regulations.

### 12) Remuneration Policy

Your Directors have, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Director(s), Senior Management Personnel and their remuneration. The Remuneration Policy forms part of the Corporate Governance Report.

### 13) Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, annual performance evaluation is to be done for the Board, its Committees, the Chairman and Individual Directors. To ensure an effective evaluation process, the Nomination and Remuneration Committee of the Board of Directors ("NRC") has put in place evaluation framework for conducting the performance evaluation exercise.

Based on the criteria set by NRC, the Board has carried out annual evaluation of its own performance, its Committees and individual Directors for financial year 2023-24. The questionnaires on performance evaluation were broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 05, 2017. An online platform has been provided to each Director for their feedback and evaluation. The evaluation process was anchored by an independent professional agency to ensure independence, confidentiality and neutrality. A report on the evaluation process and the results of the evaluation were presented by the agency to the Board.

The performance evaluation of the Board was done on key attributes such as composition, administration, corporate governance, independence from Management, etc. Parameters for evaluation of Directors included constructive participation in meetings and engagement with colleagues on the Board. Similarly, committees were evaluated on parameters such as adherence to the terms of the mandate, deliberations on key issues, reporting to Board, etc. Evaluation of the Chairman of the Company was on the basis of his leadership, guidance to the Board and overall effectiveness.

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.

### 14) Board Committees

Detailed Composition of the Board committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

### 15) Audit committee

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

### 16) Particulars of Loans, Guarantees and Investments

The particulars of Loans given, Investments made and guarantees provided by the Company under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as at March 31, 2024, forms part of the Financial Statements.

### 17) Corporate Social Responsibility (CSR)

In terms of section 135 and Schedule VII of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, as amended, the Board of Directors of your Company have constituted a Corporate Social Responsibility Committee.

During the year under review, there was no requirement of amount to be spent on CSR activities, in absence of the profits in the immediately three preceding financial years. The Composition of CSR Committee and CSR Policy are available on the Company's website [www.gati.com](http://www.gati.com).

### 18) Related Party Transactions

In line with the requirements of the Act and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <https://www.gati.com/investor-relations/policies/>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and 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 material related party transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The details of the transactions with related parties are provided in Note No. 45 to the consolidated Financial Statements.

## 19) Meetings of the Board and Committees

Six Meetings of the Board of Directors were held during the year under review. For details of the meetings of the Board, please refer to the report on Corporate Governance, which forms part of this Annual report.

## 20) Vigil Mechanism

The Whistle-blower Policy has been framed in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations and the same is made available on the website of your company at <https://www.gati.com/investor-relations/policies/>.

## 21) Policy on prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has complied with the provisions related to the Constitution of Internal Complaints Committee (ICC).

The Company has taken several initiatives across the organization to build awareness amongst employees about the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act.

No complaint on sexual harassment was received during the year under review.

## 22) Familiarisation Programme for Independent Directors

Pursuant to the Listing Regulations, the Company shall familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, business operations and issues faced by the Logistics industry.

The details of the Familiarisation programme process for the Independent Directors forms part of the Corporate Governance Report.

## 23) Directors' Responsibility Statement

Pursuant to the requirement under section 134(5) of the Act, with respect to the Directors' Responsibility Statement relating to the Company, it is hereby confirmed:

- a) That in the preparation of the Accounts for the financial year ended March 31, 2024, the applicable accounting standards and schedule III of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed along with the proper explanation relating to material departure;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the financial year ended March 31, 2024;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act (including any statutory modification(s) or re-enactment(s) for

the time being in force), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) That the accounts have been prepared on 'going concern' basis;
- e) The directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and the Company is constantly endeavouring to improve the standards of internal control in various areas and taking steps to strengthen the internal control system to make it commensurate and effective with the nature of its business;
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 24) Annual Return

Pursuant to sub-section (3) of Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as at March 31, 2024 in Form MGT-7 is available on the website of the Company at the link <https://www.gati.com/investor-relations/general/>

## 25) Risk Management Policy

The company has a well-defined process in place to ensure appropriate identification and treatment of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The identification of risk is done at strategic, business, operational and process levels. While the mitigation plan and actions for risks belonging to strategic, business and key critical operational risks are driven by senior leadership, for rest of the risks, operating managers drives the conception and subsequent auctioning of mitigation plans.

All risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership.

The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board that threatens the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

## 26) Internal Financial Controls

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and your Company is constantly endeavouring to improve the standards of internal control in various areas and taking

steps to strengthen the internal control system to make it commensurate and effective with the nature of its business.

Further, the statutory auditors of your company have also issued an attestation report on internal control over financial reporting (as defined in Section 143 of Act) for the financial year ended March 31, 2024, which forms part to the Statutory Auditors Report.

## 27) Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to demat account created by the IEPF Authority. Accordingly, the company has transferred the unpaid or unclaimed dividend amounting to ₹ 17,35,135/- for the financial year 2015-16 and unclaimed public deposits amounting to ₹ 17,86,174/- as at March 31, 2024 during the period under review.

## 28) Auditors

### a) Statutory Auditors

As per Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Board of Directors and Audit Committee of the Company at their meeting held on May 20, 2022, the shareholders vide the Ordinary Resolution approved the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) as the Statutory Auditors of the Company at the 27<sup>th</sup> AGM of the Company for a term of five consecutive years i.e. from the conclusion of 27<sup>th</sup> AGM till the conclusion of 32<sup>nd</sup> AGM of the Company pursuant to Section 139 of the Act.

The standalone and consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder (Ind AS) and other accounting principles generally accepted in India.

Further, the report of the Statutory Auditors along with the notes on the Financial statements is enclosed to this Report. The Auditors' Report do not contain any qualifications, reservation, adverse remarks, observations or disclaimer on Audited Financial Statements for the financial year ended March 31, 2024.

### b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Puttapparthi Jagannatham & Co., Company Secretaries, Hyderabad as the Secretarial Auditor to conduct an audit of the secretarial records of the Company for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 under the Act, read with Rules made thereunder and Regulation 24A of

the Listing Regulations, is set out in the Annexure – B-1 to this report.

Further, the Secretarial Audit Report of the material subsidiary i.e. Gati Express & Supply Chain Private Limited (formerly known as "Gati-Kintetsu Express Private Limited") for the financial year ended March 31, 2024, pursuant to requirement of Regulation 24A of the Listing Regulations, is set out in Annexure – B-2 to this report.

Furthermore, Mr. T. N. Kannan, Practicing Company Secretary carried out Reconciliation of Share Capital Audit every quarter of the Financial Year under review and the report thereon is submitted to the Stock Exchanges.

## 29) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo pursuant to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure – C.

## 30) Change in Capital Structure and Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

### Gati - Employees Stock Appreciation Rights Plan 2021 ("ESAR 2021")

The shareholders of the Company have approved the Gati - Employees Stock Appreciation Rights Plan 2021 ('ESAR 2021'/ 'Plan') on January 27, 2022 and the Company has also obtained the in-principle approval from the BSE Limited and the National Stock Exchange of India Limited for the granting of Employee Stock Appreciation Rights ("ESARs") under the Plan to the employees of the Company, its Holding Company, Subsidiary Company(ies) and Associate Company(ies).

During the year under review, the Company granted 7,00,000 ESARs to eligible employees of the Subsidiary Company with a view to attract and retain the senior talents and reward them for their performance and to contribute to the growth & profitability of the Company.

The status of the available ESARs as on the date of this Report is as detailed hereunder:

Sr. No.	Particulars	ESARs
1	Total ESARs approved	42,00,000
2	Less: ESARs granted	(49,05,000)
3	Add: ESARs lapsed (as per the Plan)	11,25,000
	<b>Available ESARs</b>	<b>4,20,000</b>

Pursuant to the above, Company has allotted a total of 1,27,440 Equity Shares at ₹ 2/- each to eligible employees under Gati - Employees Stock Appreciation Rights Plan 2021.

Further, the disclosure in terms of Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the website of the Company at <https://www.gati.com/investor-relations/general/>.

### Qualified Institutional Placement:

The Board of Directors by way of its resolution dated December 21, 2023, and the shareholders of the Company, pursuant to the special resolution passed through Postal Ballot dated February 05, 2024, have authorized the issuance and allotment of such number of equity shares of the Company of face value of ₹ 2/- each, (the "Equity Shares") aggregating to an amount up to ₹ 50,000 lakhs, pursuant to various modes of fund raise including a qualified institutions placement.

Pursuant to the above, the Fund Raise Committee of the Board of Directors of the Company authorized the opening of the Issue with the floor price of ₹ 106.07/- per Equity Share and adopted the preliminary placement document vide its meeting held on June 24, 2024 and approved the placement document and closure of the Issue at its Meeting held on June 27, 2024.

Further, the said Committee at its Meeting held on June 28, 2024 approved for the issue and allotment of 1,67,60,800 equity shares of face value ₹ 2/- each of the Company to 30 successful Qualified Institutional Buyers (QIBs), at a price of ₹ 101/- per Equity Share (including premium of ₹ 99/- per Equity Share) and reflecting a discount of ₹ 5.07/- (i.e. 4.78%) on the floor price of ₹ 106.07/- per Equity Share, against receipt of full payment of application monies aggregating to ₹ 169,28,40,800/- (Rupees One Hundred Sixty Nine Crores Twenty Eight Lakhs Forty Thousand Eight Hundred Only).

Pursuant to the above, Company has issued 167,60,800 Equity Shares of ₹ 2/- each to eligible QIBs.

Further, Issued, Subscribed and Paid-up Share Capital of the Company as on the date of this Report is ₹ 29,40,31,928/- divided into 14,70,15,964 equity shares of ₹ 2/- each.

Sr. No.	Particulars	Paid up No. of Shares	Paid up Share Capital
1.	Share Capital as on April 01, 2023	13,01,30,117	26,02,60,234
2.	Add: Issue of Shares under ESAR Plan	1,27,440	2,54,880
3.	Add: Issue of Shares through QIP	1,67,60,800	3,35,21,600
4.	<b>Share Capital as on the date of this Report</b>	<b>14,70,18,357</b>	<b>29,40,36,714</b>

### 31) Company's Policies

The details of the policies approved and adopted by the Board are provided in Annexure - D to this report.

### 32) Corporate Governance

Your Company is committed to maintain the high standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India. The Report on corporate governance as stipulated under Regulation 34 of the Listing Regulations, forms part of this Annual Report and is annexed as Annexure - E. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Regulations forms part of this report.

### 33) Management Discussion and Analysis Report (MD&AR)

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations, is presented in a separate section and forms part of this Annual Report.

### 34) Business Responsibility and Sustainability Report (BRSR)

Business Responsibility and Sustainability Report for the financial year under review, as stipulated under Regulation 34(2)(f) of the Listing Regulations and SEBI Circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, is presented in a separate section and forms part of this Annual Report.

### 35) Proposed Amalgamation of our Company with Allcargo Logistics Limited

The Board of Directors of your Company, on the recommendation of the Audit Committee and the Committee of Independent Directors, at their meetings held on December 21, 2023 approved the composite scheme of arrangement / amalgamation for restructuring of businesses (the "Scheme") under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013, read with (a) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time; (b) applicable regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and (c) relevant provisions of the Memorandum of Association and the Articles of Association of your Company.

The Scheme provides for the following:

- Allcargo Logistics Limited ("Allcargo Logistics Limited" or "Demerged Company" or "Transferee Company 2") will be demerging its Business Division viz. International Supply Chain to Allcargo ECU Limited ("Resulting Company" or "AEL") and the consequent issue of equity shares by Resulting Company to the shareholders of the Demerged Company and subsequent listing of such equity shares;
- Further, the Contract Logistics Business and Express Logistics Business will be transferred by way of an amalgamation between Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited) ("Transferor Company 1" or "ASCPL") and Gati Express & Supply Chain Private Limited (formerly known as Gati - Kintetsu Express Private Limited) ("Transferor Company 2" or "GESPL") into our Company ("Transferee Company 1" or "Transferor Company 3" or "AGL") and consequently the equity shares of Transferor Company 2 held by our Company, and of Transferor Company 1 and Transferor Company 2 held by the Demerged Company (hereinafter known as "Amalgamation 1") shall stand cancelled; and
- Post Amalgamation 1, our Company will be amalgamated into Transferee Company 2 and the Equity Shares held by Transferee Company 2 shall stand cancelled (hereinafter known as "Amalgamation 2").

The Company has applied for and are currently awaiting regulatory approvals from the Stock Exchanges (BSE and NSE), pursuant to which other government and regulatory filings shall be made, as required.

### 37) General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
3. During the period under review, none of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).
4. The Company has complied with Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, issued by the Institute of Company Secretaries of India.
5. There were no material changes commitments affecting the financial position of your Company

between the end of financial year (March 31, 2024) and the date of the report (August 02, 2024).

6. Company is not required to maintain cost records under Section 148(1) of the Act.
7. The policy for determining material subsidiaries of the Company has been provided on the Company's website at [www.gati.com](http://www.gati.com)

### 38) Acknowledgment

Your Directors thank various departments of Central and State Government, Organizations and Agencies for the continued help and co-operation extended by them to your Company. Your Directors also gratefully acknowledge all stakeholders of the Company viz. Members, Customers, Dealers, Vendors, Financial Institutions, banks and other business partners for the excellent support received from them during the year under review and the financial contribution and significant support from the largest shareholder Allcargo Logistics Limited. Your Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board**

**Shashi Kiran Shetty**

Chairman & Managing Director

DIN: 00012754

Place: Mumbai

Date: August 02, 2024

## Annexure – A

### Particulars of Employees information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year 2023-24, are as under:

Executive Directors and KMP	Ratio of remuneration of each Director / Key Managerial Personnel to median remuneration of employees	% increase in Remuneration in the Financial Year 2023-24
Mr. Shashi Kiran Shetty, Managing Director <sup>(@)</sup>	NIL	NIL
Mr. Pirojshaw Aspi Sarkari, Chief Executive Officer <sup>(^)</sup>	NIL	NIL
Mr. Anish T. Mathew, Chief Financial Officer	18	8.6%
Mrs. T. S. Maharani, Company Secretary	5.96	5.0%

(@) Mr. Shashi Kiran Shetty is drawing remuneration from Allcargo Logistics Limited, Holding Company.

(^) Mr. Pirojshaw Aspi Sarkari draws remuneration from Gati Express & Supply Chain Private Limited (formerly known as "Gati-Kintetsu Express Private Limited"), Material Subsidiary Company. However, he was re-designated as a Non - Executive, Non-Independent Director on the Board of the Company w.e.f. June 09, 2023.

- ii) The median remuneration is ₹ 7,53,733 /- and the percentage increase in the median remuneration of employees in the financial year is 6%
- iii) The number of permanent employees on the rolls of company as on March 31, 2024: Twelve (12)
- iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
Increase in remuneration is as per the remuneration policy of the Company.
- v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

#### Note:

- a) The Non-Executive, Independent Directors of the Company are entitled for sitting fee as per the statutory provisions and the details of the same are provided in the Corporate Governance Report and is governed by the Differential Remuneration Policy, as detailed in the said report.
- b) Percentage increase in remuneration is calculated based on total cost to the Company as per the remuneration policy of the Company.

For and on behalf of the Board

**Shashi Kiran Shetty**

Chairman & Managing Director

DIN: 00012754

Place: Mumbai

Date: August 02, 2024

# Annexure – B-1

## Form No. MR-3

[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]

### SECRETARIAL AUDIT REPORT

For the Financial Year Ending 31<sup>st</sup> March 2024

To

The Members of

Allcargo Gati Limited

(Formerly Gati Limited)

4<sup>th</sup> Floor B Wing Allcargo House, CST Road Kalina Santacruz East Mumbai, Vidyanagari, Mumbai, Maharashtra, India, 400098.

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by Allcargo Gati Limited (Formerly Gati Limited) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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 Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the financial year under review);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable as the Company has not bought back any of its equity shares).**
- (i) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015; and
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

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

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

(iii) Other Specifically applicable laws to the Company in respect of which we relied on the Internal Audit report and noted relevant compliances and observations made by the Internal Auditor:

- (a) Carriage of Goods by Road Act, 2007
- (b) Carriage of Goods by Air Act, 1972
- (c) Carriage of Goods by Sea Act, 1925
- (d) Motor Transport Workers Act, 1961
- (e) Motor Vehicles Act, 1988
- (f) Fatal Accidents Act, 1855
- (g) The Factories Act, 1948
- (h) Multimodal Transportation of Goods Act, 1993
- (i) Railway Act, 1989
- (j) The Air (Prevention and Control of Pollution) Act, 1981
- (k) The Water (Prevention and Control of Pollution) Act, 1974
- (l) Control of National Highways (Land and Traffic) Act, 2002

**We further report that:**

- (i) based on the information provided by the Company, its officers and its authorized representatives during the conduct of the audit and also on review of periodic reports by Company Secretary taken note of by the Board of Directors of the Company, adequate systems and processes and control mechanism exist in the company to monitor and ensure the compliance with the applicable laws.
- (ii) The compliance by the Company of applicable accounting standards and taxation laws has not been reviewed in this Audit since the same have been subject to review by Statutory Audit and Other designated professionals.
- (iii) the constitution of the Board of Directors of the Company is duly constituted of Executive Directors, Non-Executive Directors, and Independent Directors in accordance with the applicable laws and regulations.
- (iv) adequate notice is given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent electronically well in advance or shorter consent were taken in other cases, 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.
- (v) all the decisions at the Board Meetings and Committee Meetings have been 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:**

- (i) there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (ii) there were no specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

**We further report that:**

- During the period, two MCA Forms were filed late with an additional fee due to technical issue and subsequently, the Compliance has been met by the Company.
- The Company has changed its name from GATI Limited to Allcargo Gati Limited w.e.f 19<sup>th</sup> October, 2023 as approved by the Registrar of Companies (ROC), Hyderabad.
- The Company has provided clarifications regarding the correspondence received from BSE regarding Regulation 30(6) and Schedule III of SEBI (LODR) Regulations, 2015, in conjunction with SEBI Circular CIR/CF D/CM D/4/2015 dated September 09, 2015. These clarifications pertain to the delayed disclosure to the Exchange(s) following the closure of Board Meetings held on 19.05.2023, 04.08.2023, 03.11.2023, and 02.02.2024. The Company has clarified that these meetings were conducted via Audio-Video mode, and the documentation could only be signed after the conclusion of the meetings. The delay in submission was primarily due to the process of obtaining signatures from the relevant individuals, who were located elsewhere, followed by authentication by the Chairman. The company has ensured that the outcomes were submitted to the exchange within a few minutes of completion.
- The Registered Office of the Company has been shifted from the State of Telangana, Hyderabad to the State of Maharashtra at Mumbai at "4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai - 400 098" with effect from February 27, 2024, as approved by the Registrar of Companies, Hyderabad and the Registrar of Companies, Mumbai.
- 7,00,000 ESARs were granted during the year The said issue and allotment is in accordance with the (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

For **Puttaparthi Jagannatham & Co.**

Company Secretaries  
Sd/-

**CS Navajyoth Puttaparthi**

Partner

FCS No: 9896; C P No: 16041

Place: Hyderabad

Peer Review Certificate No. 1158/2021

Date: 16<sup>th</sup> May, 2024

UDIN: F009896F000381291



# 'ANNEXURE A'

To

The Members of

Allcargo Gati Limited

(Formerly Gati Limited)

4th Floor B Wing Allcargo House, CST Road Kalina Santacruz

East Mumbai, Vidyanagari, Mumbai, Maharashtra, India, 400098.

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

For **Puttaparthi Jagannatham & Co.**

Company Secretaries

Sd/-

**CS Navajyoth Puttaparthi**

Partner

FCS No: 9896; C P No: 16041

Peer Review Certificate No. 1158/2021

UDIN: F009896F000381291

Place: Hyderabad

Date: 16<sup>th</sup> May, 2024

# Annexure – B-2

## Form No. MR-3

[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]

### SECRETARIAL AUDIT REPORT

For the Financial Year Ending 31<sup>st</sup> March 2024

**To**  
**The Members of**  
**Gati Express & Supply Chain Private Limited**  
**(Formerly Gati-Kintetsu Express Private Limited)**

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gati Express & Supply Chain Private Limited (Formerly Gati-Kintetsu Express Private Limited)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) 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 Borrowings;
- (iii) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") shall not apply to the Company being an unlisted company.

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

- (iv) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to the Board and General Meeting.

- (v) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
- (vi) Other Specifically applicable laws to the Company in respect of which we relied on the Internal Audit report and noted relevant compliances and observations made by the Internal Auditor:
  - (a) Carriage of Goods by Road Act, 2007
  - (b) Carriage of Goods by Air Act, 1972
  - (c) Carriage of Goods by Sea Act, 1925
  - (d) Motor Transport Workers Act, 1961
  - (e) Motor Vehicles Act, 1988
  - (f) Fatal Accidents Act, 1855
  - (g) The Factories Act, 1948
  - (h) Multimodal Transportation of Goods Act, 1993
  - (i) Railway Act, 1989
  - (j) The Air (Prevention and Control of Pollution) Act, 1981
  - (k) The Water (Prevention and Control of Pollution) Act, 1974
  - (l) Control of National Highways (Land and Traffic) Act, 2002

#### We further report that:

- (i) based on the information provided by the Company, its officers, and its authorized representatives during the conduct of the audit and also on review of periodic reports by Company Secretary taken on record by the Board of Directors of the Company, adequate systems and processes and control mechanism exist in the company to monitor and ensure the compliance of with the applicable general laws like Labour laws, competition law and environment laws.
- (ii) the Compliance by the Company of applicable accounting standards and taxation laws has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
- (iii) the constitution of the Board of Directors of the Company is duly constituted of Executive Directors, Non-Executive Directors, and Independent Directors in accordance with the applicable laws and regulations.
- (iv) adequate notice is given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent electronically well in advance

or shorter consent were taken in other cases, 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.

- (v) all the decisions at the Board Meetings and Committee Meetings have been 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:**

- (i) there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.
- (ii) there were no specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs except as reported in the Financial Audit Report.

**We further report that:**

- The Company Changed its name from Gati-Kintetsu Express Private Limited to Gati Express & Supply Chain Private Limited w.e.f 27<sup>th</sup> July, 2023 as approved by the Regional Director.
- Three MCA forms were filed late with an additional fee due to technical issue and subsequently, the Compliance has been met by the Company.

For **Puttaparthi Jagannatham & Co.**

Company Secretaries

Sd/-

**CS Navajyoth Puttaparthi**

Partner

FCS No: 9896; C P No: 16041

Peer Review Certificate No. 1158/2021

UDIN: F009896F000381410

Place: Hyderabad

Date: 16<sup>th</sup> May, 2024

# 'ANNEXURE A'

To  
The Members of  
Gati Express & Supply Chain Private Limited  
(Formerly Gati-Kintetsu Express Private Limited)

4th Floor B Wing Allcargo House, CST Road Kalina Santacruz East Mumbai,  
Vidyanagari, Mumbai, Maharashtra, India, 400098.

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

For **Puttaparthi Jagannatham & Co.**  
Company Secretaries  
Sd/-

**CS Navajyoth Puttaparthi**  
Partner

FCS No: 9896; C P No: 16041  
Peer Review Certificate No. 1158/2021  
UDIN: F009896F000381410

Place: Hyderabad  
Date: 16<sup>th</sup> May, 2024

## Annexure – C

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

#### A) First mile automation (E-Docket):

Further to the successful roll out of first of its kind Paperless Shipment Booking Process (e-AWB) for retail customer in last financial year, this year as planned the e-docket facility has been extended to our MSME and Strategic customers with 85% compliance level.

Additionally, two major initiatives have been rolled out successfully during this financial year which has helped significantly in enhancing the efficiency and accuracy:

- We have upgraded our booking application to capture docket (AWB) details by scanning the e-waybill QR code and capturing the information from the E-waybill site for complete and accurate data.
- All our pickup personnel have been equipped with mobile label printer to print the package sticker in real time at the point of pick up, thus reducing the pick-up time significantly.

#### B) ERP Transformation (GEMS 2.0) update:

The GEMS 2.0 project was launched in August 24 and the study and design phase has been progressing as scheduled by the technology partner. The technology infrastructure environment has been setup on the cloud successfully including security configurations for starting the development of the application. As part of the GEMS 2.0 other related projects of Master Data Management (MDM) and Data Lake (DL) creation have also been initiated and have progressed well. Both these projects would go live in the first half of next year.

#### C) Last mile automation (Telematics):

Our delivery app is further enhanced with telematics solution to provide real time visibility of vehicle current position and delivery partner's travelling route path etc. This has strengthened our team's ability to monitor the delivery related activity proactively. Capturing the consignee's address and tagging it with unique code is another innovative feature added to the application. At 25 locations these new features are rolled out as pilot. As this application has been very successful, the same would be rolled out to all business partners, across the country by Q2FY25 post appropriate training.

#### D) Foreign Exchange earnings and outgo:

The particulars of earning and expenditure in foreign exchange during the year are given as follows:

Summary	(Amt in Lakhs.)	
	As at 31st March, 2024	As at 31st March, 2023
Foreign exchange earnings	56.01	56.01
Foreign exchange outgo	1.86	1.86

For and on behalf of the Board

Place: Mumbai  
Date: August 02, 2024

**Shashi Kiran Shetty**  
Chairman & Managing Director  
DIN: 00012754

## Annexure – D

### Board Policies

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value systems. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website, at <https://www.gati.com/investor-relations/policies/>. The policies are reviewed by the Board and updated based on need and new compliance requirements.

Key policies that have been adopted are as follows:

Sr. No.	Name of the policy	Brief Description	Web link
1	Whistleblower Policy (Policy on Vigil Mechanism)	The company has adopted a whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics.	<a href="https://www.gati.com/wp-content/uploads/2020/10/Gati-Whistle-Blower-Policy.pdf">https://www.gati.com/wp-content/uploads/2020/10/Gati-Whistle-Blower-Policy.pdf</a>
2	Code of Conduct and Ethics	The company has adopted the Code of Conduct and Ethics which forms the foundation of its ethics and compliance program.	<a href="https://www.gati.com/investor-relations/code-of-conduct/">https://www.gati.com/investor-relations/code-of-conduct/</a>
3	Insider Trading Policy	This policy provides the framework in dealing with securities of the company.	<a href="https://www.gati.com/wp-content/uploads/2022/07/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Designated-Persons.pdf">https://www.gati.com/wp-content/uploads/2022/07/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Designated-Persons.pdf</a>
4	Policy for determining Materiality for Disclosures	This policy applies to disclosures of material events affecting Gati and its subsidiaries.	<a href="https://www.gati.com/wp-content/uploads/2021/06/Policy-for-Determination-of-Materiality-and-archive.pdf">https://www.gati.com/wp-content/uploads/2021/06/Policy-for-Determination-of-Materiality-and-archive.pdf</a>
5	Risk Management Policy	This policy is framed with the objective of identification, evaluation, monitoring, controlling, managing and minimizing identifiable risks.	<a href="https://www.gati.com/wp-content/uploads/2022/06/Risk-Management-Policy.pdf">https://www.gati.com/wp-content/uploads/2022/06/Risk-Management-Policy.pdf</a>
6	Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive and non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees.	<a href="https://www.gati.com/wp-content/uploads/2018/08/Remuneration-policy.pdf">https://www.gati.com/wp-content/uploads/2018/08/Remuneration-policy.pdf</a>
7	Corporate Social Responsibility Policy	This policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, education, healthcare, environment and lowering its resource footprint.	<a href="https://www.gati.com/wp-content/uploads/2021/06/CSR-Policy.pdf">https://www.gati.com/wp-content/uploads/2021/06/CSR-Policy.pdf</a>
8	Policy on Material Subsidiaries	This policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the company and to provide the governance framework for them.	<a href="https://www.gati.com/pdf/Investors/announcements/Policy-on-material-subsidiaries.pdf">https://www.gati.com/pdf/Investors/announcements/Policy-on-material-subsidiaries.pdf</a>
9	Related Party Transaction Policy	This policy regulates all transactions between the company and its related parties.	<a href="https://www.gati.com/wp-content/uploads/2021/06/RPT-Policy.pdf">https://www.gati.com/wp-content/uploads/2021/06/RPT-Policy.pdf</a>
10	Code of Practices Procedures for Fair Disclosure of UPSI	This Code serves as a guiding charter for all concerned persons associated with the functioning of the company and their dealings in its securities. Further, the Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community / other relevant stakeholders, by the company to enable them to take informed decisions with regard to the Company's securities.	<a href="https://www.gati.com/wp-content/uploads/2019/04/Code-of-Practices-Procedures-for-Fair-Disclosure-of-UPSI.pdf">https://www.gati.com/wp-content/uploads/2019/04/Code-of-Practices-Procedures-for-Fair-Disclosure-of-UPSI.pdf</a>
11	Dividend Distribution Policy	This Policy lays down a broad framework for considering decisions by the Board of Directors of the Company with regard to distribution of dividend to its shareholders by striking a balance between pay-out and retaining earnings on the basis of the future growth strategy of the Company.	<a href="https://www.gati.com/wp-content/uploads/2021/06/Dividend-Distribution-Policy.pdf">https://www.gati.com/wp-content/uploads/2021/06/Dividend-Distribution-Policy.pdf</a>

Sr. No.	Name of the policy	Brief Description	Web link
12	Anti-Harassment and Anti-Discrimination Policy	Zero-tolerance policy towards any form of harassment or discrimination	<a href="https://www.gati.com/wp-content/uploads/2023/04/Anti-Harassment-and-Anti-Discrimination-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Anti-Harassment-and-Anti-Discrimination-Policy.pdf</a>
13	Anti-trust and Anti-competetive Policy	This policy provides guidance to all associates about antitrust and competition laws and conducts business in fair, ethical and transparent manner.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Anti-trust-and-Anti-competetive-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Anti-trust-and-Anti-competetive-Policy.pdf</a>
14	Board Diversity Policy	Promote diversity and inclusion across all levels within the organization	<a href="https://www.gati.com/wp-content/uploads/2023/04/Anti-trust-and-Anti-competetive-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Anti-trust-and-Anti-competetive-Policy.pdf</a>
15	Code of Conduct on Ethics, Transparency and Accountability	Sets the tone of the way we conduct ourselves within the Company and also the way we conduct our business with stakeholders in line with our value of practicing highest standards of business ethics and humility.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Code-of-Conduct-Ethics-Transparency-and-Accountability.pdf">https://www.gati.com/wp-content/uploads/2023/04/Code-of-Conduct-Ethics-Transparency-and-Accountability.pdf</a>
16	Corporate Tax Governance Policy	Policy on Tax principles, governance and risk management	<a href="https://www.gati.com/wp-content/uploads/2023/04/Corporate-Tax-Governance-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Corporate-Tax-Governance-Policy.pdf</a>
17	Environment Policy	Policy entails approach towards Environmental aspects and acts as a guideline to manage the related impact and risk. This Policy will help us develop better environmental practices while conducting business and create value for relevant stakeholders.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Environment-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Environment-Policy.pdf</a>
18	Sustainable Procurement Policy	Sets out principles and procedures for procurement and supplier sustainability assesment	<a href="https://www.gati.com/wp-content/uploads/2023/04/Sustainable-Procurement-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Sustainable-Procurement-Policy.pdf</a>
19	Supplier Code of Conduct	Defines the basic requirements placed on the suppliers and third-party intermediaries of the Company, concerning their responsibilities towards their stakeholders and the environment.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Supplier-Code-of-Conduct.pdf">https://www.gati.com/wp-content/uploads/2023/04/Supplier-Code-of-Conduct.pdf</a>
20	Health and Safety Policy	This policy conveys approach to integrate safety standards in our business processes, and our aim to identify, manage and mitigate health and safety threats.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Health-and-Safety-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Health-and-Safety-Policy.pdf</a>
21	Stakeholder Engagement Policy	This stakeholder engagement policy is committed to being responsible, transparent, and accountable towards the citizens of society, especially in all communities where Company has its workspace and operations.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Stakeholder-Engagement-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Stakeholder-Engagement-Policy.pdf</a>
22	Human Rights Policy	The Policy highlights Company's commitment towards Human Rights and contains Declaration of Human Rights and principles addressing fundamental rights set out in the Labour Organization's Declaration on Fundamental Principles and Rights at Work.	<a href="https://www.gati.com/wp-content/uploads/2023/04/Human-Rights-Policy.pdf">https://www.gati.com/wp-content/uploads/2023/04/Human-Rights-Policy.pdf</a>

**For and on behalf of the Board**

**Shashi Kiran Shetty**

Chairman & Managing Director

DIN: 00012754

Place: Mumbai

Date: August 02, 2024

# Annexure – E

## REPORT ON CORPORATE GOVERNANCE

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at Allcargo Gati Limited ('AGL' or 'the Company').

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a company is directed, administered or controlled. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

### Company's Philosophy

The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and the society at large.

AGL's corporate governance framework is based on the following main principles:

- Appropriate composition and size of the Board;
- Timely flow of information to the members of the Board and Board Committees;
- Well developed systems and processes for risk management and financial reporting;

- Timely and accurate disclosure of all material operational and financial information.

### Board of Directors

As on March 31, 2024, the Company has Eight Directors, out of which, seven (i.e. 87.50 percent) are Non-Executive Directors out of which Four (i.e. 50.00 percent) are Independent Directors. The profiles of Directors can be found on <https://www.gati.com/about-us/management/bod/>. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013. The composition of the Board also represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness.

There have been no changes taken place in the Board of Directors and KMP from the last report till the date of this report.

The composition of Board/Committees can be found on <https://www.gati.com/investor-relations/committees-of-the-board/>.

Each Director informs the Company on an annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairmanships and notifies changes periodically and regularly during the term of their directorship in the Company. None of the Directors on the Board hold directorship in more than ten public companies. None of the Independent Directors serve as an Independent Director on more than seven listed companies. None of the Directors of the Company is related to each other. Further, none of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors.

The number of other directorships, committee chairmanships/ memberships held in other companies by each of the Directors as on March 31, 2024 is tabled below:

Name	No. of Directorships and Committee Membership / Chairmanship in other Public Companies			Directorship in other Listed Entity and Category of Directorship
	Other Directorships	Committee**		
		Chairmanship	Membership	
Mr. Shashi Kiran Shetty	4	0	1	(i) Allcargo Logistics Limited (Promoter, Executive Director)
Mr. Kaiwan Dossabhoy Kalyaniwalla	5	0	3	(i) Allcargo Logistics Limited (Non-Executive, Non-Independent Director) (ii) Allcargo Terminals Limited (Non-Executive, Non-Independent Director)
Mr. Dinesh Kumar Lal	4	1	6	(i) Raymond Limited (Non-Executive, Independent Director)



Name	No. of Directorships and Committee Membership / Chairmanship in other Public Companies			Directorship in other Listed Entity and Category of Directorship
	Other Directorships	Committee**		
		Chairmanship	Membership	
Mr. Nilesh Shivji Vikamsey	9	5	10	(i) Thejo Engineering Limited (Non-Executive, Non-Independent Director) (ii) 360 One Wam Limited (Formerly known as IIFL Wealth Management Limited) (Non-Executive, Independent Director) (iii) Allcargo Logistics Limited (Non-Executive, Non-Independent Director) (iv) Thomas Cook (India) Limited (Non-Executive, Independent Director) (v) PNB Housing Finance Limited (Non-Executive, Independent Director)
Ms. Vinita Dang Mohoni	2	1	2	NIL
Mr. Hetal Madhukant Gandhi	6	2	5	(i) Chalet Hotels Limited (Chairman, Non-Executive, Independent Director) (ii) Ami Organics Limited (Non-Executive, Independent Director) (iii) Shilpa Medicare Limited (Non-Executive, Independent Director) (iv) Syrma SGS Technology Limited (Non-Executive, Independent Director) (v) Singer India Limited (Non-Executive, Non-Independent Director) (vi) Allcargo Logistics Limited (Non-Executive, Independent Director)
Mr. Pirojshaw Aspi Sarkari	NIL	NIL	NIL	NIL
Mr. Ravi Jakhar	NIL	NIL	NIL	NIL

\*\* Chairmanships / Memberships of Board Committees include only Audit and Stakeholders Relationship Committees.

### List of Core Skills/ Expertise/ Competencies required and available with the Board

A chart or matrix setting out the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively are as under :-

Sl. No.	Names of Directors	Skill/Expertise/Competency				
		Finance and Accounting	Corporate Governance and Listing Regulations	Sales, Marketing And Programming	General Administration	Industry experience, Global Business & Business acumen
1.	Mr. Shashi Kiran Shetty	✓	✓	✓	✓	✓
2.	Mr. Kaiwan Dossabhoy Kalyaniwalla	✓	✓	--	✓	✓
3.	Mr. Dinesh Kumar Lal	✓	✓	✓	✓	✓
4.	Mr. Nilesh Shivji Vikamsey	✓	✓	✓	✓	✓
5.	Ms. Vinita Dang Mohoni	--	--	✓	✓	✓
6.	Mr. Hetal Madhukant Gandhi	✓	✓	✓	✓	✓
7.	Mr. Pirojshaw Aspi Sarkari	✓	✓	✓	✓	✓
8.	Mr. Ravi Jakhar	✓	✓	✓	✓	✓

In the above table, specific areas of focus or expertise of individual Board members have been highlighted, however, the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

### Meetings of the Board

The Board of Directors must meet at least four times a year, with a maximum time gap of 120 days between two Board meetings. During the financial year 2023-24, the Board met six times: on April 02, 2023, May 19, 2023, August 04, 2023, November 03, 2023, December 21, 2023 and February 02, 2024. The necessary quorum was present at all the meetings. Consequent to relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, certain Board Meetings in the financial year 2023-24 were held through Video Conferencing. The proceedings of the meetings held through Video Conferencing are duly recorded by the Company.

The below table gives the composition of the Board, their attendance at the board meetings held during the year and at the previous Annual General Meeting held on September 04, 2023 and also the shareholding:

Name	Category and Designation	Attendance particulars		No. of Equity shares
		Board meetings	Last AGM	
Mr. Shashi Kiran Shetty	Executive, Chairman & Managing Director	4/6	No	--
Mr. Kaiwan Kalyaniwalla	Non - Executive, Non-Independent Director	6/6	Yes	--
Mr. Dinesh Kumar Lal	Non - Executive, Independent Director	6/6	Yes	--
Mr. Nilesh Shivji Vikamsey	Non - Executive, Independent Director	6/6	Yes	--
Ms. Vinita Mohoni	Non - Executive, Independent Director	4/6	Yes	--
Mr. Hetal Madhukant Gandhi	Non - Executive, Independent Director	4/6	Yes	--
Mr. Pirojshaw Aspi Sarkari	Non - Executive, Non-Independent Director	4/6	Yes	33002
Mr. Ravi Jakhar	Non - Executive, Non-Independent Director	4/6	Yes	--
Ms. Cynthia D'souza (a) (Stepped-down)	Non - Executive, Independent Director	1/6	NA	--
Mr. Yasuyuki Tani (b) (Stepped-down)	Non - Executive, Nominee Director	1/6	NA	--

Notes:

<sup>(a)</sup> Resigned as Non - Executive, Independent Director of the Company w.e.f. June 08, 2023.

<sup>(b)</sup> Resigned as Non - Executive, Nominee Director of the Company w.e.f. June 08, 2023.

### Information given to the Board:

The Company provides the following information to the Board and the Board Committees. Such information is submitted either as part of the agenda papers in advance of the meetings or by way of presentations and discussion materials during the meetings.

- Annual operating plans and budgets, capital budgets, updates and all variances;
- Quarterly, Half yearly, Nine months and Annual results of the Company and its subsidiaries;
- Detailed presentations on the business performance of the Company and its material subsidiaries;
- Declaration of dividend, if any;
- Minutes of meetings of the Audit Committee and other Committees;
- Contract in which Directors are interested;
- Update on the significant legal cases of the Company;
- Subsidiary companies minutes, financial statements and significant investments;
- Reviews the compliance reports of all laws applicable to the Company;
- Evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.

In the path of digitalization and with a view to ensure its commitment to Go-Green initiative of the Government, the Company circulates to its Directors, notes for Board/Committee meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board papers.

### Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. He/She is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. He/She attends all the meetings of the Board and its Committees, in the capacity of Secretary of

the Committees. He/She advises / assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

### Code of Conduct

The Company has adopted a code of conduct for all Board Members and Designated Senior Management of the Company. The duties of Independent Directors as laid down in the Companies Act, 2013, are incorporated in the Code of Conduct. The Code of Conduct is available on the website of the Company i.e. <https://www.gati.com/investor-relations/code-of-conduct/>.

### Appointment and Tenure of Directors

The Directors of the Company are appointed / re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Members at the General Meetings. In accordance with the Articles of Association of the Company, not less than two-thirds of the total number of Directors other than Independent Directors of the Company, are liable to retire by rotation at the AGM each year and, if eligible, offer themselves for re-election.

As regards the appointment and tenure of the Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and the Listing Regulations. The Company has also received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Listing Regulations.
- The Independent Directors will serve a maximum of two terms of five years each, after the introduction of the Companies Act, 2013.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013 and the Listing Regulations.
- In accordance, with the Listing Regulations, the Company shall ensure that the appointment of any Non-Executive

Director who has attained the age of 75 years is approved by the Members by way of a Special Resolution.

- In accordance, with the Listing Regulations, the Company shall ensure that the approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

### Declaration by Independent Directors

The Company has on its Board, eminent Independent Directors who have brought in independent judgement to Board's deliberations including issues of strategy, risk management and overall governance. They have played a pivotal role in safeguarding the interests of all stakeholders.

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder.

### Separate meeting of the Independent Directors

Schedule IV of the Companies Act, 2013, Listing Regulations and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non-Independent Directors. During the financial year 2023-24, one meeting of the Independent Directors was held on March 07, 2024. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Director, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

### Familiarisation programmes to Independent Directors

The Board familiarization programme comprises of updation on Statutory laws, Business outlook and functional issues.

All Independent Directors are taken through a familiarization programme on an annual basis that covers the background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions. The Independent Directors are highlighted on the constitution, Board procedures, matters reserved for the Board and major risks facing the business and mitigation programmes. The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them.

In the Board Meetings, all facts of the business and related functional issues are discussed in order to provide a good understanding of the business to the Independent Directors. These programmes give an opportunity for the Board to interact with the next level of management. To make these sessions meaningful and insightful, pre-reads are circulated in advance. There are opportunities for Independent Directors to interact amongst themselves every quarter.

The details of programs for familiarization of the Independent Directors are available on the Company's website and can be accessed through the web link: <https://www.gati.com/investor-relations/familiarization-programmes/>.

### Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairperson of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Company has five Board-level Committees, namely:

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

### Audit Committee:

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Listing Regulations.

The primary responsibilities of the Audit Committee are to:

- i. overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement are correct, sufficient and credible;
- ii. reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval;
- iii. reviewing the Management Discussion and Analysis of the financial condition and result of operations;
- iv. reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- v. formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
- vi. reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- vii. evaluating internal financial controls and risk management systems;
- viii. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;

- ix. recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- x. Ensure that adequate safeguards have been taken for legal compliance for the Company;
- xi. reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- xii. reviewing the functioning of the Whistle Blowing mechanism;
- xiii. any other matter referred to by the Board of Directors.

The Audit Committee comprises of Independent Directors and Non-Executive Directors as on March 31, 2024. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management.

During the financial year 2023-24, the Audit Committee met five times viz., on May 19, 2023, August 04, 2023, November 03, 2023, December 21, 2023 and February 02, 2024. The below table gives the composition and attendance record of the Audit Committee and the Company Secretary of the Company act as the secretary of the Committee.

Sl. No.	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Mr. Dinesh Kumar Lal(a)	Chairman	05	05
2	Mr. Nilesh Shivji Vikamsey(b)	Member	05	05
3	Mr. Kaiwan Kalyaniwalla	Member	05	05
4.	Mr. Hetal Gandhi(c)	Member	05	04

<sup>(a)</sup> Mr. Dinesh Kumar Lal was designated as Chairman of the Audit Committee of the Company w.e.f. August 28, 2023.

<sup>(b)</sup> Mr. Nilesh Shivji Vikamsey re-designated as Member of the Audit Committee of the Company w.e.f. August 28, 2023.

<sup>(c)</sup> Appointed as Non-Executive Independent Director on the Board of the Company w.e.f. June 09, 2023.

The Audit Committee invites such of the executives, as it considers appropriate, Statutory Auditors and Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee. The Audit Committee also interacts with the Auditors of the Company, separately.

Mr. Dinesh Kumar Lal, Chairman of the Audit Committee has attended the previous Annual General Meeting held on September 04, 2023.

### Nomination & Remuneration Committee:

The Board has constituted Nomination & Remuneration Committee consisting of two Independent Directors and one Non-Independent Director. The terms of reference of the Committee covers evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), Senior Management Employees, framing of policies and systems of the Employee Stock Appreciations Rights Plan 2021 and looking after the issues relating to major HR policies.

During the financial year 2023-24, the Committee met two times i.e., on February 01, 2024 and March 07, 2024. The below table gives the composition and attendance record of the Nomination

& Remuneration Committee and the Company Secretary of the Company act as the secretary of the Committee.

Sl. No.	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Mr. Dinesh Kumar Lal	Chairman	02	02
2	Mr. Kaiwan Dossabhoy Kalyaniwalla	Member	02	02
3	Ms. Vinita Dang Mohoni	Member	02	02

### Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013, Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 and based on the criteria set by the Nomination & Remuneration Committee. An online platform has been provided to each Director for their feedback and evaluation.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Chairman of the Company and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination & Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors, the performance of the board, its committees and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### Remuneration policy

The Nomination & Remuneration Policy of your company is available on the website of the company i.e. <https://www.gati.com/investor-relations/policies/>

### Directors Remuneration

The remuneration paid/payable to the Directors is given below:

a) **Executive Director: - NIL**

b) **Non-Executive Directors: -**

The Sitting fee and commission (if any), payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013 and the Company ensures that it has

been duly considered and approved by the Board and the shareholders (if any).

The details of sitting fee paid to the Non-Executive, Independent Directors during the financial year 2023-24 are as follows:

Name	Sitting fee	Commission
	(₹)	(₹)
Mr. Dinesh Kumar Lal	7,00,000	---
Mr. Nilesh Shivji Vikamsey	6,75,000	---
Mr. Hetal Madhukant Gandhi	4,50,000	---
Ms. Vinita Dang Mohoni	3,50,000	---
Ms. Cynthia D'souza(a)	25,000	---
<b>TOTAL</b>	<b>22,00,000</b>	<b>---</b>

<sup>(a)</sup> Stepped down from the Position of Non - Executive, Independent Director of the Company w.e.f. June 08, 2023.

The approval for payment of commission to the Independent Directors for FY 2023-24 being sought from the Members of the Company at this ensuing AGM.

Other than above and as disclosed in the related party transaction statement, there are no pecuniary or business relationship between the Non-Executive Directors and Company and also between all the Directors.

#### Stakeholders Relationship Committee:

The Board has constituted Stakeholders Relationship Committee consisting of majority of Independent Directors and a Non-Executive Director.

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. It primarily focuses on:

- Consider and resolve the grievances of shareholders of the Company with respect to transfer & transmission of shares, non-receipt of annual report, non-receipt of declared dividend, etc;
- Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
- Provide guidance and make recommendations to improve investor service levels for the investors;
- Any other matter referred to by the Board of Directors.

During the financial year 2023-24, the Committee met one time i.e., on February 01, 2024. The below table gives the composition and attendance record of the Stakeholders Relationship Committee. The Company Secretary of the Company act as the secretary of the Committee and also designated as Compliance Officer.

Sl. No.	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Ms. Vinita Dang Mohoni	Chairperson	01	01
2	Mr. Kaiwan Dossabhoy Kalyaniwalla	Member	01	01
3.	Mr. Dinesh Kumar Lal	Member	01	01

In order to expedite the process of transfer and transmission of shares, the Board has constituted an internal Share Transfer Committee and have delegated the powers to certain officers of the Company who are the members of the said committee.

An analysis of the investor complaints received and redressed during the financial year 2023-24 is given below:

Sl. No.	Nature of Complaint	Received	Disposed	Pending	Not resolved to the satisfaction of shareholders
1	Non receipt of dividend warrants	3	3	Nil	NA
2	Non receipt of Annual Report	Nil	Nil	Nil	Nil
3	Non-receipt of stock split shares	5	5	Nil	NA

#### Name, designation and address of Compliance Officer:

Mrs. T.S. Maharani

#### Company Secretary & Compliance Officer

Western Pearl, 4<sup>th</sup> Floor, Survey No. 13(p), Kondapur, Hyderabad, Rangareddy – 500084, Telangana, India

**Tel:** +91 040 7120 4284; 022 6679 8100

**Email:** [investor.services@allcargologistics.com](mailto:investor.services@allcargologistics.com),

**Website:** [www.gati.com](http://www.gati.com)

The company obtains yearly certificate from a company Secretary in Practice under Regulation 40(9) of the Listing Regulations, confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations. Further, the compliance certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also filed with Stock Exchanges on an annual basis.

In accordance with Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/Cir- 16/2002 dated December 31, 2002, a qualified practicing company secretary carried out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital. The Audit Report confirms that the total issued and paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### Corporate Social Responsibility Committee (CSR):

Corporate Social Responsibility (CSR) is an integral part of our culture and constantly seeks opportunities to give back to the society and hope to make a difference to the lives of people by sharing our business success with them.

The main objective of the CSR Policy is to lay down guidelines and also make CSR as one of the key business drivers for sustainable development of the environment and the society in which AGL operates in particular and the overall development of the global community at large.

The role of the Corporate Social Responsibility Committee is as follows:

- i. Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the company;
- ii. Recommending the amount of expenditure to be incurred on CSR activities of the company;
- iii. Reviewing the performance of the Company in the area of CSR;
- iv. Providing external and independent oversight and guidance on the environmental and social impact of how the company conducts its business;
- v. Monitoring CSR policy of the company from time to time;
- vi. Monitoring the implementation of the CSR projects or programs or activities undertaken by the company.
- vii. Any other matter referred to by the Board of Directors.

The Board has constituted Corporate Social Responsibility Committee consisting of two Independent Directors and one Non-Independent Director.

During the period under review, there was no requirement to hold the Committee meeting due to unavailability of profits in the Company to be allocated for CSR spends. The below table gives the composition of the Corporate Social Responsibility Committee and the Company Secretary of the Company act as the secretary of the Committee

Sl. No.	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Mr. Kaiwan Kalyaniwalla	Chairman	NIL	NIL
2	Ms. Vinita Dang Mohoni	Member	NIL	NIL
3.	Mr. Dinesh Kumar Lal	Member	NIL	NIL

### Risk Management Committee:

The Board has constituted Risk Management Committee consisting of one Independent Director being the Chairman of the Committee and two Non-Independent Directors as Members of the Company.

The terms of reference of the Committee covers the following:-

- Frame, Monitor and Implement the Risk Management Plan and Policy of the Company and review the Company's risk governance structure, risk assessment and risk management practices and guidelines, procedures for risk assessment and risk management;
- Adopting polices, systems for maintaining information/ cyber security of the Company from preventing of global hacking incidents, losing of sensitive, confidential data etc;
- Identify, Review and Monitor risks of each business vertical and functions of the Company including strategic,

financial, operational, currency, work place environment, safety & information security, regulatory and reputational risk periodically;

- Continually obtaining reasonable assurance from management heads of each business vertical that all known and emerging risks have been identified and mitigated or managed;
- Framing guidelines, policies and processes for monitoring and mitigating risks;
- Setting strategic plans and objectives for risk management and risk minimization;
- Overseeing the risk management process, controls, fraud risk assessment, risk tolerance, capital liquidity and funding;
- Review compliance with risk policies, monitor breach/ trigger trips of risk tolerance limits and direct action;
- Development and deployment of risk mitigation plans to reduce the vulnerability to the prioritized risks and provide oversight of risk across organisation;
- Maintain, update and review Risk Registers from time-to-time;
- Delegate authorities from time-to-time to the Committee Members, Executives, Authorized persons to implement the decisions of the Committee and execution of necessary documents;
- To achieve sustainable business growth, protect the Company's assets, safeguard Members investment, ensure compliance with applicable laws and regulations and avoid major surprises of risks;
- To obtain advice and assistance from internal or external legal, accounting or other advisors;
- Periodically reporting to the Board;
- Performing such other functions as may be necessary or directed by the Board.

During the financial year 2023-24, the Committee met twice i.e., on July 13, 2023 and January 09, 2024. The below table gives the composition and attendance record of the Risk Management Committee and the Company Secretary of the Company act as the secretary of the Committee.

Sl. No.	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Mr. Nilesh Shivji Vikamsey	Chairman	02	02
2	Mr. Kaiwan Dossabhoy Kalyaniwalla	Member	02	02
3.	Mr. Pirojshaw Aspi Sarkari	Member	02	02

## General Body Meetings

### (a) Annual General Meeting:

Year(s)	Date of AGM	Time	Venue	No. of Special resolutions passed
2022-23	September 04, 2023	3:00 P.M.	Meeting conducted through VC/OAVM pursuant to the MCA Circulars.	4
2021-22	September 15, 2022	3:00 P.M.	Meeting conducted through VC/OAVM pursuant to the MCA Circulars.	1
2020-21	September 22, 2021	3:00 P.M.	Meeting conducted through VC/OAVM pursuant to the MCA Circulars.	Nil

### (b) Extra-ordinary General Meeting:

During the year under review, there were no Extra-Ordinary General Meetings of the Shareholders of the Company.

### (c) Postal Ballot:

During the year under review, the Company had completed the following Postal Ballot:

- Pursuant to Sections 23, 41, 42, 62(1) (c) of the Companies Act, 2013, the Members of the Company approved for the raising of funds through issuance of Securities of the Company by way of Special Resolution through Postal Ballot passed on February 05, 2024. The voting pattern of the same was as follows:

#### Item No. 1

#### Approval for raising of funds through issuance of Securities of the Company.

<b>Total no. of votes received</b>	75463728		
<b>Total no. of valid votes</b>	75463728		
<b>No. of votes/shares received for the resolution (%)</b>	<b>No. of votes/shares received against the resolution (%)</b>	<b>Invalid/Abstain votes</b>	
71707368 (95.02%)	3756360 (4.98%)	NA	
<b>No. of Shareholders voted for the resolution</b>	<b>No. of Shareholders Voted against the resolution</b>	<b>No. of Shareholders Votes Neutral/Invalid/Abstain</b>	
422	46	NA	

## Disclosures

- Disclosures on materially significant related party transactions, which may have potential conflict with the interest of the Company at large:

There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company i.e., <https://www.gati.com/investor-relations/policies/>.

- There were no penalties and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years except the following:

Sl. No.	Action taken by	Details of violation	Details of action taken (E.g. fines/penalty)	Action taken by the Company
1	BSE Limited	Late submission of Annual Report under clause 31 of erstwhile listing agreement for the period ended March 2014.	Imposing of Penalty of ₹ 55,460/- including GST, during the financial year 2021-22.	Company has paid the same to BSE Limited in time.

Further, as per the Annual Secretarial Compliance Report issued by M/s. Puttaparthi Jagannatham & Co., no instances of non-compliances were observed by them during the year.

- Whistle blower policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of Listing Regulations for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The Vigil Mechanism Policy is available on the website of the Company i.e., <https://www.gati.com/investor-relations/policies/>.

- The Company has complied with all mandatory requirements of Listing Regulations.

- Subsidiary Companies:

The Board of Directors has reviewed the financial statements and minutes of the Board meetings of Gati Express & Supply Chain Private Limited (formerly known as "Gati-Kintetsu Express Private Limited") (GESCPL), the material unlisted subsidiary company. The policy for determining 'material' subsidiaries is available on the website of the Company i.e., <https://www.gati.com/investor-relations/policies/>. Further, the Board of Directors has also reviewed the financial statements and minutes of the board meetings of all other subsidiary companies of the company.

- vi. Disclosure of commodity price risks and commodity hedging activities: Not Applicable.
- vii. The Company is preparing its financial statements in line with the Ind-AS, as notified by the Ministry of Corporate Affairs.
- ix. Total Fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part is given below:

Type of Service	Amount in Lakhs
Audit Fees	16
Tax Audit	9
Certification and other Fees	4
<b>Total</b>	<b>29</b>

- x. A Certificate has been received from M/s. Puttaparthi Jagannatham & Co., Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such authority.
- xi. During the financial year 2023-24, no complaints regarding sexual harassment was received by the Company.
- xii. During the financial year 2023-24, Board had accepted all the recommendation of committees of the Board.

#### Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of Listing Regulations.

#### Disclosure of certain type of Agreements Binding Listed Entities:

There are no such agreements.

#### Non-Mandatory Requirements

##### Audit qualification

During the year under review, there is no audit qualification on the company's Financial Statements.

##### Reporting of Internal Auditor

The Internal Auditor exercises an Independent Audit and has direct access to the Audit Committee and he /she participates in the meetings of the Audit Committee of the Board of Directors of the Company and presents his internal audit observations to the Audit Committee.

##### CMD/CFO Certification:

The CMD/CFO of the Company provided certification on financial reporting and internal controls for the financial year 2023-24 to the Board of Directors at their meeting held on May 16, 2024, as required under Regulation 17(8) of Listing Regulations.

#### Means of Communication

##### i. Publication of results

The quarterly, half-yearly & nine months un-audited financial results and annual audited financial results of the Company were generally published in National level English newspaper(s) as well as regional language newspaper circulating in the State of Telangana/Maharashtra.

##### ii. Website and News Release

The quarterly, half-yearly & nine months un-audited financial results and annual audited financial results are available on the website of the Company i.e. "[www.gati.com](http://www.gati.com)". Official news releases, detailed presentations made to media, analysts, etc are available on the website of the Company i.e. [www.gati.com](http://www.gati.com). Your Company also makes timely disclosures of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India.

Further, following information is available on the website of the Company i.e. [www.gati.com](http://www.gati.com):

- Details of business of the Company;
- Terms and conditions of appointment of Independent Directors;
- Composition of various Committees of Board of Directors;
- Code of Conduct for Board of Directors and Senior Management Personnel;
- Details of establishment of vigil mechanism/ Whistle Blower policy;
- Criteria of making payments to Non-Executive Directors;
- Policy on dealing with Related Party Transactions;
- Policy for determining 'material' subsidiaries;
- Details of familiarization programs imparted to Independent Directors;
- Policy for determination of materiality of events;
- Investor Presentations.

#### NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

#### BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

#### E-voting

Pursuant to the requirements of the Companies Act, 2013, and the Listing Regulations, Company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

#### Additional Shareholders' Information

##### Annual General Meeting:

**Date:** September 10, 2024

**Time:** 3:00 PM

**Mode of Meeting:** Video Conferencing/Other Audio-Visual Means

**Deemed Venue:** Registered Office of the Company situated at 4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina Santacruz (East), Mumbai – 400098, Maharashtra, India.



### Financial Calendar

Financial Year - 1<sup>st</sup> April to 31<sup>st</sup> March

#### Tentative calendar for declaration of financial results in Financial Year 2024-25

Results for the quarter ended June 30, 2024	on or before August 14, 2024 [Declared on August 02, 2024]
Results for the quarter ended September 30, 2024	on or before November 14, 2024
Results for the quarter ended December 31, 2024	on or before February 14, 2025
Results for the year ended March 31, 2025	on or before May 30, 2025

### Record date/Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 03, 2024 to Monday, September 09, 2024 (both days inclusive).

### Dividend

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend on the equity shares of the Company for the financial year ended March 31, 2024.

### Credit Rating

During the financial year 2022-23, CARE Ratings Limited has revised the credit ratings of the Company vide its letter dated December 01, 2022, details of credit rating assigned by CARE Ratings Limited are given below:

Facilities/ Instruments	Amount (In Crs) as on March 31, 2024	Revised Rating (December 01, 2022)	Remarks
Fixed Deposits	0.18	Care BBB; Stable	Reaffirmed

### Unpaid/Unclaimed Dividends:

Pursuant to Sections 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") set up by the Central Government. Accordingly, the company has transferred to IEPF the following unpaid or unclaimed dividends during the financial year 2023-24:

Particulars	Amount of Dividend (in ₹)
Dividend for the Financial Year 2015-16	17,35,135/-

The shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed. The details of outstanding dividend accounts are given below.

Sl. no	Dividend for the year	Dividend %	Date of declaration	Due date for transfer
1	2016-17: Final	40	01.08.2017	31.08.2024
2	2017-18: Final	45	18.09.2018	17.10.2025
3	2018-19: Final	40	25.09.2019	24.10.2026

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 04, 2023 (date of last AGM) on the Company's website i.e., <https://www.gati.com/investor-relations/unclaimed-dividend-details/> and on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in/](http://www.iepf.gov.in/).

### Unclaimed Equity Shares:

Section 124(6) read with the 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016' ('Rules'), as amended, requires that all shares, in respect of which dividend has not been claimed for seven consecutive years or more (relevant shares), shall be transferred by the Company in the name of IEPF along with statement containing such details as may be prescribed by the authority from time to time. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

Accordingly, during the year under review, your Company has not transferred any shares pertaining to the FY 2015-16 to the Investor Education & Protection Fund Authority, as required in accordance with the Rules.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company i.e. <https://www.gati.com/investor-relations/unclaimed-dividend-details/>.

### Guidance for Investor to file claim

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company/Registrar & Share Transfer Agent, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. Further, the Shareholders/claimant can file only one consolidated claim in a financial year as per the rules.

### Unclaimed Shares as per Regulation 39 of the Listing Regulations.

As per the provisions of Regulation 39 of the Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special Demat account held by the Company. The Company has already sent reminders to the shareholders for Claiming those shares at their latest available address(es) with the Company or Depository, as the case may be. Accordingly, unclaimed shares lying with the Company have been transferred and dematerialized in "Allcargo Gati Limited - Unclaimed Suspense Account" of the Company. This Account is being held by the Company purely on behalf of the shareholders entitled for these shares as there were no shares outstanding to be transferred to IEPF.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said "Unclaimed Suspense Account" and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the Secretarial Department of the Company or Registrar & Share Transfer Agent of the Company by forwarding a request letter duly signed by the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the Suspense Account as on March 31, 2024 is as under:

Sl. no	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	12	1325
2	Number of shareholders who approached the Company (with complete documentation) for transfer of shares from the Unclaimed Suspense Account during the year	0	0
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year;	0	0
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	12	1325

The dividend on the shares in the Unclaimed Suspense Account will be remitted to the Shareholders on their claiming the shares, till such time, that dividend will be available in the Unpaid Dividend Bank Account.

#### Code of Conduct for prohibition of Insider trading

Your company had adopted a Code of conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. All Directors, Senior Management Personnel, person forming part of Promoter(s)/Promoter(s) Group(s) and such other Designated persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The code of conduct is available on the website of the Company i.e. [www.gati.com](http://www.gati.com).

#### Listing on Stock Exchanges

The Company's shares are listed on BSE Limited (BSE), Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and The National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

Listing Fees as applicable have been paid.

#### Stock Code:

- a) Trading scrip code on BSE : 532345  
b) Trading scrip code on NSE : ACLGATI

#### International Securities Identification Number (ISIN):

ISIN is a unique identification number of traded scrip. The Company's ISIN for equity shares is INE152B01027.

#### Market Price Data

The Monthly high and low prices of your company's share at BSE and NSE for the year ended March 31, 2024 are as under:

	NSE		BSE	
	High	Low	High	Low
Apr-2023	121.50	101.30	121.35	101.25
May-2023	129.00	112.10	128.95	112.10
Jun-2023	126.75	113.85	126.70	113.75
Jul-2023	150.00	121.40	150.00	121.25
Aug-2023	162.40	139.10	162.55	139.25
Sep-2023	177.65	145.30	177.50	145.50
Oct-2023	168.30	134.30	168.10	134.25
Nov-2023	149.00	132.20	132.05	136.50
Dec-2023	149.00	117.65	148.75	117.60
Jan-2024	134.50	121.80	134.25	121.80
Feb-2024	127.05	109.55	127.10	110.00
Mar-2024	118.20	95.35	119.00	95.60

#### Share price performance in comparison to broad based indices - BSE & NSE

Particulars	Share price v/s NSE		Share price v/s BSE	
	Share price(₹)	NSE Nifty	Share price(₹)	BSE Sensex
As on April 3, 2023	110.35	17398	110.40	59106
As on March 31, 2024	96.05	22326	96.20	73651
Changes (%)	(12.96%)	28.33%	(12.86%)	24.61%

Total equity as on March 31, 2024 was 13,02,52,027 (previous year 13,01,30,117) equity shares of ₹ 2/- each.

#### Share Transfer System

All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent:

#### Link Intime India Private Limited

C -101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083  
Maharashtra  
Tel. No.:- +91 22 49186270  
E-mail:- [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website:- [www.linkintime.co.in](http://www.linkintime.co.in)

A summary of approved transfers, transmissions, deletion requests, etc. are placed before the Board of Directors from time to time as per the Listing Regulations.

#### Dematerialization of Shares and liquidity

Break up of shares in physical and demat form as on March 31, 2024:

Particulars	No of Shares	%
Physical Segment (A)	4,83,149	0.37
Demat Segment (B)		
NSDL	4,64,54,002	35.67
CDSL	8,33,14,876	63.96
<b>Total (A+B)</b>	<b>13,02,52,027</b>	<b>100.00</b>

The Securities and Exchange Board of India (SEBI) at its Board Meeting held on March 28, 2018 revised the provisions relating to transfer of listed securities and decided that requests for

effective transfer of listed securities shall not be processed unless the securities are held in the dematerialized form with a depository participant. The said measure of SEBI is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors. The said amendment got notified and is effective from April 1, 2019. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.

Further, SEBI vide its circular dated January 25, 2022 has directed that the Company while processing the below-mentioned requests also, shall issue the securities in dematerialised form only:

- Issue of duplicate securities certificate;
- Claim from Unclaimed Suspense Account;
- Renewal / Exchange of securities certificate;
- Endorsement;
- Sub-division / Splitting of securities certificate;
- Consolidation of securities certificates/folios;
- Transmission;
- Transposition

Shareholders intending to lodge any of the aforesaid request are mandatorily required to do so in the specific Form specified

by SEBI in this regard (Form ISR-4) along with the documents / details specified therein.

Shareholders are also requested to keep record of their specimen signature before lodgment of shares with the Company to avoid probability of signature mismatch at a later date.

#### Folio No. / DP ID No.

Shareholders / Beneficial Owners are requested to quote their Folio Nos. / DP ID Nos., as the case may be, in all correspondence with the Company.

Shareholders are also requested to quote their E-mail IDs, Contact / Fax numbers for prompt reply to their correspondence.

Shareholders who continue to hold shares in physical form are advised to dematerialize their shares at the earliest. For any clarification, assistance or information, relating to dematerialization of shares the Company's RTA may be contacted.

#### Secretarial Audit

The Company has undertaken secretarial audit for the financial year 2023-24 which, inter alia, includes audit of compliance with the Companies Act, 2013 and the rules made thereunder, Listing Regulations and applicable regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standard issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of the Annual Report.

#### Distribution of equity shareholding as on March 31, 2024:

No. of shares	No. of account	% of total account	No. of shares	% to Total shares	
1	1000	91536	93.7773	13822387	10.6120
1001	2000	2766	2.8337	4151384	3.1872
2001	4000	1676	1.717	4939319	3.7921
4001	6000	669	0.6854	3358716	2.5786
6001	8000	276	0.2828	1935980	1.4863
8001	10000	208	0.2131	1946496	1.4944
10001	20000	273	0.2797	3966150	3.0450
20001	And above	206	0.211	96131595	73.8043
<b>TOTAL</b>	<b>97610</b>	<b>100</b>	<b>130252027</b>	<b>100.0000</b>	

#### Categories of equity shareholding as on March 31, 2023:

Sr	Category	No. of equity shares held	% of holding
1	Clearing Members	1536	0.0012
2	Other Bodies Corporate	3511252	2.6957
3	Escrow Account	1785	0.0014
4	Foreign Banks	370	0.0003
5	Foreign Company	4329114	3.3236
6	Foreign Inst. Investor	860	0.0007
7	Other Bodies (Promoter Co)	65786510	50.5071
8	Hindu Undivided Family	1033162	0.7932
9	Nationalised Banks	3560	0.0027
10	Non Nationalised Banks	7526	0.0058
11	Foreign Nationals	360	0.0003
12	Non Resident Indians	1815026	1.3935
13	Non Resident (Non Repatriable)	963128	0.7394
14	Public	44493107	34.1592
15	Promoters	715053	0.5490

Sr	Category	No. of equity shares held	% of holding
16	Trusts	2255	0.0017
17	Present Employees	557206	0.4278
18	Promoter - Trust	2444367	1.8766
19	Body Corporate - Ltd Liability Partnership	231853	0.1780
20	FPI (Corporate) - I	1245399	0.9561
21	NBFCs registered with RBI	50004	0.0384
22	Investor Education And Protection Fund	878925	0.6748
23	Alternate Invst Funds - III	2179669	1.6734
<b>Total</b>		<b>130252027</b>	<b>100.00</b>

#### Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR/ADR or any convertible instruments. Further, details related to the ESARs granted to the employees pursuant to ESAR Plan 2021 is provided in the Directors' Report forming part of this Annual Report.

**Plant Location:** None

#### Address for Correspondence

All Members' correspondence should be forwarded to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company or to the Secretarial Department at the Corporate Office of the Company at the addresses mentioned below.

Link Intime India Private Limited  
(Unit Allcargo Gati Limited)  
C -101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083  
Maharashtra  
Toll-free No.: 1800 1020 878  
Fax: 022 4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Allcargo Gati Limited  
Secretarial Department  
Western Pearl, 4<sup>th</sup> Floor, Survey No. 13(p), Kondapur Hyderabad,  
Rangareddi – 500084, Telangana, India.  
Tel: 040 7120 4284  
E-mail: [investor.services@gati.com](mailto:investor.services@gati.com)  
Website: [www.gati.com](http://www.gati.com)

#### SEBI Complaints Redress System (SCORES):

The investors' complaints are also being processed through the centralized web based complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints and uploading online action taken reports by the Company. Through SCORES the investors can view online the action taken and current status of the complaints.

#### Declaration

As provided under Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2024.

For Allcargo **Gati Limited**  
(Formerly known as "Gati Limited")

**Shashi Kiran Shetty**  
Chairman & Managing Director  
DIN: 00012754

Place: Mumbai  
Date: August 02, 2024

## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Allcargo Gati Limited**  
(Formerly Gati Limited)

4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina,  
Santacruz, East Mumbai, Vidyanagari, Mumbai, Maharashtra, India - 400098.

We have examined the relevant records relating to compliance of conditions of Corporate Governance by Allcargo Gati Limited (Formerly Gati Limited) ("the Company"), for the year ended 31<sup>st</sup> March, 2024, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the year ended 31<sup>st</sup> March, 2024.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations, as applicable.

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

For **Puttaparthi Jagannatham & Co.**

Company Secretaries

Sd/-

**CS Navajyoth Puttaparthi**

Partner

FCS No: 9896; C P No: 16041

Peer Review Certificate No. 1158/2021

UDIN: F009896F000381366

Place: Hyderabad

Date: 16<sup>th</sup> May, 2024

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India

(Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Regulation 34(3) of the said Listing Regulations).

To  
The Members of  
**Allcargo Gati Limited**  
(Formerly Gati Limited)

4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz, East Mumbai,  
Vidyanagari, Mumbai, Maharashtra, India - 400098.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Allcargo Gati Limited (Formerly Gati Limited), having CIN L63011MH1995PLC420155 and its registered office at 4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz, East Mumbai, Vidyanagari, Mumbai, Maharashtra, India - 400098, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Shashi Kiran Janardhan Shetty	00012754	04/02/2020
2	Kaiwan Dossabhoy Kalyaniwalla	00060776	04/02/2020
3	Dinesh Kumar Lal	00037142	03/07/2020
4	Nilesh Shivji Vikamsey	00031213	05/02/2021
5	Pirojshaw Aspi Sarkari	00820860	09/06/2023
6	Dang Mohoni Vinita	01919140	05/06/2023
7	Hetal Madhukant Gandhi	00106895	09/06/2023
8	Ravi Jakhar	02188690	09/06/2023

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Puttaparthi Jagannatham & Co.**  
Company Secretaries  
Sd/-

**CS Navajyoth Puttaparthi**  
Partner

FCS No: 9896; C P No: 16041  
Peer Review Certificate No. 1158/2021  
UDIN: F009896F000381344

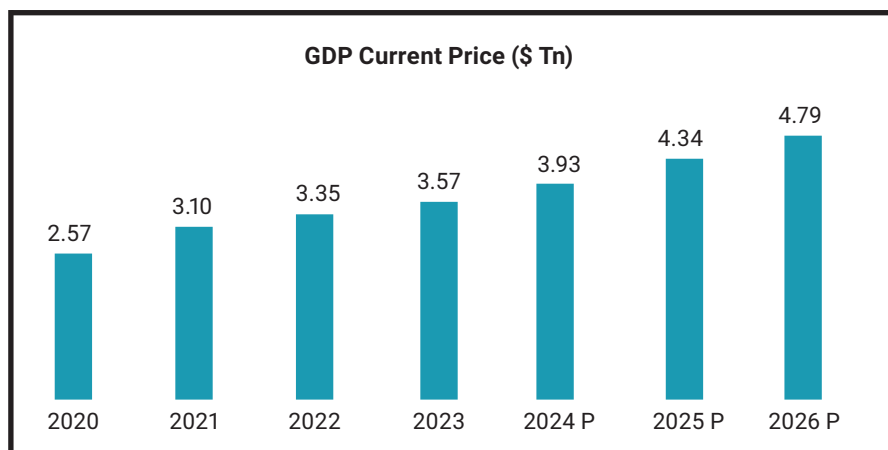
Place: Hyderabad  
Date: 16<sup>th</sup> May, 2024

# Management Discussion and Analysis Report

## Indian Economy:

India is touted as a bright spot in the global economy. During the year 2023, India surpassed United Kingdom to become the fifth largest economy and also had the opportunity to host the G20 summit. As per the International Monetary Fund, India is likely to become the world's fourth largest economy by 2025 by surpassing Japan. The IMF also expects India to overtake

Germany and become the third largest economy by 2027. India has also emerged as an attractive investment destination on account of government's thrust on sectors like infrastructure, manufacturing, logistics and focus on technology. These government initiatives have not only helped instil confidence in the country's capabilities but have also paved the way for its promising future.



The International Monetary Fund has projected India's economy to grow at 6.8 percent in financial year 2025 and 6.5 percent in financial year 2026, this is in stark contrast to the projected global growth. India's growth is expected to come on the back of resilient domestic demand and private sector CAPEX which is expected to take over from government CAPEX. Overall manufacturing activity continues to remain buoyant in India, the manufacturing Purchasing Managers Index (PMI) touch a sixteen year high in March 2024. During the financial year 2024 India's merchandise exports declined, however trade deficit improved by 35.7 percent as compared to financial year 2023. Overall exports (merchandise and services) reached \$776.68 billion representing a marginal increase as compared to last year. This growth in overall exports has come despite global headwinds. During the financial year 2024 Goods and Service Tax collection saw an increase of 11.7 percent and stood at ₹ 20.14 lakh crore as compared to last year, thus signifying strong economic activity.

While the global economic recovery is expected to remain steady and slow, India will continue to gallop on its path to growth. Government initiatives to boost manufacturing and infrastructure, strong domestic consumption, and investments by private sector augurs well for economic growth in India. Consumer price inflation in India is expected to decline from an average of 5.4 percent in financial year 2024 to 4.6 percent in financial year 2025 and 4.2 percent in financial year 2026.

## Indian Logistics Sector:

India is one of the fastest growing economies in the world today. This growth is anticipated on the back of India becoming one of the largest manufacturing and consumption hub globally. This signifies robust economic activity and job creation and will

enable India to become one of the top three economies during this decade. It has also led to India being a preferred investment destination. This economic growth and wide consumption base in India will act as a tailwind for the growth of logistics sector too.

Over the years, the Indian logistics sector has evolved too, it has come a long way from being a labour-intensive industry to being one where technology plays a pivotal role. In fact, during the year 2023, India was ranked 38<sup>th</sup> out of 139 countries in the world bank's logistics performance index (LPI). India's ranking improved from 44 to 38 between 2018 to 2023. This improvement in the ranking has come on the back of various government initiatives to boost infrastructure, manufacturing, and on the back of technological advancements in the logistics sector.

The logistics cost in India is estimated to be around 12 percent of GDP. In the Indian logistics landscape road transportation dominates the freight movement with its share in freight movement being estimated at 66 percent. Rail movement is considered to be cheaper and is mainly used to transport bulk goods over long distances. In the interim budget announced by the finance minister during February 2024, the logistics sector has got a major boost. The government has allocated ₹ 11.00 lakh crores, it plans to set up three major economic railway corridors under the PM Gati Shakti for enabling multi modal connectivity.

With India poised to become one of the leading economies in the world, logistics as a sector is bound to play an important role as economic growth is always coupled with growth of logistics sector. The logistics landscape in India has undergone

significant changes like implementation of GST, e-invoicing, improvement in infrastructure and digitisation.

Few factors that will drive the growth of logistics in India are:

- 1) Infrastructure development:** Under which the government is providing a physical framework for enabling movement of goods across the country. According to the Ministry of Road Transport and Highways of India, National Highway network has increased to 1,46,145 km in year 2023 from 91,287 km in year 2014.
- 2) PM Gati Shakti:** Under this the government plans to facilitate multi modal connectivity. Even during the recent interim budget the government has announced three economic railway corridors. Energy, mineral and cement corridors; port connectivity corridors; and high traffic density corridors.
- 3) Manufacturing:** There is thrust by the government to boost manufacturing in India, it aims to increase the contribution of manufacturing to India's GDP from 17 percent currently to 25 percent by 2025. Various schemes such as the Production Linked Incentive (PLI) scheme and Atmanirbhar Bharat have been announced to support this goal. Technology is also bound to play an important role in supporting logistics. It will help in improving efficiency and providing visibility of shipments.
- 4) Foreign Trade Policy:** The government in its foreign trade policy 2021- 26 is focusing on establishment of a mechanism that will boost exports and increase import screening to protect manufacturers.

### Express Logistics:

Express Logistics is a logistics solution that caters to time definite delivery needs. It adds value to the customers supply chain by providing convenience in pick-up and delivery, time-bound delivery, reliability of service, safety and security of consignments, track and trace of consignments, proof of delivery, and call centre support. The Indian express logistics market which comprises of domestic and international B2B surface express, B2B air express, B2C (e-commerce) and document movement is estimated to be more than \$7 billion per annum. Historically, the express logistics market has grown 2x the GDP growth, however in the last few years the growth has come at a faster rate due to sharp growth in the e-commerce logistics.

### Key demand drivers for growth of organised express logistics players in India:

**Manufacturing Activity & Economic Growth:** The Indian economy is touted to be a bright spot in the global economy. This is bound to come on the back of growth in manufacturing activity in India. The government, with an objective to boost manufacturing has come up with initiatives like Make in India

and production linked incentive. This increased manufacturing and economic augurs well for growth of express logistics in India.

**Increased Customer Expectations:** With change in consumer consumption behaviour, the need for faster, time definite and damage free transport of goods has increased. Manufacturers are now compelled to deliver faster, this is a positive thrust for express logistics.

**Growth of MSME/SME:** With support for manufacturing and demand for goods, the MSME and SME manufacturers are also looking to expand their business pan India. Lot of these small businesses depend on unorganized logistics players to fulfil their needs which will shift to organized express players.

**Technology Adoption:** With the growth of IT and IT systems, businesses are on the lookout to work with partners who have a tech driven approach and can provide a better interface. They also prefer partners who can make use of data analytics and help with supply chain bottlenecks. Organized express logistics players have always been early adopters of technology which will act as a tailwind for their growth.

**Growth in E-commerce:** The growth of internet penetration and digital payments infrastructure has fuelled the growth of e-commerce penetration in the country. The market size of e-commerce is projected to cross 10 billion shipments per year by financial year 2028 from 4 billion shipments in financial year 2023.

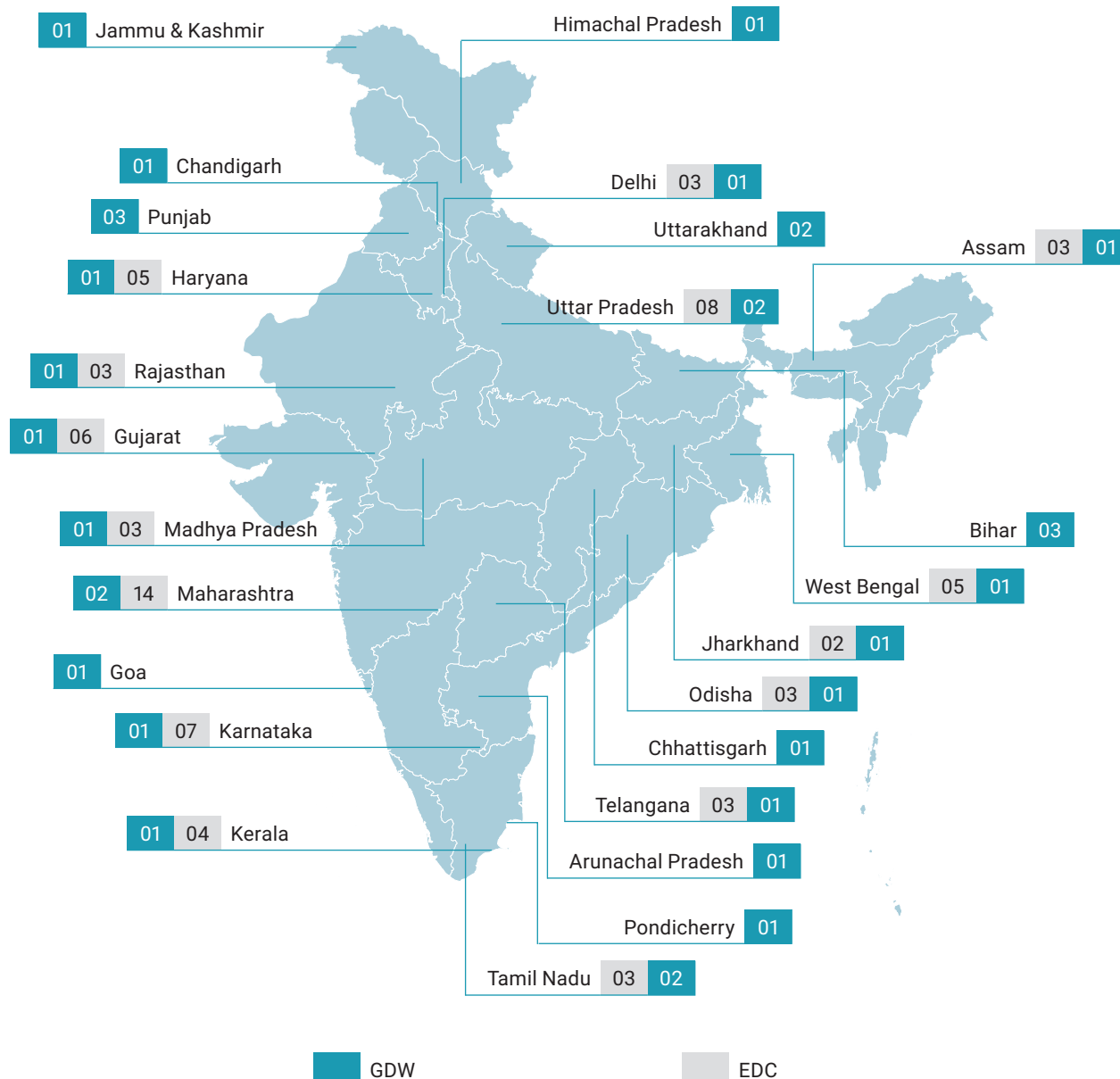
**Regulatory Changes and Infrastructure Growth:** Regulatory initiatives like GST, e-waybill, e-invoicing has not only pushed for adopting a structured process but also eradicated delays and malpractices. This coupled with growth of infrastructure through projects like Dedicated Freight Corridor (DFC) and PM Gati Shakti has laid the groundwork for better transportation services and push for adoption of express logistics.

### Allcargo Gati:

Allcargo Gati was incorporated in 1995 and is one of India's oldest and leading B2B express logistics player. The company provides express logistics solutions to its clients which include surface distribution, air freight and supply chain management solutions. The company has a strong pan-India network to carry out its operations, it covers 99 percent of government approved pin codes.

As of 30<sup>th</sup> April, 2024 we operate 657 Operating Units (OUs) comprising of 22 Surface Transit Centres (STCs), 8 Air Transit Centres (ATCs), 18 Express Distribution Centres (EDCs), 94 Gati Distribution Warehouse (GDWs), 129 Customer Convenience Centres - Owned (CCCOs), and 386 Customer Convenience Centres - Franchise (CCCFs) across India.





The company is a part of the Allcargo Group, which takes pride in being a logistics conglomerate providing end to end logistics solutions to its customers. During the financial year, a scheme of arrangement involving Allcargo Logistics and Allcargo Gati was announced which was approved by the board. As per the scheme the International Supply Chain business of Allcargo Logistics Limited will be demerged into Allcargo ECU Limited. It will be a mirror demerger. On the domestic supply chain side, the contract logistics business and the express business is operated under Allcargo Supply Chain Pvt Ltd and Gati Express & Supply Chain Private Limited respectively. Going forward the subsidiary structure will collapse, and both these businesses will be merged into the demerged Allcargo Logistics Ltd.

Post completion of the scheme, we will focus on the domestic side of the business and will be one of the first companies in India that will cater to the supply chain as well as transportation needs of businesses.

During the financial year 2024, the company achieved a milestone of attaining its highest ever express volume. This is a culmination of the company's new and improved infrastructure, improved service quality and sales acceleration initiatives.

Post Allcargo Logistics Ltd acquiring the company in 2020, Allcargo Gati had embarked on its journey on the pillars it had laid down. These pillars had a strategy to focus on development of infrastructure, Digitalisation, Sales Acceleration, Improving Operations and building a robust team. Over these years the management has taken huge strides in each of the mentioned pillars that has led to sustainable growth for the company. During the year, the company applied for a change of name which was approved by the exchanges, your company is now renamed as "Allcargo Gati Ltd" With a strong brand name like Allcargo getting attached to a well-recognized brand like Gati, it is bound to gain confidence of all stakeholders.

### Driving Digital Transformation and Innovation

As part of our ongoing commitment to building an organization with a digital heart, we have embarked on a journey to modernize and digitally transform our IT landscape. This transformation encompasses our core ERP application, Financial System, Procurement & Vendor Management, and other key applications, positioning us to stay ahead in a rapidly evolving market.

At the core of this transformation, our ERP system is being revamped into a more agile, cloud-based platform, utilizing the latest technology stack. This upgrade is designed to enhance customer experience and streamline business operations, ensuring ease of doing business. By incorporating artificial intelligence and machine learning, the system will automate routine tasks, driving efficiency and innovation across the organization.

To further strengthen our financial management, we have selected an industry-leading financial ERP system, which is slated to go live on April 1, 2024. This system will enable us to achieve better revenue management, cost control, and financial oversight, contributing to the overall health and sustainability of our business.

In our pursuit of cost control, operational excellence, and enhanced productivity, we continue to invest in in-house innovation. A prime example of this is the deployment of dimensional weighing and scanning machines at our mega hubs. These advanced machines help mitigate revenue loss by ensuring accurate measurement of dimensions and weight. Additional initiatives include the introduction of digital dockets for retail and MSME customers, digital onboarding processes for MSMEs, and the integration of telematics to track pickups and deliveries. These measures are designed to unlock significant value for our customers.

Collectively, these initiatives are expected to significantly enhance service quality, increase operational visibility, and ultimately drive higher levels of customer satisfaction.

### Infrastructure and Operations:

The company has completed Phase one of its infrastructure amplification. With this the company now has six super hubs operational across locations like Delhi (Farukhnagar), Mumbai, Bengaluru, Nagpur, Guwahati and Indore. These hubs have helped improve capacity and made the company future ready. The physical infrastructure combined with digital infrastructure will enable the company to become a powerhouse in the domestic express business. The newly developed infrastructure also has an impact on the operations since it enables faster loading and unloading, higher productivity, faster turnaround time, and improved load factor.

On the operations front there is focus on data analytics for data driven decision making. During the year, the company also embarked on a nationwide program to train Gati associates. In phase one of the training conducted 738 out of the 3,000 associates were trained. There is immense pride on sharing that with the infrastructure in place and focus on operations the service parameters of the company have improved significantly and are now at par with the best in the business.

### Sales Acceleration:

Our sales acceleration initiatives has enabled the company to deliver a robust performance during the year. The company has recorded its highest ever express business volume. The idea is to obtain an optimal sales mix between key accounts, MSME and Retail clients. During the year, the management has set up an inside sales team to cater to the MSME clients, this team will aim to provide the right support at the right time to these clients. Regional key account managers have also been appointed to promote faster resolution of queries. Other initiatives like a re-designed SME incentive structure and digital onboarding of MSME clients are also in place.

The key focus of our sales acceleration initiatives continues to remain client retention, increasing wallet share and identifying opportunities in new markets. Our dedicated sales force plays an important role in identifying opportunities in new territories.

### Team:

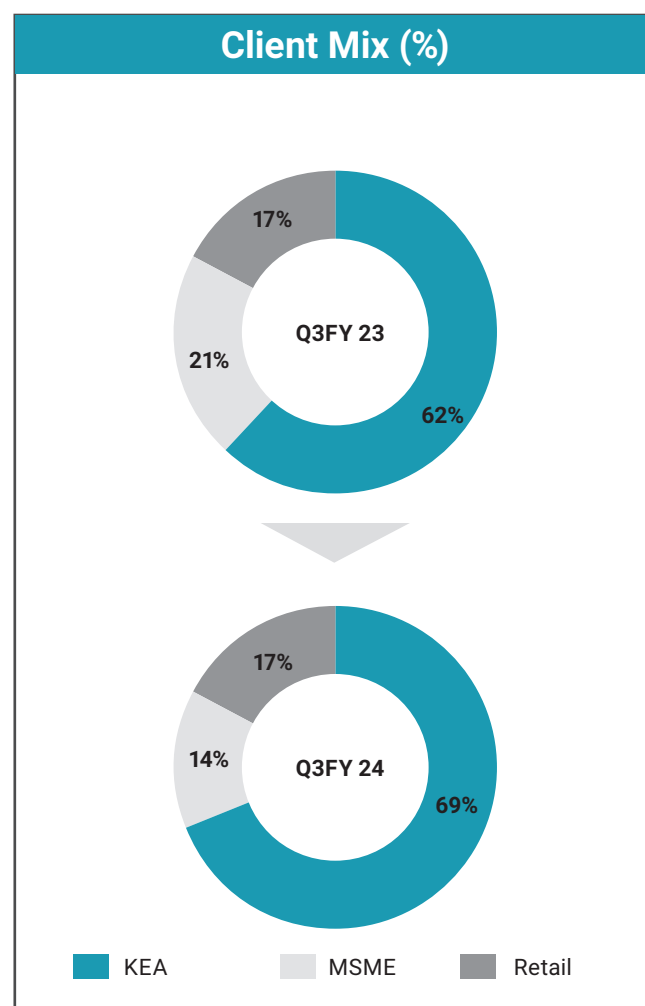
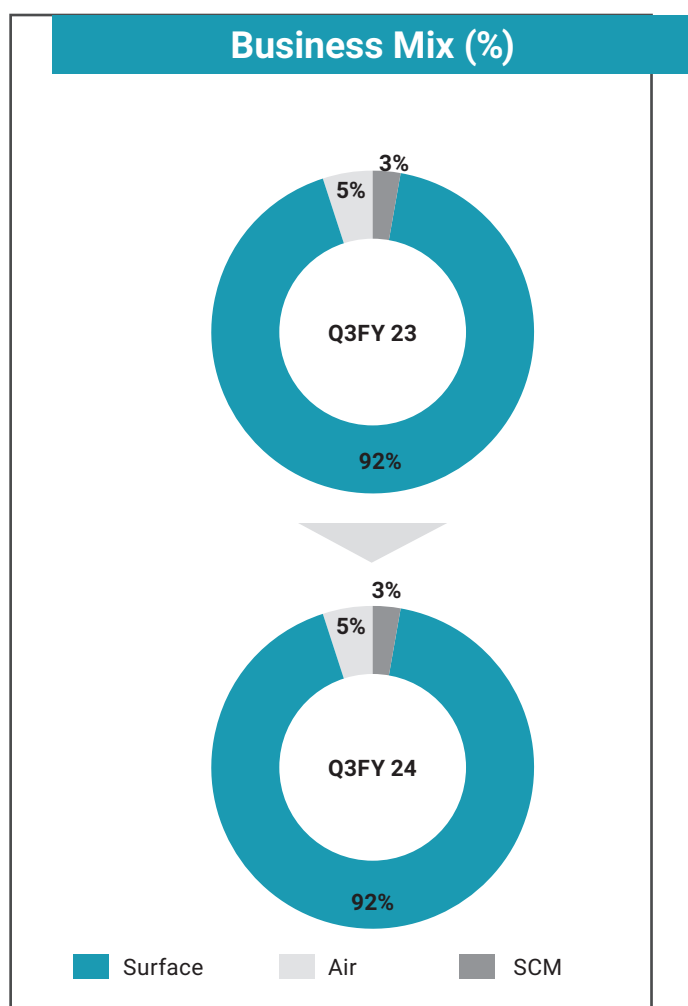
The company has identified and hired for required positions. During the year, the team was strengthened by addition of Mr. Sandeep Kulkarni who joined as the Chief Operating Officer and Mr. Uday Sharma who joined as the Chief Commercial Officer. Sandeep has over two decades of diversified experience, he has served in the Indian Navy. His corporate experience has been into Marketing, Corporate Strategy and Head of operations in fulfillment center. He led roles of P&L and Chief Supply Chain officer in his previous stints. Uday is a logistics and supply chain veteran with over two decades of experience in this field. Before joining Gati, Uday handled sales at various logistics organisations, including Delhivery, Spoton Logistics, Safe Express, and Aramex, among others.

### Human resources:

At Allcargo Gati, human capital is given utmost importance. The focus is on creating an enriching environment for the employees, where there are opportunities for growth and inclusive development. The organisation had initiated project NEEV which is based on the principles of inclusion, empowerment, and unity in variety. The objective is to have inclusive participation across all locations of the organization. During the financial year 2024, there was special focus on employee development framework at all levels. Initiatives like customer service program, operations training program, sales training program and business specific need-based program was carried out. HR is a key enabler for organizational growth and continues to engage with employees and address their grievances, if any.

### Financial Performance:

During the year under review, at a consolidated level, Allcargo Gati achieved a revenue of ₹ 1,698 crores against ₹ 1,723 crores for the previous year. Majority of the revenue for our company comes from the express logistics business housed under GESPL that clocked revenue of ₹ 1,479 crores as against ₹ 1,469 crores in the previous year. This was driven by total volumes (GESPL: surface plus air express) growing 10 percent YoY, improving to 1,249 kt from 1,133 kt. Around 92 percent of GESPL revenue came from the surface express business, followed by 5 percent from air express. In terms of client mix, 71 percent of GESPL sales were driven by KEAs (Key Enterprise Accounts), 14 percent by MSMEs and 15 percent by Retail accounts.



#### Financial Ratios:

Particulars	FY2022 – 23	FY2023 – 24
Debtors Turnover	4.76	4.42
Interest Coverage	1.15	2.11
Current Ratio	1.19	1.20
Debt Equity Ratio	0.18	0.21
Operating Profit Margin (%)	5.39	3.73
Net Profit Margin (%)	-0.63	0.36
Return on Equity (%)	-0.05	0.02

**Debtors Turnover:** The decrease in debtors turnover ratio is due to increase in average debtors as well as decline in the revenue.

**Interest Coverage Ratio:** Decrease in the Interest coverage ratio is mainly due to lower EBITDA margins on account of decline in gross profit margin compared to previous year.

**Current Ratio:** The improvement in the current ratio is due to the relinquishment of the corporate guarantee related to the IDFC matter and the profitable disposal of non-core properties compared to their carrying value.

**Debt Equity Ratio:** Improvement in debt equity ratio is primarily driven by increase in total Equity on account of profit added

during the year, reserves created against ESARs and issuance of shares against the ESARs.

**Operating Profit Margin:** The lower operating profit margin resulted from increased operating costs due to higher volumes coupled with lower realized yield compared to the previous year.

**Net Profit Margin:** Higher net profit margins are mainly driven by exceptional items and deferred tax asset creation during the year.

**Return on Equity:** The improved return on equity is due to higher net income generated during the year.

#### Risks & Concerns:

The financial and related risks have been comprehensively covered in the Annual Accounts of the company together with the mitigation strategy of the same. The present and anticipated future risks are reviewed by the management of the company at regular intervals. The management takes suitable preventive steps and measures to adequately safeguard the company's resources of tangible and intangible assets. For more detailed information regarding Financial Performance of the company you may refer Director's Report forming part of this Annual Report.

# Business Responsibility and Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

S. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Company	L63011MH1995PLC420155
2	Name of the Company	Allcargo Gati Limited ("Gati")
3	Year of incorporation	25 <sup>th</sup> April 1995
4	Registered office address	4 <sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz (East) Mumbai, Maharashtra, India, 400098
5	Corporate address	Western Pearl, 4 <sup>th</sup> Floor, Survey No. 13(p), Kondapur, Hyderabad, Rangareddi - 500084, Telangana, India.
6	E-mail	<a href="mailto:investor.services@allcargologistics.com">investor.services@allcargologistics.com</a>
7	Telephone	+91 40 7120 4284, +91 22 66798100
8	Website	<a href="http://www.gati.com">www.gati.com</a>
9	Financial year for which reporting is being done	April 1, 2023 to March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 26,05,04,054
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms. T.S. Maharani Contact: 040 7120 4284 Email Id: <a href="mailto:maharani.ts@allcargologistics.com">maharani.ts@allcargologistics.com</a>
13	Reporting boundary	Consolidated basis
14	Whether the company has undertaken reasonable assurance of the BRSR Core	No
15	Name of assurance provider	Not Applicable
16	Type of assurance obtained	Not Applicable

### II. Products/services

#### 17. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Express Logistics	Surface & Air Transport	87%
2	Fuel Stations	Distribution of Fuel in partnership with HPCL & Indian Oil	13%

#### 18. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Express Logistics	522, 521, 512, 492	87%
2	Fuel Stations	473	13%

### III. Operations

#### 19. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA	170+	170+
International	NA	0	0

#### 20. Markets served by the entity:

##### a. Number of locations

Locations	Number
National (No. of States)	35
International (No. of Countries)	1

b. What is the contribution of exports as a percentage of the total turnover of the entity? – Gati is not involved in any export business and operates only in India.

c. A brief on types of customers

Our customer base comprises of businesses, MSMEs, individual customers, retailers, wholesalers among others.

#### IV. Employees

##### 21. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (C)	% (C / A)
<b>Employees</b>								
1.	Permanent (D)	2,735	2,400	87.75%	335	12.25%	0	0
2.	Other than Permanent (E)	0	0	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	2,735	2,400	87.75%	335	12.25%	0	0
<b>Workers</b>								
4.	Permanent (F)	0	0	0	0	0	0	0
5.	Other than Permanent (G)	667	574	86.05%	93	13.95%	0	0
6.	<b>Total workers (F + G)</b>	667	574	86.05%	93	13.95%	0	0

b. Differently-abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>								
1.	Permanent (D)	10	9	90%	1	10%	0	0
2.	Other than Permanent (E)	0	0	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	10	9	90%	1	10%	0	0
<b>DIFFERENTLY ABLED WORKERS</b>								
4.	Permanent (F)	0	0	0%	0	0%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%	0	0%
6.	<b>Total workers (F + G)</b>	0	0	0%	0	0%	0	0%

##### 22. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	16	2	12.5%
Key Management Personnel	4	1	25%

Note: Board of Directors and Key Managerial Personnel (KMP) composition is provided on a consolidated basis that includes Subsidiary Board / KMPs of the Company.

##### 23. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24				FY 2022-23				FY 2022-21			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	6%	5%	0%	6%	18%	19%	0%	18%	29%	34%	0%	29%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: NA = Not Applicable

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 24. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Allcargo Logistics Limited	Holding	50.16	Yes
2	Gati Express & Supply Chain Private Limited	Subsidiary	70	Yes
3	Gati Logistics Parks Private Limited	Subsidiary	100	Yes
4	Gati Import Export Trading Limited	Subsidiary	100	Yes
5	Gati Projects Private Limited	Subsidiary	100	Yes
6	Zen Cargo Movers Private Limited	Subsidiary	100	Yes
7	Gati Ship Limited	Associate	47.95	Yes

## VI. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:	No
(ii) Turnover (in ₹):	17,09,50,00,000
(iii) Net worth (in ₹):	7,00,14,00,000

## VII. Transparency and Disclosures Compliances

### 26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Local Communities	Yes, Stakeholder	0	0	NA	0	0	NA
Investors (other than shareholders)	Engagement Policy	0	0	NA	0	0	NA
Shareholders	Grievances can be sent to through our Gati Vigil Mechanism Policy	13	0	NA	12	0	NA
Employees and Workers	which contains Whistle Blower Procedures	0	0	NA	0	0	NA
Customers	( <a href="https://www.gati.com/wp-content/uploads/2022/08/Gati-Whistle-Blower-Policy.pdf">https://www.gati.com/wp-content/uploads/2022/08/Gati-Whistle-Blower-Policy.pdf</a> )	15	69	The matters filed against Allcargo Gati Limited are previous to takeover in 2019	15*	25**	Pending adjudication for hearing in the consumer court.
Value Chain Partners / Suppliers		0	0	NA	0	0	NA

Note: \* Consumer Complaints received from appropriate court of law/consumer forums

\*\* The number includes complaints pending from previous years of reporting

## 27. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1.	Energy	Opportunity	As a logistics company, efficient energy management is crucial to ensure that we reduce our dependency on non-renewable energy sources and transition to options such as green fuels and route optimization. While adopting better technology to reduce our energy consumption can have a significant initial investment, this will ensure transition to cleaner fuels and reduce emissions in the process.	-	Positive implications
2.	Energy	Risk	<ul style="list-style-type: none"> <li>Transitioning towards renewable sources of energy such as solar, wind or green hydrogen comes with a significant investment.</li> <li>Further, appropriate infrastructure for Alternate Fuel Vehicles (AFVs), including Electric Vehicles (EVs) may not be available in remote locations.</li> <li>We are largely dependent on our business vendors such as business associates for being able to transition towards alternate energy sources.</li> </ul>	<ul style="list-style-type: none"> <li>Gati is investing in solar plant installations on an OpEx model, thus reducing the initial cost of capital.</li> <li>Gati is currently focusing on geographies that has infrastructure to adopt Alternate Fuel Vehicles (AFVs), including EVs with ease and will slowly expand over other geographies depending upon availability.</li> </ul>	Negative implications
3.	Emissions	Risk	The principal source of emissions for Gati is its road transportation segment which it operates via third-party business partners. Additionally non-management of emissions can lead to damage of Gati's brand value and reputation.	Gati is working with third-party aggregators to include alternate fuel vehicles, including EVs, CNG and LNG vehicles in the first and last mile delivery segment.	Negative implications
4.	Occupational Health and Safety	Risk	As a logistics company, Gati is also exposed to the risk of road accidents which can lead to permanent injuries or loss of life. Unsafe working conditions can lead to work-related injuries. Failure to meet regulatory requirements can also lead to heavy penalization.	Gati has a Health and Safety Policy with a commitment to conducting business activities, with zero injury to employees, sub-contractors and third-party organizations.	Negative implications
5.	Diversity, Equity and Inclusion	Opportunity	Bias and discrimination at work hinders healthy professional relationships and can hamper professional development. The physical work environment and geographic locations of the industry can increase entrance of individuals with diverse backgrounds/ geographies also increasing inclusion of women in the workforce, thus providing access to a wider talent pool.	-	Positive implications

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
6.	Labour Practice and Human Rights	Risk	Human rights violations and abuses can adversely impact employees and contractual labourers and bears a risk of litigation. Such violations can also cause reputational damage to the company.	Gati has a Human Rights Policy with commitments such as zero tolerance towards human trafficking, child labour, and forced labour, freedom of association, discrimination among others. A formal grievance redressal mechanism is set in place wherein all employees and contractual workers can report any grievances to the CHRO of the company on <a href="mailto:mehernosh.mehta@allcargologistics.com">mehernosh.mehta@allcargologistics.com</a>	Negative Implications
7.	Community Development	Opportunity	Community development is essential for obtaining a social license to operate. Gati's presence is widespread with operations all over India and thus can impact many communities. Corporate social responsibility can also lead to increased investor interest and brand value recognition.	-	Positive implications
8.	Customer Satisfaction	Opportunity	Providing sustainable logistics solutions can attract and retain customers as many commercial customers are looking for ways to make their supply chain sustainable. Ensuring that customer grievances and feedbacks are redressed which can boost customer loyalty and increase retention.	-	Positive Implication
9.	Corporate Governance	Opportunity	Ensuring good governance and transparent practices can help securing stakeholder interest, a higher reputation, reduced risks and improved financial performance.	-	Positive Implications
10.	Cybersecurity	Risk	Data breaches and cybersecurity threats have increased over the past decade. With cloud computing and online marketplace and payments, maintaining the privacy of customer or employee data is crucial for Gati. Cyber-attacks can have several impacts on the functioning of the organisation such as operational cost and reputational damage.	Gati has a Cybersecurity policy and is ISO 27001:2022 certified to ensure utmost compliance and better customer data privacy. Compliance to such high standards of cybersecurity has helped us achieve a high rating in our third-party IT audit from BitSight with a score of 770.	Negative Implications
11.	Sustainable Supply Chain	Opportunity	Adopting a sustainable supply chain can help minimise supply disruption risks and emerging regulatory risks. Ensuring that suppliers also meet Gati's ESG expectations can contribute to supporting local businesses, reduce implied environmental impacts, and promote good governance.	-	Positive Implications



Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
12.	Supply chain disruptions	Risk	Disruptions in the supply chain can further hamper processes and create a ripple effect throughout Gati's value chain. Such disruptions can also delay deliveries and damage brand reputation subsequently leading to financial losses.	Gati has established a Supplier Code of Conduct including coverage of human rights, environmental performance, community development, business ethics and transparency and whistleblowing. Gati has also adopted a sustainable procurement policy for its suppliers with guidelines to procure from sustainable and local sources.	Negative Implications

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9										
Policy and Management Processes																			
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
	c. Web Link of the Policies, if available	<b>P1</b>	- Sustainable Procurement Policy	<b>P2</b>	- Anti-trust and Anti-competitive Policy Code of Conduct Corporate Tax Governance Policy	<b>P3</b>	- Human Rights Policy Health and Safety Policy Anti-Harassment and Anti-Discrimination Policy Board Diversity Policy	<b>P4</b>	- Stakeholder Engagement Policy Supplier Code of Conduct	<b>P5</b>	- Human Rights Policy Anti-Harassment and Anti-Discrimination Policy	<b>P6</b>	- Environment Policy Supplier Code of Conduct	<b>P7</b>	- Corporate Tax Governance Policy	<b>P8</b>	- Stakeholder Engagement Policy CSR Policy	<b>P9</b>	- Information Security and Cybersecurity Policy
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
4	Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Policies are compiled keeping in mind the different global standards including that of the United Nations, International Labour Organisation and various ISO standards.																	

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> <li>Achieve Carbon Neutrality by 2040</li> <li>100% transition to renewable sources for electricity consumption at all owned facilities by 2040</li> <li>40% gender diversity in junior and middle management by 2040</li> <li>30% gender diversity in the top management</li> <li>Zero cases of data and cybersecurity breaches through timely resolution of cyber incidents, if any</li> <li>Maintain zero instances of noncompliance with regulatory requirements year-on-year</li> <li>Committed to making a safer workplace for all our employees and workers</li> <li>Committed to multiple United Nations Sustainable Development Goals - SDG 3, 4, 11, and 14 to benefit community growth</li> <li>Continue to ensure Zero employment of child and forced labour</li> <li>Continue to ensure Zero instances of human rights violation</li> </ul>								
6 Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Gati has set goals & targets last year and we will be tracking performance on the said policies in the upcoming year								

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

### Governance, leadership and oversight

#### 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

The purpose of our business is to dedicatedly serve to ensure stakeholder delight and influence the environment and society at large with our good work, as we abide by our values that form the cornerstone of our business strategies, decisions, and activities. We are committed to this roadmap as we seek to grow sustainably and deliver logistics solutions with excellence, again and again, with a lot more rigor and enthusiasm as the days pass. Please refer to page XX for the Chairman's / MD's speech.

- |   |  |
|---|--|
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | Pirojshaw Sarkari, Managing Director & CEO – GESCPL (Material Subsidiary Company)                                  |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | The Company is working on creating a Sustainability committee in the coming years that will drive ESG initiatives. |

#### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board of Directors									Annually								
Description of other committee for performance against above policies and follow up action	Refer to Page XX of Annual Report indicating Board level Committee details									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Board of Directors									Annually								
Description of other committee for compliance with statutory requirements of relevance to the principles and rectification	Refer to Page XX of Annual Report indicating Board level Committee details									Annually								

#### 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency

	P1	P2	P3	P4	P5	P6	P7	P8	P9
No	No								

#### 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	P1 - P9	100%
Key Managerial Personnel	9	P1 - P9	100%
Employees other than BoD and KMPs	74	P1 - P9	100%
Workers	NA*	Warehouse safety, defensive driving, fire drills, behavioral conduct, code of conduct	NA

Note: \*Gati conducts various trainings for its workers on topics such as warehouse safety, defensive driving, fire drills, behavioral conduct, code of conduct trainings among others. However, Gati is currently not capturing the number of trainings provided at all its locations and is in the process of setting up mechanisms to capture such trainings.

NA = Not Available

#### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Particulars	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	0	NA	No
Settlement	NA	NA	0	NA	No
Compounding fee	NA	NA	0	NA	No

Particulars	Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	0	NA	No
Punishment	NA	NA	0	NA	No

Note: NA = Not Applicable

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Gati does not have any cases of monetary or non-monetary fines or penalties for the reporting year

#### 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, anti-corruption and anti-bribery aspects are covered as a part of Gati's Code of Conduct - Ethics Transparency and Accountability Policy. Gati has zero tolerance against any cases and instances of corruption, bribery, extortion or malpresentation of financial statements. All of Gati's employees, in their individual capacity or while representing the Company, are strictly prohibited from engaging in any form of corruption or giving or accepting any kind of bribe, kickbacks or facilitation payments, directly or indirectly. None of Gati's employees shall indulge in giving or receiving extravagant, lavish or uncustomary gifts to government or public authorities, during or after business hours. In the situation that accepting a bribe results in it bearing a direct threat to their lives, Employees should immediately inform their immediate manager or write to Head - Internal Audit, Risk & Compliance of the Company at [whistleblower@allcargologistics.com](mailto:whistleblower@allcargologistics.com). The web link to the policy is as follows: <https://www.gati.com/wp-content/uploads/2023/04/Code-of-Conduct-Ethics-Transparency-and-Accountability.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	None	0	None
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	None	0	None

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No corrective actions were taken as there were no cases on non-compliance.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

Metrics	FY 2023-24	FY 2022-23
(i) Accounts payable *365 in INR Lakh	32,26,235	34,72,975
(ii) Cost of goods/services procured in INR Lakh	1,32,964	1,30,734
(iii) Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured)	24	26

9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Particulars	Metrics	FY 2023-24	FY 2022-23	
Concentration of Purchases	a. (i) Purchases from trading houses	0	0	
	(ii) Total Purchases	0	0	
	(iii) Purchases from trading houses as % of total purchases	0	0	
	b. Number of trading houses where purchases are made from	0	0	
	c. (i) Purchases from top 10 trading houses	0	0	
	(ii) Total purchases from trading houses	0	0	
	(iii) Purchases from top 10 trading houses as % of total purchases from trading houses	0	0	
	Concentration of Sales	a. (i) Sales to dealers / distributors	2,59,39,25,747	2,46,05,96,833
		(ii) Total Sales	16,97,99,72,817	17,23,16,88,916
(iii) Sales to dealers / distributors as % of total sales		0.15	0.14	
b. Number of dealers / distributors to whom sales are made		403	392	
c. (i) Sales to top 10 dealers / distributors		66,01,42,610	63,70,72,855	
(ii) Total sales to dealers / distributors		2,59,39,25,747	2,46,05,96,832	
(iii) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		25%	26%	

Particulars	Metrics	FY 2023-24	FY 2022-23
Share of RPTs in	a. (i) Purchases (Purchases with related parties)	0	0
	(ii) Total Purchases	0	0
	(iii) Purchases (Purchases with related parties as % of Total Purchases)	0	0
	b. (i) Sales (Sales to related parties	7,72,00,000	17,69,00,000
	(ii) Total Sales	16,97,99,00,000	17,23,17,00,000
	(iii) Sales (Sales to related parties as a % of Total Sales)	0.5%	1%
	c. (i) Loans & advances (Loans & advances given to related parties	0	0
	(ii) Total loans & advances	0	0
	(iii) Loans & advances (Loans & advances given to related parties as a % of Total loans & advances)	0	0
	d. (i) Investments (Investments in related parties	0	0
	(ii) Total Investments made	0	0
	(iii) Investments (Investments in related parties as a % of Total Investments made)	0	0

### Leadership Indicators

#### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
0	None	0

Note: We have currently only carried out supplier ESG self-assessment via survey in FY 2024 furthermore we intend to assess performance, identify gaps & help in capacity building of our supplier going forward

#### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company expects its employees to avoid and disclose to the Company any situation that may appear as a conflict of interest and disclose to the Company if any of its official is having family or business relationship with an official or employee of the Company who can influence the performance, in whole or in part, of a Contract. Further, during the year, the company has taken a declaration from all employees disclosing Conflict of Interest, if any.

### PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

#### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	0	0	0
Capex	0	0	0

Note: Gati has invested in Solar energy projects and Electric Vehicles (EVs) on an OpEx model

#### 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Gati has implemented the Sustainable Procurement Policy. Suppliers are expected to follow Gati's ESG practices and fulfill sustainable procurement expectations such as compliance to laws and regulations, human rights issues, resource efficiency among others. Suppliers are also expected to source sustainably in their respective value chains.

#### b. If yes, what percentage of inputs were sourced sustainably?

Gati assesses its suppliers for sustainability and 20% of our suppliers were assessed for ESG

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste.

Not Applicable. Gati is a logistics company and does not manufacture any goods or services that can generate e-waste or hazardous waste.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility is not applicable to Gati as it is a logistics company.

#### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Gati has not conducted a Life Cycle Assessment of any of its services.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Gati has not conducted a Life Cycle Assessment of any of its services.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Gati is a logistics company and does not use any recycled or reused input material for manufacturing or in any of its services.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Gati is a logistics company and does not use any recycled or reused input material for manufacturing or in any of its services.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Gati is a logistics company and does not use any recycled or reused input material for manufacturing or in any of its services.

### PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

#### Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent Employees</b>											
Male	2,400	2,400	100%	2,400	100%	NA	0%	2,400	100%	NA	0%
Female	335	335	100%	335	100%	335	100%	NA	0%	0	0%
Other	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>2,735</b>	<b>2,735</b>	<b>100%</b>	<b>2,742</b>	<b>100%</b>	<b>335</b>	<b>100%</b>	<b>2,400</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>Other than permanent Employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

- b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent Workers</b>											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Other	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than permanent Workers</b>											
Male	574	574	100%	574	100%	0	0%	0	0%	0	0%
Female	93	93	100%	93	100%	0	0%	0	0%	0	0%
Other	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>667</b>	<b>667</b>	<b>100%</b>	<b>667</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 2023-24	FY 2022-23
Cost incurred on well-being measures	3,19,36,998	3,69,68,352
Total Revenue	17,09,50,00,000	17,46,04,00,000
Cost incurred on well-being measures as a % of total revenue of the company	0.2%	0.2%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	0	Yes	100%	0	Yes
Gratuity	100%	0	Yes	100%	0	Yes
ESI	100%	0	Yes	100%	0	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

Note: NA = Not Applicable

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Some of the Gati premises are designed/structured in manner to be made accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. The following steps have been undertaken to achieve this:

- Ramps for access to warehouses in a few locations
- Moving ahead all the new warehouses will be structured in a more inclusive manner to accommodate differently-abled employees, workers and visitors

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy?

Yes, Gati emphasizes on providing equal opportunities for its employees in the Anti-Discrimination Policy, POSH Policy and Human Rights Policy.

Web-link to the policies:

Anti-harassment or Anti-discrimination policy – HYPERLINK "<https://www.gati.com/wp-content/uploads/2023/04/Anti-Harassment-and-Anti-Discrimination-Policy.pdf>" Anti-Harassment-and-Anti-Discrimination-Policy.pdf (gati.com)

POSH Policy – HYPERLINK "<https://www.gati.com/wp-content/uploads/2023/06/POSH-POLICY.pdf>" POSH-POLICY.pdf (gati.com)

Human Rights policy – HYPERLINK "<https://www.gati.com/wp-content/uploads/2023/04/Human-Rights-Policy.pdf>" Human Rights Policy

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	72%	NA	NA
Female	100%	29%	NA	NA
Other	NA	NA	NA	NA
<b>Total</b>	<b>100%</b>	<b>69%</b>	<b>NA</b>	<b>NA</b>

Note: Retention Rate is computed based on how many employees availed parental leave, returned and continued for a period of 12 months.

NA = Not Applicable

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	<p>Yes, the organization has multiple platforms and practices available such as:</p> <p><b>1. Grievance Resolution Committee:</b>  A. Informal Stage: The employee should, at first instance, try resolving the grievance verbally with their Line managers/Centre Head. In cases of lack of satisfactory response, the grievance can be escalated to the Local Business HR. In absence of successful resolution of the grievance, a formal written complaint can be filed to Grievance Resolution Committee.  B. Formal Stage: In situations where the informal stage has been surpassed or there has been no successful resolution of the grievance received, the aggrieved employee may write to the email id mentioned here: <a href="mailto:employeefirst@allcargologistics.com">employeefirst@allcargologistics.com</a>  All emails written to this ID goes to Grievance Resolution Committee.  Grievance Resolution Committee and its role:  i. Zonal Committee chaired by Zonal HR head with cross functional team.  ii. Central Committee chaired by Head IR &amp; Compliance with cross functional team. Any investigation undertaken by the Committee shall be in accordance with the principles of natural justice and will be undertaken confidentially and as expeditiously as possible with great sensitivity.</p> <p><b>2. POSH Committee:</b>  The Prevention of Sexual Harassment (POSH) Committee has been set up to cater to employee concerns regarding any discriminatory / harassment cases irrespective of gender.</p> <p><b>3. Diversity &amp; Inclusion Committee:</b>  Diversity &amp; inclusion Committee available at every Zone across India. The committee conducts monthly DE&amp; I Structured meetings, and gender sensitization talks.</p> <p><b>4. One on One Discussion with Business HR</b>  The employees have the option to have a one-one discussion with their Business HR partner as well.</p>
Other than Permanent Employees	NA

Note: NA = Not Applicable

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Benefits	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>						
- Male	0	0	0%	0	0	0%
- Female	0	0	0%	0	0	0%
- Other	0	0	0%	0	0	0%
<b>Total Permanent Workers</b>						
- Male	0	0	0%	0	0	0%
- Female	0	0	0%	0	0	0%
- Other	0	0	0%	0	0	0%



## 8. Details of training given to employees and workers:

Category	FY April 1, 2023 to March 31, 2024					FY April 1, 2022 to March 31, 2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	2,400	2,400	100%	2,400	100%	2,822	1,570	56%	2,822	100%
Female	335	335	100%	335	100%	425	396	93%	425	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>2,735</b>	<b>2,735</b>	<b>100%</b>	<b>2,735</b>	<b>100%</b>	<b>3,247</b>	<b>1,966</b>	<b>61%</b>	<b>3,247</b>	<b>100%</b>
<b>Workers</b>										
Male	574	544	95%	544	95%	0	0	0	0	0
Female	93	88	95%	88	95%	0	0	0	0	0
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>667</b>	<b>632</b>	<b>95%</b>	<b>632</b>	<b>95%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 9. Details of performance and career development reviews of employees and worker:

Category	FY April 1, 2023 to March 31, 2024			FY April 1, 2022 to March 31, 2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	2,400	2,400	100%	2,822	2,705	95.9%
Female	335	335	100%	425	350	82.4%
Other	0	0	0%	0	0	0%
<b>Total</b>	<b>2,735</b>	<b>2,735</b>	<b>100%</b>	<b>3,247</b>	<b>3,055</b>	<b>94.1%</b>
<b>Workers</b>						
Male	574	0	0%	0	0	0%
Female	93	0	0%	0	0	0%
Other	0	0	0%	0	0	0%
<b>Total</b>	<b>667</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>

Note: As Gati's workers are all sourced from contractors, we do not have any performance and career development reviews for them.

## 10. Health and safety management system:

- a. *Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?*

Yes, Gati has implemented the Health and Safety Policy. Gati is cognizant of safety at all its locations and is in the process of implementing a holistic Occupational Health and Safety system in the next phase.

- b. *What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?*

Gati has a Health and Safety policy while safety trainings are conducted by location heads. To identify work-related hazards and assess the risks on a routine basis, we conduct toolbox meetings organized by safety marshals.

- c. *Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)*

Gati currently does not have a formal mechanism for incident reporting to report work-related hazards and is in the process of implementing a system for incident registration.

- d. *Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)*

Yes. The Company provides Group Term Life Insurance Policy to its employees as a part of non-occupational medical and healthcare services.

## 11. Details of safety related incidents, in the following format:

Particulars	Category	FY 2023-24	FY 2022-23
<b>Safety Incident/Number</b>			
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
		0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

Employee well-being programs/initiatives are conducted for all the employees and during FY 2023-24 the following well-being initiatives were undertaken:

- Women safety programs
- POSH & gender sensitization meetings as a part of DE&I initiative
- Road safety programs
- Women self-defense program
- Fire emergency training exit
- Zumba session
- Walkathon, diabetes & hypertension awareness program
- Eye check up camps
- General health check up
- Driver health check up
- Yoga at your desk

Additionally, the following trainings are provided for health and safety:

Type of Training	Frequency
Firefighting training	Monthly
Mock drills	Yearly
First Aid Training	Yearly
Restacker and Forklift safety training	Monthly

**13. Number of Complaints on the following made by employees and workers:**

Benefits	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

**14. Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0
Working Conditions	0

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The corrective action/s taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions include maintenance of a hygiene tracker which is updated by the Business HRs during their operating unit visits and discussion on the problem areas with the respective unit heads/in charges and through holding one on one discussion with the concerned stakeholders. This is usually followed by a monthly hygiene review with the P/L head of that respective zone in the presence of the respective Business HRs, the Zonal HR head & the BSG Leaders assigned to that territory to keep a track of the number of concerns received versus the number of concerns dealt with and closed.

GATI has implemented Hygiene Policy which ensures workplace cleanliness and basic amenities like availability of clean drinking water, proper sanitation facilities, etc.

The BSG team conducts OU visits on a monthly basis to ensure all the points under the hygiene policy are taken care of and a Hygiene tracker is maintained to create a Pan India visibility.

**Leadership Indicators**

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) and (B) Workers (Y/N):**

Yes, the Company covers all the employees and workers under Group Accident Policy, and Medclaim & Group Term Life Insurance Policy for all employees.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Supplier Code of Conduct incorporates clauses concerning human rights, including but not limited to minimum wages, working hours, and freedom of association. Each partner within the value chain is required to endorse the Supplier Code of Conduct and adhere to its provisions. We utilize services of external agency to monitor monthly statutory compliance of suppliers and associates, which undergo monthly audits conducted by our compliance partner. Additionally, our Location HR conducts random inspections to ensure statutory payments by suppliers and associates are upheld.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
	Employees	0	0	0
Workers	0	0	0	0

Note: Gati is in the process of reviewing systems to capture data for safety related incidents.

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No. The entity does not provide transition assistance programs.

5. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	20%
Working Conditions	20%

Note: Currently we undertake a self-assessment survey as a part of our Supplier ESG Assessment. We have covered 20% of vendors from the significant vendor pool.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

We started our supplier ESG assessment last year. Currently review mechanisms are being developed & thereafter we will have the strategy ready for corrective action.

**PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Gati identifies individuals or groups of individuals (including Companies, Partnership firms and Proprietary Firms) who are impacted by Gati's products, services and activities as well as individuals or groups of individuals which have a direct or indirect impact on Gati. Upon such prioritization, Gati shall analyze the risks and impacts of Gati's operation, whether direct or indirect, borne by each stakeholder.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Employees and workers	No	<ul style="list-style-type: none"> <li>Intranet portal</li> <li>Trainings and development programmes</li> <li>Performance management system</li> <li>Emails. Written communication</li> <li>Newsletters, circulars and internal publications</li> <li>Employee engagement initiatives</li> <li>Functional and cross-functional committees</li> </ul>	Daily/Weekly	Business/operations related communications
Investors and shareholders	No	<ul style="list-style-type: none"> <li>Annual shareholder meeting</li> <li>Investor presentations and conference calls</li> <li>Investor conferences and meets</li> <li>Press releases and newsletters</li> </ul>	Quarterly	To provide updates on company's operations and updates on new business decisions
Customers	No	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Marketing and advertising</li> <li>Customer service centres</li> <li>Complaint handling and feedback</li> <li>Electronic communication – social media, WhatsApp, Calls</li> </ul>	Daily	Addressing customer requirements for deliveries and grievances if any
Suppliers and Contractors	No	<ul style="list-style-type: none"> <li>Regular interaction through online and offline meetings, phone calls, e-mails</li> <li>Conferences and workshops</li> <li>Trainings and awareness programs</li> </ul>	Daily/Weekly	To track daily operational activities and communicate future needs and expectations
Government and Regulatory Authorities	No	<ul style="list-style-type: none"> <li>Meetings and formal dialogue</li> <li>Representation through various trade bodies workshops</li> </ul>	Other – Need basis	Business-related
Industry Associations	No	<ul style="list-style-type: none"> <li>Conferences, global events and workshops</li> <li>Press releases and newsletters</li> <li>Written Communications</li> <li>Meetings</li> <li>Publications and Announcements</li> </ul>	Other – Need basis	Business-related
Communities and NGOs	No	<ul style="list-style-type: none"> <li>Conferences and workshops</li> <li>Communication via telephone, email, etc.</li> <li>Community-participation events</li> <li>CSR partnerships - Contribution towards various causes</li> <li>Communication with Beneficiary Committees</li> </ul>	Other – Need basis	To obtain a social license to operate in communities around our operations
Media	No	<ul style="list-style-type: none"> <li>Written Communications</li> <li>Interviews and Forums</li> <li>Meetings</li> <li>Publications and Announcements</li> <li>Media releases</li> </ul>	Other – Need basis	Business-related

### Leadership Indicators

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**  
Investors and shareholders raise their concerns to the Board at Annual General Meetings (AGMs) as per SEBI requirements.
- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**  
Yes, Gati circulated the stakeholder engagement and materiality assessment questionnaire to all its stakeholders to identify key environmental and social topics. Based on the material topics identified, Gati is in the process of forming key environmental and social initiatives.
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Gati has taken multiple initiatives to address the concerns of vulnerable & marginalized stakeholder groups which have evolved throughout the years with their key focus being employee betterment & improved employee connect. Such instances & initiatives include:

- Monthly OU Visits by the business HRs of respective territories.
- Townhall meetings
- Skip level meetings
- Neev program which focusses on employee empowerment & inclusiveness where employees gather in small groups along with their unit heads & HR from different functions to discuss on finding solutions to specific problems at employee levels.
- Employee Grievance Redressal Policy rolled out for all Gati employees and has committees at zonal & corporate level. Employees can send their grievances to [employeefirst@allcargologistics.com](mailto:employeefirst@allcargologistics.com)
- Diversity & Inclusion committees are at place to discuss on DE&I related problems.
- Under our CSR, for our communities, we create awareness events, verify socio-economic background of the population, provide consultations, round of discussion with technical persons, involve the hospital and other stakeholders who can provide clarity on the issue. We take actions such as address individual issues, take to concern, provide clarity, give the needful to the person/group till it is resolved. For example, chemotherapy was required in some cases 6 times depending on situation whereas in some cases it may require more than 6 sessions.

### PRINCIPLE 5 Businesses should respect and promote human rights

#### Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. employees / workers covered (B)	% (B / A)	Total (C)	No. employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,735	2,735	100%	3,247	26	0.8%
Other than permanent	0	0	0%	0	0	0%
<b>Total Employees</b>	<b>2,735</b>	<b>2,735</b>	<b>100%</b>	<b>3,247</b>	<b>26</b>	<b>0.8%</b>
<b>Workers</b>						
Permanent	0	0	0%	0	0	0
Other than permanent	667	0	0%	0	0	0
<b>Total Workers</b>	<b>667</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: Gati does not exclusively have Human Rights related trainings for 'Other than permanent workers' but they are protected under our Human Rights Policy

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent Employees</b>										
Male	2,400	0	0%	2,400	100%	2,822	0	0%	2,822	100%
Female	335	0	0%	335	100%	425	0	0%	425	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent Employees</b>										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent Workers</b>										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent Workers</b>										
Male	574	574	100%	0	0%	0	0	0%	0	0%
Female	93	93	100%	0	0%	0	0	0%	0	0%
Other	0	0	0%	0	0%	0	0	0%	0	0%

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	14	9,20,000	2	4,90,000
Key Managerial Personnel	3	2,33,92,306	1	39,90,427
Employees other than BoD and KMP	2,397	3,70,788	334	3,87,996
Workers	NA	NA	NA	NA

Note: Gati employs 'Other than Permanent Workers' through contractors, hence we do not capture this data.

3 b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females	18,46,66,823	21,61,36,417
Total wages	1,64,26,00,912	1,77,54,89,330
Gross wages paid to females as % of total wages	11.24%	12.17%

Note: The above data is for female employees

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, there is a focal point responsible for addressing human rights impacts or issues caused or contributed to by the business. We periodically undertake human rights due diligence to identify, prevent, mitigate and account adverse human right impacts. There will be review of this policy periodically during board reviews and revisions in the policy shall be made accordingly. The policy shall be reviewed and approved by the management. Any guidelines on human rights issued by government agencies or ILO from time to time, they will automatically be part of this policy. The Learning and Development team shall conduct mandatory training programs to promote a discrimination and harassment-free workplace on an annual basis. All employees are required to complete the training and affirm compliance. At Gati, Mehernosh Mehta is the focal point responsible for human rights-related aspects. Email ID: [mehernosh.mehta@allcargologistics.com](mailto:mehernosh.mehta@allcargologistics.com)

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

A. Grievance Resolution Committee:

- **Informal Stage:** The employee should, at first instance, try resolving the grievance verbally with their Line managers/ Centre Head. In cases of lack of satisfactory response, the grievance can be escalated to the Local Business HR. In absence of successful resolution of the grievance, a formal written complaint can be filed to Grievance Resolution Committee.

- **Formal Stage:** In situations where the informal stage has been surpassed or there has been no successful resolution of the grievance received, the aggrieved employee may write to the email id mentioned here: [employeefirst@allcargologistics.com](mailto:employeefirst@allcargologistics.com). All emails to this ID is received by the Grievance Resolution Committee.

*Grievance Resolution Committee and its role:*

- Zonal Committee chaired by Zonal HR head with cross functional team.
- Central Committee chaired by Head IR & Compliance with cross functional team. Any investigation undertaken by the Committee shall be in accordance with the principles of natural justice and will be undertaken confidentially and as expeditiously as possible with great sensitivity.

**B. POSH Committee:**

The Prevention of Sexual Harassment Committee has been set up to cater to employee concerns regarding any discriminatory / harassment cases irrespective of gender.

**C. One on One Discussion with Business HR**

We also have the option for the employees to approach their Business HR partners for a one-on-one discussion as well.

**6. Number of Complaints on the following made by employees and workers:**

Benefits	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	0	1	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees / workers	0.2%	0.2%
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Yes, Gati has mechanisms in place to prevent adverse consequences to the complainant in discrimination and harassment cases. The details of the complainant are kept confidential, and the authenticity of the complainant's report is investigated by the assigned committee. The details regarding the investigation are also limited to the committee and kept confidential. The complainant is protected from any discrimination and harassment till the issue is resolved. This is done in order to safeguard the complainant's interest and confidence.

- Human Rights Policy
- Anti-Harassment & Discrimination Policy
- POSH Policy
- Employee grievance redressal policy

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Gati expects all its suppliers to adhere to the highest standards of ethical conduct in line with country-specific laws and conventions for their labor practices. This includes the abolition of child labor, forced labor, bonded labor etc. Gati expects its suppliers to create and maintain an environment that treats all employees with dignity and respect and refuses to tolerate any harassment or inhumane treatment including but not limited to mental cruelty, violence, sexual exploitation or corporal punishment of any kind. It is ensured that the human rights requirements are actively communicated internally and externally through the Sustainable Procurement Policy and Supplier Code of Conduct.

#### 10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others (please specify details)	-

#### 11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No corrective actions have been taken as there have been no risks and concerns arising from the assessments.

#### Leadership Indicators

##### 1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Gati did not receive any grievances or complaints regarding Human Rights principles and guidelines therefore there are no modifications required.

##### 2. Details of the scope and coverage of any Human rights due diligence conducted.

Human Rights due diligence has not been conducted. However, Gati plans to conduct due diligence going forward.

##### 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Some of the Gati premises are designed/structured in manner to be made accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. The following steps have been undertaken to achieve this:

- Ramps for access to warehouses in a few locations
- Moving ahead all the new warehouses will be structured in a more inclusive manner to accommodate differently-abled employees, workers and visitors

##### 4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	20%
Discrimination at workplace	20%
Child Labour	20%
Forced Labour/Involuntary Labour	20%
Wages	20%
Others – please specify	20%

Note: Gati currently has started assessing its Category A value chain partners in the current year.

We have supplier code of conduct & sustainable procurement policy all suppliers are required to comply to policy requirements like prevention of child labour, forced labour, sexual harassment, and discrimination at workplace are part of the of both the policies. Kindly find our policies in the link below:

##### 1. Supplier code conduct :

<https://www.gati.com/wp-content/uploads/2023/04/Supplier-Code-of-Conduct.pdf>

##### 2. Sustainable procurement policy :

<https://www.gati.com/wp-content/uploads/2023/04/Sustainable-Procurement-Policy.pdf>

##### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective actions have been taken as there have been no risks and concerns arising from the assessments.



**PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Particulars	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	1,342.88	615.27
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumption (A+B+C)</b>	<b>1,342.88</b>	<b>615.27</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	21,761.49	18,841.91
Total fuel consumption (E)	4,251.91	3,790.13
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>26,013.40</b>	<b>22,632.04</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>27,356.26</b>	<b>23,247.31</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumption/turnover in rupees crores) (GJ/ INR Crore)	16.00	13.31
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/ USD Crore PPP)	358.45	298.14
Energy intensity in terms of physical output	Not Applicable	Not Applicable
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Note: \*The PPP conversion factor used for calculating the Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – 22.40

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

Note: No external assurance was carried out on environmental parameters for FY 2023-24.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Gati does not have sites / facilities identified as designated consumer under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Particulars	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>	NA	NA
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
<b>Water intensity per rupee of turnover</b> (Total Water consumption/ Revenue from operations)	NA	NA
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	NA	NA
<b>Water intensity in terms of physical output</b>	NA	NA
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	NA	NA

Note: NA = Not Available

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

Note: No external assurance was carried out on environmental parameters for FY 2023-24. Gati is currently not tracking its water consumption and is in the process of setting systems and procedures.

4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres)

Particulars	FY 2023-24	FY 2022-23
(i) To Surface water-	NA	NA
No treatment	NA	NA
With treatment	NA	NA
(ii) To Groundwater-	NA	NA
No treatment	NA	NA
With treatment	NA	NA
(iii) To Seawater water-	NA	NA
No treatment	NA	NA
With treatment	NA	NA
(iv) Sent to third-parties -	NA	NA
No treatment	NA	NA
With treatment	NA	NA
(v) Others-	NA	NA
No treatment	NA	NA
With treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	NA	NA

Note: NA = Not Available

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. Zero Liquid Discharge is not applicable to Gati as it is a logistics company and does not own any manufacturing plants.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Particulars	Unit	FY 2023-24	FY 2022-23
NOx	MT	NA	NA
SOx	MT	NA	NA
Particulate matter (PM)	MT	NA	NA
Persistent Organic Pollutants (POP)	MT	NA	NA
Volatile Organic Compounds (VOC)	MT	NA	NA
Hazardous Air Pollutants (HAP)	MT	NA	NA
Others – Please Specify	MT	NA	NA

Note: No external assurance was carried out on environmental parameters for FY 2023-24. Gati is currently not tracking its stack or air emissions and is in the process of setting systems and procedures.

NA = Not Available

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Particulars	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	390.96	337.39
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,556.69	3,213.58
Total Scope 1 and Scope 2 emissions per rupees in crore of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e/INR Crore	2.89	2.03
Scope 1&2 Emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO2e/USD Crore (PPP)	64.74	45.47
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) -- the relevant metric may be selected by the entity		NA	NA

Note: NA = Not Applicable.

\*The PPP conversion factor used for calculating the Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – 22.40

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

Note: No external assurance was carried out on environmental parameters for FY 2023-24

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**  
Yes. Given the nature of the industry, road transportation is prone to producing a high quantity of Greenhouse Gas (GHG) emissions. Gati has set a goal to deploy 500 plus Alternate Fuel Vehicles (AFVs) in the first & last mile and was able to achieve 500 plus AFVs by March 2024. At a few of its warehouses, Gati has adopted solarization projects and is planning to install solar projects of 1.1+ MW in the coming years.

9. **Provide details related to waste management by the entity, in the following format:**

Particulars	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>	NA	NA
Plastic Waste (A)	NA	NA
E-Waste (B)	NA	NA
Biomedical Waste (C)	NA	NA
Construction & Demolition (C&D waste) (D)	NA	NA
Battery Waste (E)	NA	NA
Radioactive Waste (F)	NA	NA
Other Hazardous Waste (please specify) (G)	NA	NA
Other Non-Hazardous Waste generated. Please specify if any (Break-up by composition i.e. by materials relevant to the sector) (H)	NA	NA
<b>Total (A + B + C + D + E + F + G + H)</b>	NA	NA
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	NA	NA
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	NA	NA
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	NA	NA
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>	NA	NA
(i) Recycled	NA	NA
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
<b>Total</b>	NA	NA
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>	NA	NA
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
<b>Total</b>	NA	NA

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external assurance was carried out on environmental parameters for FY 2023-24. Waste generation is not being tracked currently. Gati is in the processing of tracking its waste and setting appropriate practices for waste management.

Note: NA = Not Available

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**  
As a logistics company, Gati does not manufacture any products and thus does not use any hazardous or toxic chemicals. Currently, we are in the processing of tracking our waste and setting appropriate practices for waste management.
11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**  
Gati is yet to conduct a study of its operations that comes under in ecological sensitive areas and is in the process of setting appropriate practices to track this.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

During the reporting period, Gati has not conducted any environment impact assessment. Gati ensures compliance to local and national applicable laws wherever required.

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, Gati ensures compliance to local and national applicable laws wherever required.

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

**For each facility / plant located in areas of water stress, provide the following information:**

Note: Gati is in process of conducting a study to identify if we have any facility / plant located in areas of water stress

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No external assurance was carried out on environmental parameters for FY 2023-24.

Water withdrawal is not being tracked currently.

Note: NA = Not Available

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Particulars	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	8,71,898.02	7,71,789.49
Total Scope 3 emissions per rupees in crore of turnover	tCO <sub>2</sub> e/ INR Crore	510.03	442.02
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Previous year emissions were computed only for Mid mile operations. Current year also includes 1<sup>st</sup> mile and last mile. Further, during the current year the computation of emissions is done at a shipment level whereas previous year the computation of emission was done at trip level to get a granular view.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No external assurance was carried out on environmental parameters for FY 2023-24

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Gati has not conducted a Biodiversity Impact Assessment to understand the significant direct and indirect impacts.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Gati has implemented a few initiatives to improve its resource efficiency:

- Adoption of Alternate Fuel Vehicles (AFVs) in first mile and last-mile fleet
- Introduction of e-Dockets to reduce physical documentation and thus minimizing the use of paper
- Increased digital transactions by 2x with clients to reduce use of paper while preparing shipments.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Our Business Continuity Management Systems (BCMS) approach is based on four pillars – Emergency Response, Crisis Management, Business Continuity Planning, and Disaster Recovery Management. IT Disaster Recovery Solution built on a hybrid strategy of on-premises and third-party cloud infrastructure that supports quick response and recovery for applications and services. It includes the implementation of a cloud-based DR solution for some critical Gati applications. We have primary data centres and disaster recovery data centres with appropriate on premise back up arrangements. We have implemented a cloud-based DR solution for enabling the backup of current applications, systems, and data required to execute business continuity planning (BCP) in case of failure of primary data centres due to any disaster.

**Emergency Response and Crisis Management:** Gati has established comprehensive emergency response arrangements to ensure the safety and well-being of employees, visitors, and stakeholders during emergencies. A dedicated team is responsible for coordinating and managing crisis situations. This team consists of individuals from various departments and levels within the organization, including senior management, communications, operations, legal, and human resources.

**Business Continuity Planning:** Integrate crisis management with business continuity planning. Identified critical business functions and developed strategies to ensure their continuity during a crisis. This includes backup systems, alternative locations, and contingency plans to minimize disruption and maintain essential operations.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Gati has not conducted a Biodiversity Impact Assessment to understand the significant direct and indirect impacts or understand impacts from the value chain.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Gati has not conducted a Biodiversity Impact Assessment to understand the significant direct and indirect impacts or understand impacts from the value chain.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. **a. Number of affiliations with trade and industry chambers/ associations.**

Gati is a member of two trade associations.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Express Industry Council of India (EICI)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not applicable since there were no cases of anti-competitive conduct by Gati in FY 2023-24.

**Leadership Indicators**

1. **Details of public policy positions advocated by the entity:**

In FY 2023-24, there have been no public policies that have been advocated by Gati.

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Social impact assessments are not being presently conducted, but Gati plans on conducting SIAs in the future once the projects reach an appropriate maturity level.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Gati does not have any projects for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by Gati Limited.

3. **Describe the mechanisms to receive and redress grievances of the community.**

Gati has a Whistleblower Policy that allows the community to register any grievances.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within India	NA	NA

Note: Gati is a service industry and not a manufacturing industry hence input material would not be applicable for Gati

NA = Not Applicable

5. **Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost.**

Particulars	FY 2023-24	FY 2022-23
<b>Rural</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	NA	NA
ii) Total Wage Cost	NA	NA
iii) % of Job creation in Rural areas	NA	NA
<b>Semi-Urban</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	NA	NA
ii) Total Wage Cost	NA	NA
iii) % of Job creation in Semi-Urban areas	NA	NA
<b>Urban</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	NA	NA
ii) Total Wage Cost	NA	NA
iii) % of Job creation in Urban areas	NA	NA
<b>Metropolitan</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	NA	NA
ii) Total Wage Cost	NA	NA
iii) % of Job creation in Metropolitan areas	NA	NA

**Leadership Indicators**

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Social impact assessments are not being presently conducted, but Gati plans on conducting SIAs in the future once the projects reach an appropriate maturity level.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent in INR
1	-	-	0

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No, Gati does not have a preferential procurement policy at the moment.

b. **From which marginalized /vulnerable groups do you procure?**

No, Gati does not have a preferential procurement policy at the moment

c. **What percentage of total procurement (by value) does it constitute?**

No, Gati does not have a preferential procurement policy at the moment

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1	NA	NA	NA	NA

Note: NA = Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Gati is not involved in any litigations for intellectual property.

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Donation to Schools	2,055	100%

Note: The donation was given to schools for the benefit of education to underprivileged children

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Being a customer-centric company, Gati Limited is always looking to enhance its customer experience by actively recording and addressing grievances and feedback. Through the Online Reputation Management tracking system through social media or publicly available platforms, Gati keeps a check on all customer complaints and queries raised. Complaints and feedback received through mail are addressed by Customer Experience team, and twice a day the reports are published.

All IT-related complaints are observed by the IT helpdesk and complaints can be raised over mail [it\\_ser\\_request1@allcargologistics.com](mailto:it_ser_request1@allcargologistics.com).

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Particulars	As a % to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

**3. Number of consumer complaints in respect of the following:**

Particulars	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	None	0	0	None
Advertising	0	0	None	0	0	None
Cyber-security	0	0	None	0	0	None
Delivery of essential services	0	0	None	0	0	None
Restrictive Trade Practices	0	0	None	0	0	None
Unfair Trade Practices	17	69	Some cases were filed against ACGL prior to acquisition	13	13	Pending adjudication for hearing
Other	0	0	None	0	0	None

**4. Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Gati has an Information Security and Cybersecurity Policy that ensures commitment to the highest standards of cybersecurity practices. Policy link:

<https://www.gati.com/wp-content/uploads/2023/04/Information-Security-and-Cyber-Security-Policy.pdf>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There were no incidents of data breaches for FY 2023-24.

Gati has a strong commitment to maintaining customer privacy and cybersecurity. Given that Gati captures personally identifiable information of its customers for deliveries, appropriate technical and process control measures are implemented. The IT systems are ISO 27001:2022 certified and are in line with the NIST framework. There are strong procedures for incident management, and vulnerability assessments are regularly conducted. We have attained a rating of 770 on the BitSight cybersecurity performance ratings, helping us achieve an 'Advanced' rating for our cybersecurity system.

Safeguarding the cyber security and data privacy is paramount to us. We have ensured enhanced protocols are implemented for data transmission, Multi-factor Authentication (MFA) is implemented across platform, continuous threat intelligence and monitoring is in place and compliance to regulatory standards & ISO standards. Thus, only preventive measures are being undertaken and undergo continual improvement, but no corrective actions were required.

7. **Provide the following information relating to data breaches:**
  - a. **Number of instances of data breaches along-with impact**  
There were no data breach incidents for FY 2023-24
  - b. **Percentage of data breaches involving personally identifiable information of customers**  
There were no data breach incidents for FY 2023-24
  - c. **Impact, if any, of the data breaches**  
Not Available, since there were no data breach incidents for FY 2023-24

#### Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**  
LinkedIn : <https://www.linkedin.com/company/allcargogati/>  
Facebook : <https://www.facebook.com/share/4oPnhUDbCq3qc9qk/?mibextid=qi2Omg>  
Instagram : <https://www.instagram.com/allcargogati?igsh=ZGo4c3NnMGVzdTQ0>  
X : <https://x.com/allcargogati?t=Tsy-gwihxnoiA5npjVrRGg&s=08>  
YouTube : <https://youtube.com/@gatilt9387?si=fgum8ml5exp3DXD>
2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**  
Gati is currently not conducting any consumer awareness activities.
3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**  
In case of service disruption, the customer service team sends service advisories to the customers
4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**  
Not Applicable. Gati is a logistics company and does not manufacture any products.
5. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**  
Yes, Gati conducts the Customer Satisfaction Survey (C-Sat) on an annual basis



# INDEPENDENT AUDITOR'S REPORT

To the Members of Allcargo Gati Limited (Formerly known as Gati Limited)

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of Allcargo Gati Limited

("the Company") which comprise the Balance sheet as at March 31, 2024, 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 Standalone Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance

with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

#### Key audit matters

##### Impairment of investment in subsidiary (as described in Note 4 of the Standalone Financial Statements)

The Company has investment of ₹ 55,255 Lakhs in equity shares of Gati Express and Supply Chain Private Limited ('GESCPL'), subsidiary.

Management has assessed and determined the recoverable amount for the investments made based on judgments and key assumptions relating to identification of impairment indicators, revenue growth, operating margin, forecasts of future cashflows and discount rates applied to such cash flows.

We considered this as key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain and because of the materiality of the balances to the Standalone Financial Statements as a whole.

#### How our audit addressed the key audit matter

Our audit procedures among other things included the following:

- We obtained an understanding of the Company's processes and policies with respect to assessment of impairment, evaluated the design and tested the operating effectiveness of such controls.
- We obtained and assessed the cash flow forecasts and evaluated the key assumptions and estimates used by Management in preparing these forecasts by comparing them with factors such as historical financial information and performing inquiries with Management.
- We assessed objectivity and independence of external specialist engaged by the management for evaluation of recoverable value. We obtained and read the report of external specialist to understand the work performed on testing of key assumptions and estimates and their outcome of testing.
- We involved our subject matter experts to assist in evaluating the valuation methodology, identifying and testing key assumptions and estimates and performing comparative calculations to test the reasonableness of key assumptions used in preparing the cash flow forecasts.
- We also assessed the recoverable value by performing sensitivity testing of key assumptions used.
- We tested the arithmetical accuracy of the calculations and assessed the accounting treatment applied.

We have determined that there are no other key audit matters to communicate in our report.

## 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 Financial Statements and our auditor's report thereon.

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

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

## Responsibilities of Management and Those charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 except for the matters stated in the paragraph 2 (h)(vi) below on reporting under Rule 11(g);
  - (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 Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Period to which the amount relates	Amount (₹ in Lacs)	Delay in days	Remarks
FY 2006-07	0.32	3,352	During the year Holding Company has deposited these amounts in delay with Investor Education and Protection Fund.
FY 2008-09	0.21	2,892	
FY 2009-10	0.30	2,485	
FY 2010-11	0.00	2,135	
FY 2011-12	0.67	1,590	
FY 2012-13	0.65	1,282	
FY 2013-14	3.47	940	
FY 2014-15	4.29	519	
FY 2015-16	8.03	187	
FY 2016-17	2.72	85	
	<b>20.67</b>		

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified

in any manner whatsoever by or on behalf of the Funding Party

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used three accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated

throughout the year for all relevant transactions recorded in the software except, as explained in note 51 to the financial statements, audit trail at application level in case of two softwares was enabled for part of the year and in case of one software audit trail is not enabled for direct changes to data when using certain access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail was enabled.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket A Sohani**

Partner

Place of Signature: Mumbai

Membership Number: 117142

Date: May 16, 2024

UDIN: 24117142BKDHZO3921

# Annexure '1'

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

Re: Allcargo Gati 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.
- (a) (B) The Company has maintained proper records showing full particulars of intangible 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 and 15 to the Standalone Financial Statements are held in the name of the Company except two of immovable properties as indicated in the below mentioned cases as at March 31, 2024 for which title deeds were not available with the Company and hence we are unable to comment on the same.

(Amount in Lakhs)

Description of Property	Gross carrying value	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
Freehold building (Chennai Myalpore)	352	TCI Limited	No	Since 2000	The asset was transferred to the Company pursuant to the business transfer arrangement with TCI Limited and the same is in the process of sale.
Freehold building (Sholapur)	0.01	TCI Limited	No	Since 2000	The asset was transferred to the Company pursuant to the business transfer arrangement with TCI Limited and the same is in the process of sale.

- (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, 2024.
- (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 inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and no discrepancies were noted.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

Particulars	Loans
Aggregate amount granted/ provided during the year	
- Subsidiaries	1,100
- Others	1,000
Balance outstanding as at balance sheet date in respect of above cases	1,100
- Subsidiaries	

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans and advance in the nature of loans during the year to companies, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

- (d) There are no amounts of loans and advances in the nature of loans granted to Companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) 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 Act are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits during the year. However, in regard to the unclaimed deposits the Company has complied with the provisions of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. 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 in this regard.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the services of the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. 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. The provision of Sales-tax, duty of custom, duty of excise, value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, service tax, Employees State Insurance, Income-Tax, Duty of the customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

(Amount in Lakhs)

Name of statute	Nature of dues	Amount	Period to which amount pertains	Forum where dispute is pending
Finance Act, 1994	Service Tax	4,403.24	2015 - 2022	CESTAT, Audit Commissionerate, Commissioner of service tax
CGST Act, 2017	GST	414.45	2017-2020	Appellate Authority – up to Commissioners

- (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 did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

- (b) During the year, no report under sub-section (12) of Section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone 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 3(xvi)(a) of the Order is not applicable to the Company.  
 (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.  
 (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.  
 (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 48 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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), (b) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket A Sohani**

Partner

Membership Number: 117142

UDIN: 24117142BKDHZO3921

Place of Signature: Mumbai

Date: May 16, 2024

# ANNEXURE 2

## TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ALLCARGO GATI LIMITED

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Allcargo Gati Limited ("the Company") as of March 31, 2024 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 Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Standalone Financial Statements.

### Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A Company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may



occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating

effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket A Sohani**

Partner

Mumbai

May 16, 2024

Membership Number: 117142

UDIN: 24117142BKDHZO3921

# Standalone Balance sheet

as at March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	720	1,442
Right-of-use Assets	3A	47	54
Other Intangible Asset	3B	5	-
<b>Financial Assets</b>			
Investment in Subsidiaries	4	55,300	55,305
Other Financial Assets	5	6	4
Income tax assets, net	6	710	589
Other Non-Current Assets	7	127	126
		<b>56,915</b>	<b>57,520</b>
<b>Current Assets</b>			
Inventories	8	215	244
<b>Financial Assets</b>			
Trade Receivables	9	385	441
Cash and Cash Equivalents	10	611	259
Other Bank Balances	11	8,536	7,637
Loans	12	3,484	2,254
Other Financial Assets	13	2,349	1,772
Other Current Assets	14	799	396
		<b>16,379</b>	<b>13,003</b>
Assets Held for Sale	15	1,341	2,418
		<b>17,720</b>	<b>15,421</b>
		<b>74,635</b>	<b>72,941</b>
<b>Total Assets</b>			
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	16	2,605	2,603
Other Equity	17	71,017	66,900
		<b>73,622</b>	<b>69,503</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities	18	37	44
Provisions	19	55	48
		<b>92</b>	<b>92</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	20	-	99
Lease Liabilities	18	13	10
Trade Payables	21	-	-
(a) Total Outstanding Dues of micro and small enterprises		-	-
(b) Total Outstanding Dues of creditor other than micro and small enterprises		53	94
Other Financial Liabilities	22	647	2,905
Other Current Liabilities	23	202	230
Provisions	19	6	8
		<b>921</b>	<b>3,346</b>
		<b>1,013</b>	<b>3,438</b>
		<b>74,635</b>	<b>72,941</b>
<b>Total Liabilities</b>			
<b>Total Equity and Liabilities</b>			
Material accounting policies	2		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Standalone Statement of Profit and Loss

for the Year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>I INCOME</b>			
Revenue from Operations	24	22,073	25,698
Other Income	25	958	708
<b>TOTAL INCOME (I)</b>		<b>23,031</b>	<b>26,406</b>
<b>II EXPENSES</b>			
Operating Expenses	26	174	199
Purchase of Stock-in-trade		21,310	24,744
Changes in Inventories of Stock-in-Trade	27	29	36
Employee Benefits Expenses	28	274	314
Finance Costs	29	8	34
Depreciation and Amortization Expense	30	53	67
Other Expenses	31	487	728
<b>TOTAL EXPENSES (II)</b>		<b>22,335</b>	<b>26,122</b>
<b>III PROFIT/ BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>		<b>696</b>	<b>284</b>
<b>IV Exceptional Items</b>	32	2,663	(803)
<b>V PROFIT/(LOSS) BEFORE TAX (III+IV)</b>		3,359	(519)
<b>VI TAX EXPENSES</b>	33		
Current Tax		-	40
Deferred Tax		-	-
Tax related to earlier years		(58)	(16)
<b>TOTAL TAX EXPENSES</b>		<b>(58)</b>	<b>24</b>
<b>VII PROFIT/(LOSS) FOR THE YEAR (V-VI)</b>		<b>3,417</b>	<b>(543)</b>
<b>VIII OTHER COMPREHENSIVE INCOME (OCI)</b>			
Items not to be reclassified to profit or loss in subsequent periods:			
a) Re-Measurement gains/(losses) on defined benefit plans		2	(15)
b) Income tax effect on above item		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, (NET OF TAX)</b>		<b>2</b>	<b>(15)</b>
<b>IX TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)</b>		<b>3,419</b>	<b>(558)</b>
<b>X EARNINGS PER EQUITY SHARE</b>	40.		
<b>[Nominal value per share ₹ 2/-]</b>			
Basic(in ₹)		2.63	(0.43)
Diluted(in ₹)		2.63	(0.43)
Material accounting policies	2		

The accompanying notes form an integral part of the Financial Statements

## As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

## For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Standalone Cash Flow Statement

for the Year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>(A) Cash flow from Operating Activities</b>		
Profit/(Loss) Before Taxes after exceptional items as per Statement of Profit and Loss	3,359	(519)
Adjustments for :		
Depreciation and Amortization Expense	53	67
Loss on sale of Property, plant & equipment	-	4
Impairment Charged of Property, plant & Equipment	-	345
Impairment Charged in the realisable value of Non-core Assets	-	674
Net gain on disposal of Non-core Assets	(308)	(479)
Relinquishment of financial liability	(2,360)	-
Impairment allowance for Investment	4	5
Loss on write off of Property, Plant and Equipment	1	258
Finance Costs	7	34
Allowance for Expected Credit Loss	13	148
Bad debts and irrevocable balances written off (net of allowances)	-	22
Interest Income	(782)	(312)
Net gain on Sale of Mutual Funds	-	(8)
Interest on Income Tax Refund	(37)	(9)
Liability no longer required written back	(77)	(208)
Provision for Employees Share Appreciation Rights	43	88
<b>Operating Profit Before working capital changes</b>	<b>(84)</b>	<b>110</b>
<b>Adjustment for changes in operating assets and liabilities:</b>		
Decrease in Inventories	29	36
Decrease in Trade receivables	43	310
Decrease in Other Financial Assets	115	247
Increase in Other Assets	(401)	(31)
Increase in Provisions	6	2
Increase/(Decrease) in Financial Liabilities	157	(287)
Increase/(Decrease) in Trade Payable	12	(132)
Increase / (Decrease) in other Liabilities	13	(22)
<b>Cash (used)/ generated from Operating Activities</b>	<b>(110)</b>	<b>232</b>
Direct Taxes paid (net of refunds)	(26)	40
<b>Net Cash flow (used)/generated from Operating Activities (A)</b>	<b>(136)</b>	<b>272</b>
<b>(B) Cash Flow From Investing Activities :</b>		
Proceeds from sale of Property Plant and Equipment	2	29
Expenditure on Property Plant and Equipment including lease improvements	(1)	(83)
Proceeds from Sale of Non-Core Assets	2,066	3,173
Proceeds from Sale of Investments	-	1,119
Purchase of Current Investments	-	(100)
Expenditure on Intangible assets and Intangible asset under development	(5)	-
Inter-corporate deposits to Subsidiary	(1,231)	(2,250)
Investment in bank Fixed deposit, net	(898)	(7,462)
Interest Received	741	143
<b>Net Cash flow generated/(used) from Investing Activities (B)</b>	<b>674</b>	<b>(5,431)</b>
<b>(C) Cash Flow From Financing Activities</b>		
Proceeds from shares issued on exercise of Employee Stock Appreciation Rights	2	-
Proceeds from Allotment of shares against Share Warrants	-	5,250
Repayment of Public Deposits	(111)	(306)
Transfer of unpaid dividend to Investor Education and Protection Fund(IEPF)	(18)	(9)

# Standalone Cash Flow Statement

for the Year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Transfer of unpaid public deposits including interest to IEPF	(21)	-
Payment of Principal Portion of Lease Liabilities	(11)	(3)
Payment of interest on Lease Liabilities	(4)	(3)
Interest Paid	(23)	(58)
<b>Net Cash flow (used)/generated from Financing Activities (C)</b>	<b>(186)</b>	<b>4,871</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>352</b>	<b>(288)</b>
Cash and Cash Equivalents at the beginning of the year	259	547
<b>Cash and Cash Equivalents as the end of the Year</b>	<b>611</b>	<b>259</b>

**Notes:**

1. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

2. Components of Cash and Cash Equivalents	As at March 31, 2024	As at March 31, 2023
Cash on hand	14	11
Balance with Banks:		
In Current Accounts	597	248
<b>Cash and Cash Equivalents (Refer Note 10)</b>	<b>611</b>	<b>259</b>

**Reconciliation of movements of liabilities to cash flows arising from financing activities.**

	Public Deposits	Short Term Borrowings	Long Term Borrowings	Lease liabilities
Balance as at April 1, 2022	404	-	-	7
Cash Flow Changes (Net)	(306)	-	-	(6)
On account of Ind AS 116	-	-	-	53
Others	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>54</b>
Balance as at April 1, 2023	99	-	-	54
Cash Flow Changes (Net)	(111)	-	-	(15)
On account of Ind AS 116	-	-	-	11
Others	12	-	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50</b>

Note : Public deposits balance does not include the obligation related to unpaid matured deposits which is Grouped under "Other Current Financial liabilities".

**As per our report of even date attached**

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

**For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)**

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Standalone Statement of Changes in Equity

for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

A) Equity Share Capital	No. of Shares	Amount
<b>Particulars</b>		
<b>Balance as at April 01, 2023</b>	<b>13,01,30,117</b>	<b>2,603</b>
Add/(Less): Issue of shares on exercise of ESAR's for the Year ended March 31, 2024 (Refer Note-a)	1,21,910	2
<b>Balance as at March 31, 2024</b>	<b>13,02,52,027</b>	<b>2,605</b>

Particulars	No. of Shares	Amount
<b>Balance as at April 01, 2022</b>	<b>12,29,68,997</b>	<b>2,459</b>
Add/(Less): Issue of shares on exercise of ESAR's for the Year ended March 31, 2023 (Refer Note-b)	71,61,120	144
<b>Balance as at March 31, 2023</b>	<b>13,01,30,117</b>	<b>2,603</b>

Note (a) During the current year upon vesting of Grant 1 shares, the Company has allotted equity shares of 1,21,910 towards exercise of vested ESARs of 2,85,000. For these shares allotment, the Company has received ₹ 2.43 lakhs at face value of ₹ 2 per share as per the "Gati Employees Stock Appreciation Rights Plan 2021(ESAR Plan 2021)".

## B) Other Equity

Particulars	Reserves and Surplus					Money received against share warrants	Total		
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (Utilized)	Share Option Outstanding account/ ESAR's			Special Reserve	Retained Earnings
<b>Balance as at April 01, 2023</b>	<b>41,924</b>	<b>8,785</b>	<b>2,084</b>	<b>929</b>	<b>1,649</b>	<b>22,336</b>	<b>(10,807)</b>	<b>-</b>	<b>66,900</b>
Profit/(Loss) for the year	-	-	-	-	-	-	3,417	-	3,417
Other Comprehensive income for the current year	-	-	-	-	-	-	2	-	2
Share based payment expense	-	-	-	-	698	-	-	-	698
Transfer on account of ESARs not exercised	-	26	-	-	(26)	-	-	-	-
Transfer on account of exercise of ESARs	306	-	-	-	(306)	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>42,230</b>	<b>8,811</b>	<b>2,084</b>	<b>929</b>	<b>2,015</b>	<b>22,336</b>	<b>(7,388)</b>	<b>-</b>	<b>71,017</b>

# Standalone Statement of Changes in Equity

for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus					Money received against share warrants	Total		
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (Utilized)	Share Option Outstanding account/ ESAR's			Special Reserve	Retained Earnings
<b>Balance as at April 01, 2022</b>	35,067	8,785	2,084	929	56	22,336	(10,249)	1,750	60,759
Profit/(Loss) for the year	-	-	-	-	-	-	(543)	-	(543)
Other Comprehensive income for the year	-	-	-	-	-	-	(15)	-	(15)
Share based payment expense	-	-	-	-	1,593	-	-	-	1,593
Issue of shares pursuant to preferential allotment (Note b)	6,857	-	-	-	-	-	-	(1,750)	5,107
<b>Balance as at March 31, 2023</b>	<b>41,924</b>	<b>8,785</b>	<b>2,084</b>	<b>929</b>	<b>1,649</b>	<b>22,336</b>	<b>(10,807)</b>	<b>-</b>	<b>66,900</b>

**Note (b)** During the previous year, the Company has issued and allotted 71,61,120 Equity Shares of face value of ₹2/- each ("Equity Shares") against share warrants at a price of ₹ 97.75/- per Equity Share at a premium of ₹ 95.75/- per Equity Share, aggregating up to ₹6,857 lakhs. Total amount received ₹ 7,000 lakhs out of which 2.5% received of subscription of ₹ 1,750 lakhs at that time of issuance of warrants and has received balance 75% of subscription amount of ₹ 5,250 lakhs at the time of allotment of shares.

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

## As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

## For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## Corporate and General information:

Allcargo Gati Limited ("the Company") is a public limited Company incorporated in 1995 under provisions of the Companies Act, 1956 having its Corporate Office at 4<sup>th</sup> floor, Western Pearl, Survey No.13(P), Kondapur, Hyderabad - 500084, Telangana, India. The Company is primarily engaged in the business of E-commerce logistics and running of fuel stations. The Company is listed in the National Stock exchange of India (NSE) and Bombay Stock exchange (BSE).

During the current year, the Registrar of Companies (ROC), Hyderabad and Registrar of Companies (ROC), Mumbai, Ministry of Corporate Affairs have approved form INC 22 giving effect to the change in the registered office address of the Company from "4<sup>th</sup> floor, Western Pearl, Survey No.13(P), Kondapur, Hyderabad - 500084, Telangana, India" to "4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai - 400 098" with effect from February 27, 2024.

## (1) Basis of Accounting

### 1.1 Statement of Compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with Section 133 of the Companies Act, 2013 (the "Act"). The presentation of the Financial Statements is based on Division II Schedule III of the Companies Act, 2013.

The financial statements are approved by the Board of Directors at its meeting held on May 16, 2024.

### 1.2 Basis of Measurement

The standalone financial statements have been prepared on a going concern basis using historical cost convention, except

- Financial Instruments - Measured at Fair value/ Amortised cost;
- Plan Assets under defined benefit plans—Measured at fair value;
- Employee Share based payments- Measured at fair value

### 1.3 Functional and Presentation Currency

All financial information presented in Indian rupees (INR) which is the Company's functional currency, has been rounded to the nearest lakhs, unless otherwise stated.

### 1.4 Use of Estimates and Judgements

The preparation of the Company's standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses, the accompanying disclosures and disclosures of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in

future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumption in these financial statements have been disclosed below. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgments used are as below:

- (i) Defined benefit obligation
- (ii) Recognition of current tax and deferred tax
- (iii) Recognition and measurement of provisions and contingencies
- (iv) Fair value measurement of Financial instruments
- (v) Allowance for expected credit losses of receivables
- (vi) Allowance for bad and doubtful advances
- (vii) Share based payment.
- (viii) Impairment of Investment in subsidiary

### 1.5 Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sell or consume 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 the 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 respectively.

## (2) Material Accounting Policies:

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.



# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

## 2.1 Property, plant and equipment

### Recognition and Measurement:

Property, plant and equipment (PPE) held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at acquisition cost, net of accumulated depreciation and cumulative impairment losses, if any.

The initial cost at cash price equivalent of property, plant and equipment acquired comprises its purchase price after deducting trade discounts and rebates, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use. Administrative, Borrowing and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of cost of PPE, if PPE meets the criteria of qualifying asset. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

### Capital work in progress and Capital Advances:

Capital work in progress represents Property Plant and Equipment that are not yet ready for their intended use as at the Balance sheet date.

Capital advances given towards purchase/ acquisition of PPE outstanding at each balance sheet date are classified as capital advances under Other Non-current Assets.

### Non-current assets held for sale

Assets are classified as Non-current assets held for sale and are presented separately in the Balance Sheet when the following criteria are met

- the Company is committed to selling the assets;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

### Subsequent Expenditure:

- 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 cost incurred 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 derecognized when replaced.
- Items such as spare parts, stand by equipment's and servicing equipment's that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

- Cost in nature of repair and maintenance expenses are charged to the statement of profit or loss during the reporting period in which they are incurred.

### Depreciation:

- Depreciation on assets is provided on straight-line method at the rates determined based on the useful lives of respective assets as prescribed under Schedule II of the Companies Act, 2013 as follows:

Category	Useful lives ( in years )
Building	30 to 60
Plant and machinery	5 to 15
Commercial Vehicles	8
Furniture and fixtures	10
Computers	3 to 6
Office equipment	3 to 5

- Freehold land is not depreciated.
- Cost of leasehold land is amortised over the period of the lease or its useful life, whichever is lower.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if required.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed-off).

### Derecognition of Assets:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss is recognized in the statement of profit and loss.

## 2.2 Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation and cumulative impairment, if any. The Company capitalizes identifiable costs relating to development of internally generated software and these are stated net of accumulated amortisation. Intangible assets are amortised on straight line basis over its estimated useful life.

Estimated economic useful lives of the intangible assets is 3 to 6 years.

Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date.

The carrying amount of the intangible asset is derecognized on disposal or when no future economic benefit is expected from its use. Any gain or loss is recognized in the statement of Profit and loss.

## 2.3 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 identifiable asset for a period of time in exchange for consideration.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

## Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### (i) Right-of-use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any 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.

The estimated useful life of Right-of-use assets range from one to seven 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.

### (ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured 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. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### (iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of properties, machinery and equipment (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 office equipment 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.

## 2.4 Impairment of assets:

- a. The Company assesses at each reporting date whether there is any indication that an asset, may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units (CGU) net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss to the extent previously recognized in P&L and remaining amount transferred to reserves.

- b. Assets that are subject to depreciation and amortisation and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.
- c. Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired

## 2.5 Foreign currency Transactions:

- a. The financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of the Company.
- b. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.
- c. At each balance sheet date, foreign currency monetary items are restated using the closing exchange rate.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

- d. Any exchange difference on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognised in the Statement of Profit and Loss.
- e. Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

## 2.6 Investments in Subsidiaries:

The Company has accounted for its investments in subsidiaries and at cost less accumulated impairment

## 2.7 Investment in Associate:

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company share of net assets of the associate since the acquisition date.

The value of investment in associate had been fully provided in the books of accounts.

## 2.8 Inventories:

Cost of Inventories have been computed on basis to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost and net realizable values.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost are assigned to inventory on First in First out basis.

## 2.9 Revenue Recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net off variable consideration) allocated to the performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc. Offered by the Company as part of the contract. The variable consideration is estimated based on the expected value of outflow.

### a) Freight services:

Revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The

requirement is that a contract with enforceable rights and obligations exists and, amongst other things, the receipt of consideration is likely, taking-into-account the customer's credit quality. The revenue corresponds to the transaction price to which the Company is expected to be entitled.

Variable consideration is included in the transaction price when it is highly probable that a significant reversal in the amount of revenue recognised will not occur and as soon as the uncertainty associated with the variable consideration no longer exists. The Company does not expect to have contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. Accordingly, the promised consideration is not adjusted for the time value of money.

### b) Sales of Fuel:

Revenue from sale of fuel products is recognized when the control on the goods has been transferred to the customer.

### c) Others:

- I. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.
- II. Rent income is recognised on a straight-line basis over the period of the lease.
- III. Business support charges are recognized as and when the related services are rendered.

## 2.10. Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are separately disclosed in the financial statements.

## 2.11. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

### (i) Financial assets:

#### a) Initial recognition and measurement:

On initial recognition, a financial asset is classified and measured at:

- Amortized Cost; or
- Fair value through Other Comprehensive Income (FVOCI); or
- Fair value through Profit or loss (FVTPL)

Financial asset are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial asset. In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognized initially at fair value

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

- **Financial assets at amortised cost:**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

- **Financial assets at fair value through other comprehensive income (FVOCI):**

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (designated as FVOCI-equity investment). This election is made on an investment-by-investment basis.

Financial assets are measured at the FVOCI if both of the following conditions 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.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

- **Financial assets at fair value through profit or loss (FVTPL):**

All financial assets which are not classified/measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise

## b) Subsequent measurement

For purposes of subsequent measurement:

Category	Subsequent measurement and gains and Losses
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

## (ii) Financial Liability:

Financial liabilities are classified and measured at amortised cost or FVTPL

### a) Initial Recognition & Subsequent measurement:

- *Financial liabilities recognized at fair value through profit or loss (FVTPL):*

A financial liability is recognized at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

- *Financial liabilities at amortised cost:*  
Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process. For

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

trade and other payables maturing within one year from the balance sheet date,

the carrying amounts approximates fair value due to the short maturity of these instruments.

**b) Financial guarantee liability:**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**(iii) Impairment of Financial Assets:**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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 Expected credit loss at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

**(iv) Derecognition:**

**a) Financial Assets:**

The Company derecognizes a financial asset only

- when the contractual rights to the cash flows from the asset expire, or

- It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

**b) Financial liabilities:**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and Loss.

**(v) Offsetting:**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet, when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**2.12. Fair Value measurement:**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities. The Company has an established control framework with respect to the measurement of fair values.

The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. The Company measures financial assets and financial liability at fair value at each balance sheet date.

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

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

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

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

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

- Level 2- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3- Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

## 2.13. Employee benefits:

### a) Current employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as current employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of current employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

### b) Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions of employee provident fund to Government administered provident fund and Employee State insurance scheme which is defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of Profit and Loss in the periods during which the related services are rendered by employees.

### c) Defined benefit plan:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Company. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognized in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

### d) Compensated absences:

As per policy of the Company, employees can carry forward unutilized accrued compensated absences and utilize it in next service period or receive cash compensation. Since the compensated absences fall due wholly within twelve months after the end of the period in which the employees render the related service and are also expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a current employee benefit. The Company records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement.

The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

### e) Short-term employee benefit:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

## 2.14. Exceptional items

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period. Material item of income or expense are evaluated on a case to case basis for disclosure under exceptional items

## 2.15. Taxes

### a) Income Tax:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

#### Current tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax:

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities in financial statements and their corresponding tax bases. Deferred tax assets are recognized for deductible temporary differences, unused tax credits, and tax losses, but only to the extent that it is probable that taxable profit will be available to offset them. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced if it becomes unlikely that sufficient taxable profit will be available. Unrecognized deferred tax assets are reassessed at each reporting date and recognized if it becomes probable that future taxable profits will allow their recovery.

Deferred tax related to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss, either in other comprehensive income or directly in equity.

Deferred tax liabilities and assets are measured using the tax rates expected to apply when the liability is settled or the asset is realized, based on tax rates and laws enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets is reviewed at the end of each reporting period.

### b) GST/ value added taxes paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Where receivables and payables are stated with the amount of tax included.

## 2.16. Cash and cash equivalents:

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

## 2.17. Provisions and Contingencies:

Provisions are recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of an outflow on this account is remote.

## 2.18. Borrowing cost:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealized exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealized gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

## 2.19. Share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Share Option outstanding account". In case of forfeiture of unvested option, portion of amount already expensed is

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Share Option outstanding account" are transferred to the "General Reserve". When the options are exercised, the Company issues new fully paid up equity shares of the Company. The proceeds received and the related balance standing to credit of the Share Option outstanding account, are credited to equity share capital (nominal value) and Securities Premium.

## 2.20. Segment Reporting:

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

## 2.21. Climate Related Matters:

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

## 2.22. Earnings per share:

### (i) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive Income for the period attributable to equity shareholders of parent by the weighted average number of equity shares outstanding during the period.

### (ii) Diluted earnings per share:

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.23. Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from April 1, 2023. The Company applied for the first-time these amendments.

**i. Ind AS 1 – Disclosure of material accounting policies:** The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements and adding guidance on how entities apply the concept of materiality in making decisions.

The amendments have had an impact on the Company disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company financial statements.

**ii. Ind AS 12 – Income Taxes:** The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognise a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with: a) right-of-use assets and lease liabilities, b) decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. Therefore, if a Groupe has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognise on gross basis based on the carrying amount of right-of-use assets and lease liabilities.

The amendments had no impact on the Standalone financial statements.

**iii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:** The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Standalone financial statements.

## 2.24. Significant accounting judgements, estimates and assumptions:

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Some of the significant accounting judgement and estimates are given below

### i) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date. The parameter most subject to change is



# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2023

the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

## ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 37 for further disclosures.

## iii) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).

## iv) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees lakhs, unless otherwise stated)

## 3. Property, Plant and Equipment

### Tangible assets

Particulars	Gross Block			Accumulated Depreciation and Impairment			Net Carrying Value	
	As at April 01, 2023	As at March 31, 2024	As at April 01, 2023	Depreciation for the year	Impairment for the year	Disposals/ Adjustment	As at March 31, 2024	As at March 31, 2023
Freehold Land	2,172	639	869	-	-	869	-	1,303
Buildings	42	17	14	-	-	-	14	11
Vehicles	116	116	61	12	-	1	72	44
Plant & Machinery	65	64	22	23	-	1	44	20
Computers	234	169	234	-	-	65	169	-
Furniture & Fittings	121	115	115	2	-	5	112	3
Office Equipment's	58	52	51	2	-	4	49	3
<b>TOTAL</b>	<b>2,808</b>	<b>1,180</b>	<b>1,366</b>	<b>39</b>	<b>-</b>	<b>945</b>	<b>460</b>	<b>1,442</b>

Particulars	Gross Block			Accumulated Depreciation and Impairment			Net Carrying Value	
	As at April 01, 2022	As at March 31, 2023	As at April 01, 2022	Depreciation for the year	Impairment for the year	Disposals/ Adjustment	As at March 31, 2023	As at March 31, 2022
Freehold Land	2,176	2,172	524	-	345	-	869	1,652
Buildings	574	42	97	3	-	34	14	477
Vehicles	124	116	63	13	-	15	61	61
Plant & Machinery	275	65	123	15	-	116	22	152
Computers	802	234	798	5	-	569	234	4
Furniture & Fittings	563	121	435	17	-	337	115	128
Office Equipment's	105	58	95	4	-	48	51	10
<b>TOTAL</b>	<b>4,619</b>	<b>2,808</b>	<b>2,135</b>	<b>57</b>	<b>345</b>	<b>1,119</b>	<b>1,366</b>	<b>2,484</b>

### Notes:

- Refer Note 15 for detailed information on assets held for sale.
- No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.
- During the current year management has classified three non-core immovable properties for monetisation purpose from Property Plant and Equipment to Assets Held for Sale as it meets the criteria of asset held for sale amounting ₹ 681 Lakhs (March 31, 2023 - 385 lakhs).
- There is no Contractual Commitments for acquisition of Property, Plant and Equipment in Current and Previous year.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees lakhs, unless otherwise stated)

## 3A. Right-of-use Assets (ROU)

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value		
	As at April 01, 2023	Additions	Disposals/ Adjustments	As at March 31, 2024	As at April 01, 2023	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2024	As at March 31, 2023
Buildings	55	7	-	62	5	12	-	17	45
Vehicles (ALD Car)	7	-	-	7	3	2	-	5	2
<b>Total</b>	<b>62</b>	<b>7</b>	<b>-</b>	<b>69</b>	<b>8</b>	<b>14</b>	<b>-</b>	<b>22</b>	<b>47</b>

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value		
	As at April 01, 2022	Additions	Disposals/ Adjustments	As at March 31, 2023	As at April 01, 2022	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2023	As at March 31, 2022
Leasehold Land	911	6	-	916	78	3	-	80	-
Buildings	-	55	-	55	-	5	-	5	50
Vehicles (ALD Car)	7	-	-	7	1	2	-	4	4
<b>Total</b>	<b>918</b>	<b>61</b>	<b>-</b>	<b>916</b>	<b>79</b>	<b>10</b>	<b>-</b>	<b>80</b>	<b>54</b>

## 3A. Right-of-use Assets (ROU)(Continued)

The following are the amounts recognised in the statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of Right-of-use Assets	14	10
Interest expense on Lease Liabilities	4	3
<b>Total</b>	<b>18</b>	<b>13</b>

### Notes:

- The aggregate depreciation expenses on Right-of-use Assets (ROU) is included under depreciation and amortization expenses in the Statement of Profit and Loss. (Refer note - 30)
- The Company had total cash outflows for leases of ₹ 15 lakhs during the year ended 31 March 2024. The maturity analysis of lease liabilities are disclosed in note 18 of these financial statements.

## 3B. Other Intangible Assets

Particulars	Gross Block		Accumulated Depreciation		Net Carrying Value	
	As at March 31, 2023	Additions	Disposals/ Adjustments	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Computer Software	-	5	-	-	0	5
	-	5	-	0	0	5

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 4. Investment in Subsidiaries

	As at March 31, 2024		As at March 31, 2023	
	Numbers / Units	Amount	Numbers / Units	Amount
<b>Investments measured at Cost</b>				
<b>Equity Instrument (Unquoted)</b>				
Zen Cargo Movers Private Limited of ₹ 10/- each	3,62,163	36	3,62,163	36
Less: Impairment Allowance		(36)		(36)
<b>Total (A)</b>		-		-
Gati Import Export Trading Limited of ₹ 10/- each	23,00,000	230	23,00,000	230
Less: Impairment Allowance		(187)	-	(182)
<b>Total (B)</b>		43		48
Gati Express & Supply Chain Private Limited of ₹ 10/- each (Formerly known as Gati Kintestu Express Private Limited).	3,50,000	55,255	3,50,000	55,255
Gati Logistics Parks Private Limited of ₹ 10/- each	10,000	1	10,000	1
Gati Projects Private Limited of ₹ 10/- each	10,000	1	10,000	1
<b>Total (C)</b>		55,257		55,257
<b>Total (A)+(B)+(C)</b>		55,300		55,305

Aggregate amount of Unquoted Investments and Impairment allowance of Investments are given as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying cost of Unquoted Investments (Net of Impairment allowance)	55,300	55,305
Aggregate Impairment Allowance	223	218

## 5 Other Non Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Term deposits with banks (remaining maturity more than 12 months)	2	-
Security Deposit	4	4
<b>Total (A)</b>	6	4
<b>Investments in Equity Instruments:</b>		
Gati Kausar India Limited of ₹ 10/-each*	8	8
Less: Impairment Allowance	(8)	(8)
<b>Total (B)</b>	-	-
<b>Total (A)+(B)</b>	6	4

(\* Investment in one of the subsidiary "Gati Kausar India Limited" ceased to be a subsidiary with effect from July 14, 2021. The Company has retained 7,518 number of equity shares as investment amounting to ₹ 8 lakhs which was fully provided in earlier years.

## 6 Income tax assets, net

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax, net	710	589
<b>Total</b>	710	589

## 7 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered doubtful, unsecured</b>		
Capital Advances	114	114
Less: Allowances for Doubtful Advances	(114)	(114)
<b>Total (A)</b>	-	-
Balances with Statutory Authorities	127	126
Others	-	-
<b>Total (B)</b>	127	126
<b>Total (A)+(B)</b>	127	126

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 8. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At Lower of Cost and Net Realisable Value)</b>		
Stock in Trade *	215	244
<b>Total</b>	<b>215</b>	<b>244</b>

\* Consists of Petrol, Diesel &amp; Lubricants etc.,

Note: No inventories were pledged as security for liabilities during the current year and previous year.

## 9. Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Considered Good	498	562
Credit Impaired	1,296	1,286
<b>Total</b>	<b>1,794</b>	<b>1,848</b>
Less: Expected Credit Loss (Refer Note 37(C)(i)(a))	(1,409)	(1,407)
<b>Total</b>	<b>385</b>	<b>441</b>

### Trade Receivable Ageing Schedule as at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed Trade Receivable - Considered good	1	427	10	3	57	-	498
ii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	115	115
iii) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivable - Credit impaired	-	-	-	-	-	1,181	1,181
<b>Gross Trade Receivables</b>	<b>1</b>	<b>427</b>	<b>10</b>	<b>3</b>	<b>57</b>	<b>1,296</b>	<b>1,794</b>
Less: Allowances for Expected Credit Loss							(1,409)
<b>Balance as at March 31, 2024</b>							<b>385</b>

### Trade Receivable Ageing Schedule as at March 31, 2023

Particulars	Outstanding for following periods from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed Trade Receivable - Considered good	1	444	-	77	40	-	562
ii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	105	105
iii) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivable - Credit impaired	-	-	-	-	16	1,165	1,181
<b>Gross Trade Receivables</b>	<b>1</b>	<b>444</b>	<b>-</b>	<b>77</b>	<b>56</b>	<b>1,270</b>	<b>1,848</b>
Less: Allowances for Expected Credit Loss							(1,407)
<b>Balance as at March 31, 2024</b>							<b>441</b>

#### Notes:

- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
- Trade receivables are non interest bearing and are generally on terms of 30 to 90 days."

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 10 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Banks:		
- In Current accounts	597	248
Cash on hand	14	11
<b>Total</b>	<b>611</b>	<b>259</b>

## 11 Other Bank Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with banks (original maturities more than 3 months but less than 12 months)	8,499	7,582
Unpaid Dividend account	37	55
<b>Total</b>	<b>8,536</b>	<b>7,637</b>

## 12 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Inter corporate Deposit/Receivable from Subsidiaries (Refer Note 45)	3,484	2,254
<b>Total (A)</b>	<b>3,484</b>	<b>2,254</b>
<b>Considered doubtful, unsecured</b>		
Loan receivable with credit Impaired	164	164
Less: Allowance for Doubtful Loans	(164)	(164)
Loan to Subsidiary (Refer Note 45)	1,443	1,443
Less: Allowance for Doubtful Loans	(1,443)	(1,443)
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A)+(B)</b>	<b>3,484</b>	<b>2,254</b>

Refer Note 41 for related party information

## 13 Other Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Accrued Interest on Deposits, Loans & investments, etc.	225	184
Receivable towards Employees Share Appreciation Rights from related parties	2,115	1,581
Other Advances receivable	9	7
<b>Total (A)</b>	<b>2,349</b>	<b>1,772</b>
<b>Considered doubtful, unsecured</b>		
Other Receivables	62	68
Less: Allowance for Doubtful receivables	(62)	(68)
Other Advances receivable	1,849	2,259
Less: Allowance for Doubtful receivables	(1,849)	(2,259)
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A)+(B)</b>	<b>2,349</b>	<b>1,772</b>

Refer Note 41 for related party information

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 14 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Operational Advance	236	175
<b>Considered doubtful, unsecured</b>		
Operational Advance	21	21
Less: Provision for doubtful operational advance	(21)	(21)
Balances with Statutory Authorities	331	262
Less: Allowance for doubtful receivables	(50)	(50)
<b>Total (A)</b>	<b>517</b>	<b>387</b>
Prepaid Expenses	281	4
Others	1	5
<b>Total (B)</b>	<b>282</b>	<b>9</b>
<b>Total (A)+(B)</b>	<b>799</b>	<b>396</b>

## 15 Assets Held for Sale

### A) Property, Plant and Equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Land & Building	1,341	2,418
<b>Total</b>	<b>1,341</b>	<b>2,418</b>

### Movement of Assets held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance of Assets held for sale</b>	2,418	5,133
Classified to Assets held for sale during the year (Refer Note 3)	681	1,221
Disposal of Assets held for sale during the year	(1,758)	(3,936)
<b>Closing Balance of Assets held for sale</b>	<b>1,341</b>	<b>2,418</b>

The Company has adopted an Asset Light Strategy, basis which the decision was taken to sell the all the non-core immovable properties and use the proceeds from such sale to pay the debt. Exceptional item refers to loss/gain on disposal of such assets as at March 31, 2024 in line with Ind AS 105. The Company has taken necessary steps and negotiation is ongoing with the prospective buyers for the sale of assets classified as AHS which is expected to be concluded in next one year. the Company has sold properties of ₹ 1,758 lakhs and has recorded a gain of ₹ 308 lakhs in exceptional item. The proceeds from sale of properties are ₹ 2,066 Lakhs included net of advances received against Sale of properties.

### B) Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number / Units	Amount	Number / Units	Amount
<b>Investment in an Associate</b>				
Gati Ship Limited of ₹ 10/- each	48,00,000	8,623	48,00,000	8,623
Less: Impairment Allowance		(8,623)		(8,623)
<b>Total</b>		-		-

#### Notes:

- The Board has taken necessary steps and negotiation is ongoing with the prospective buyers for disposal of the above Property Plant & Equipment and investments and transaction is expected to be concluded in next one year.
- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company, except for the following:

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 15 Assets Held for Sale (contd)

Description of item of Property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a Promoter, director or relative of Promoter/director or employee of promoter	Property held Since which year	Reason for not being held in the name of the Company
Freehold building (Chennai Myalpure)	352	Transport Corporation of India Limited	No	2000	The asset was transferred to the Company pursuant to the business transfer arrangement with Transport Corporation of India Limited and the same is in the process of sale
Freehold building (Sholapur)	0.01	Transport Corporation of India Limited	No	2000	The asset was transferred to the Company pursuant to the business transfer arrangement with Transport Corporation of India Limited and the same is in the process of sale

\* Rounded off to nearest lakhs.

## 16 Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Authorized share capital</b>				
Equity Shares of ₹ 2/- each	17,50,00,000	3,500	17,50,00,000	3,500
		<b>3,500</b>		<b>3,500</b>
<b>Issued equity capital</b>				
Equity Shares of ₹ 2/- each fully paid up	13,02,52,027	2,605	13,01,30,117	2,603
		<b>2,605</b>		<b>2,603</b>
<b>Subscribed and fully paid-up:</b>				
Equity Shares of ₹ 2/- each fully paid up	13,02,52,027	2,605	13,01,30,117	2,603
		<b>2,605</b>		<b>2,603</b>

### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	13,01,30,117	2,603	12,29,68,997	2,459
Add: Share issued on allotment during the year.	1,21,910	2	71,61,120	144
<b>Shares at the end of the year</b>	<b>13,02,52,027</b>	<b>2,605</b>	<b>13,01,30,117</b>	<b>2,603</b>

**Note: -**

i) Details of shares issued/allotted during the financial year 2023-24 are as follows:

Date of allotment	Mode of Issue/allotment	No. of shares allotted	Face Value per shares	Nature of Consideration
a) August 04, 2023	Employee Stock Appreciation Rights	24,866	2	Cash
b) September 02, 2023	Employee Stock Appreciation Rights	19,469	2	Cash
c) November 03, 2023	Employee Stock Appreciation Rights	62,885	2	Cash
d) February 02, 2024	Employee Stock Appreciation Rights	14,690	2	Cash
<b>Total</b>		<b>1,21,910</b>		

ii) During the previous financial year, the Board of Directors of the Company have approved the allotment of 71,61,120 (Seventy One Lacs Sixty One Thousand One Hundred and Twenty) Equity Shares of a face value of ₹ 2/- (Rupees Two Only) fully paid up, to Allcargo Logistics Limited, Promoter of the Company, pursuant to the exercise of options attached to the Warrants allotted on June 17, 2021 and upon the receipt of balance 75% of the subscription money. Consequent to above allotment, the paid-up equity shares capital of the Company has increased by ₹ 1,43,22,240/- (Rupees One Crore Fourty Three Lacs Twenty Two Thousand Two Hundred and Fourty Only) which represents 71,61,120 (Seventy One Lacs Sixty One Thousand One Hundred and Twenty) Equity Shares of face value of ₹ 2/- (Rupees Two Only) each.



# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## b) Terms /Rights attached to Shareholder

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The dividend proposed by the Board of Director is subject to the approval of shareholder in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

## c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Allcargo Logistics Limited	6,53,30,095	50.16%	6,53,30,095	50.20%
Mr. Mukul Mahavir Agrawal	70,00,000	5.37%	70,00,000	5.38%
<b>Total</b>	<b>7,23,30,095</b>	<b>55.53%</b>	<b>7,23,30,095</b>	<b>55.58%</b>

d) The Company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the year of five years preceding the date at which Balance Sheet is prepared.

e) No calls are unpaid by any directors or officers of the Company during the year.

## f) Details of shares held by promoters

Sl. No.	Name of the Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the Year
		Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	
1	Allcargo Logistics Limited (effective from April 08, 2020)	6,53,30,095	50.16	6,53,30,095	50.20	0%
2	Neera And Children Trust	23,15,889	1.78	23,15,889	1.78	0%
3	Mahendra Kumar Agarwal	2,24,935	0.17	2,24,935	0.17	0%
4	TCI Finance Limited	2,84,838	0.22	4,88,347	0.38	-42%
5	Mahendra Kumar Agarwal & Sons HUF	4,90,118	0.38	5,41,568	0.42	-10%
6	Mahendra Investment Advisors Private Limited	1,51,577	0.12	1,51,577	0.12	0%
7	Jubilee Commercial & Trading Private Limited	20,000	0.02	20,000	0.02	0%
8	Dhruv Agarwal Benefit Trust	8,750	0.01	8,750	0.01	0%
9	Manish Agarwal Benefit Trust	1,19,728	0.09	24,728	0.02	384%
10	Bunny Investments & Finance Private Limited	-	0.00	-	0.00	0%
	<b>Total</b>	<b>6,89,45,930</b>	<b>52.93</b>	<b>6,91,05,889</b>	<b>53.12</b>	

Note : The following Promoter and Promoter Group members have applied for reclassification from "Promoter and Promoter Group" category to "Public" category under Regulation 31A of SEBI LODR Regulations, 2015:-

- 1) Mahendra Kumar Agarwal
- 2) Mahendra Kumar Agarwal & Sons HUF
- 3) TCI Finance Limited
- 4) Mahendra Investment Advisors Private Limited
- 5) Jubilee Commercial & Trading Private Limited
- 6) Bunny Investments And Finance Private Limited

## 17 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
a) Securities Premium	42,230	41,924
b) General Reserve	8,811	8,785
c) Capital Reserve	2,084	2,084
d) Tonnage Tax Reserve (Utilised)	929	929
e) Special Reserve	22,336	22,336
f) Retained Earning	(7,388)	(10,807)
g) Share based payment reserve (ESARs - Equity)	2,015	1,649
<b>Total</b>	<b>71,017</b>	<b>66,900</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 17 Other Equity (contd)

### A The description, nature, purpose and movement of each reserve under other equity are as follows:-

#### a) Securities Premium :

Securities premium represents the premium on issue of equity shares. The same can be utilised in accordance with the provisions of the Companies Act, 2013.

#### b) General Reserve:

General reserve is the retained earnings of the Company, which are kept aside out of the Company's profit to meet future obligations, if any.

#### c) Capital Reserve :

Capital Reserve includes amount received on allotment of convertible warrants was forfeited and transferred to Capital Reserve Account.

#### d) Tonnage Tax Reserve (Utilised):

This reserve is a statutory reserve which is created and will be utilized in accordance with the provisions of Section 115VT of Income tax Act 1961 to comply with the provisions of 'Tonnage Tax Scheme' under Chapter XII-G.

e) **Special Reserve:** The Hon'ble Andhra Pradesh High Court, approved the Scheme of Arrangement for amalgamation. ("The Scheme") vide its Order dated March 19, 2013 which inter alia, permits creation of a capital reserve to be called Special Reserve to which shall be credited excess of value of assets over value of liabilities on amalgamation of the subsidiaries amounting to ₹ 55,554 Lakhs to be utilized by the Company to adjust therefrom any capital losses arising from transfer of assets and certain other losses, any balance remaining in the Special Reserve shall be available for adjustment against any future permanent diminution in the value of assets and exceptional items etc. as specified in the Scheme as the Board of directors may deem fit.

f) **Retained Earnings:** Retained earnings comprise of net accumulated profit/(loss) of the Company, after declaration of dividend.

g) **Share based payment Reserve:** The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amount recorded in this reserve is transferred to securities premium upon exercise of stock appreciation rights by employees. The amount outstanding in the "Share based payment reserve" will be transferred to "General Reserve", when the options are lapsed / cancelled.

### The movement of Other equity as follows:

	As at March 31, 2024	As at March 31, 2023
<b>i) The movement of Securities Premium</b>		
Opening Balance	41,924	35,067
Add: Issue of shares pursuant to preferential allotment	-	6,857
Add: Transfer on account of exercise of ESARs	306	-
<b>Closing Balance</b>	<b>42,230</b>	<b>41,924</b>
<b>ii) The movement of General Reserve</b>		
Opening Balance	8,785	8,785
Add: Transfer on account of ESARs not exercised	26	-
<b>Closing Balance</b>	<b>8,811</b>	<b>8,785</b>
<b>iii) The movement of Capital Reserve</b>		
Opening Balance	2,084	2,084
Add/(Less): Adjustment during year	-	-
<b>Closing Balance</b>	<b>2,084</b>	<b>2,084</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 17 Other Equity (contd)

iv) The movement of Tonnage Tax Reserve (Utilised)	As at	
	March 31, 2024	March 31, 2023
Opening Balance	929	929
Add/(Less): Adjustment during year	-	-
<b>Closing Balance</b>	<b>929</b>	<b>929</b>

vi) The movement of Special Reserve	As at	
	March 31, 2024	March 31, 2023
Opening Balance	22,336	22,336
Add/(Less): Adjustment during year	-	-
<b>Closing Balance</b>	<b>22,336</b>	<b>22,336</b>

v) The movement of Share based payment reserve (ESARs - Equity)	As at	
	March 31, 2024	March 31, 2023
Opening Balance	1,649	56
Add: Share based payment expense	698	1,593
Less: Transfer on account of ESARs not exercised	(26)	-
Less: Transfer on account of exercise of ESARs	(306)	-
<b>Closing Balance</b>	<b>2,015</b>	<b>1,649</b>

vii) The movement of Retained Earning	As at	
	March 31, 2024	March 31, 2023
Opening Balance	(10,807)	(10,249)
Add/(Less): Profit/(Loss) for the year	3,417	(543)
Add/(Less): Other Comprehensive income for the year	2	(15)
<b>Closing Balance</b>	<b>(7,388)</b>	<b>(10,807)</b>

## 18 Lease Liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non- Current	Current	Non- Current	Current
<b>Secured</b>				
Lease Obligation	37	13	44	10
<b>Total</b>	<b>37</b>	<b>13</b>	<b>44</b>	<b>10</b>

### Notes:

- (a) The Company has lease contracts for certain items of Buildings. The Company's obligations under leases are secured by the lessor's title to the leased assets.
- (b) **Movement in lease liabilities during the year ended March 31, 2024**

Particulars	Year ended	
	March 31, 2024	March 31, 2023
<b>Lease liabilities at the beginning of the year</b>	<b>54</b>	<b>7</b>
Recognition of right-of-use liability during the year	7	50
Interest cost accrued during the year	4	3
Payment of lease liabilities including interest	(15)	(6)
Decognition of right-of-use liability during the year	-	-
<b>Lease liabilities at the end of the year</b>	<b>50</b>	<b>54</b>

- (c) **Amounts recognised in the statement of cash flow arising from financing activities**

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Total cash outflow for leases	15	6

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 18 Lease Liabilities (contd)

### d) Future payment of lease liabilities on an undiscounted basis

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Not later than one year	17	14
Later than one year but not later than five years		
1-2 years	16	15
2-3 years	16	14
3-4 years	9	14
4-5 years	1	7
Later than five years	-	-
<b>Total</b>	<b>59</b>	<b>64</b>

## 19 Provisions

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non- Current	Current	Non- Current	Current
Employee Benefits				
Gratuity (Refer Note 35)	44	3	39	3
Compensated Absences (Refer Note 35)	11	3	9	5
<b>Total</b>	<b>55</b>	<b>6</b>	<b>48</b>	<b>8</b>

## 20 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Current Maturities of Fixed deposits from Public	-	99
<b>Total</b>	<b>-</b>	<b>99</b>

### Note:

Reconciliation of liabilities arising from financing activities

Particulars	Year ended March 31, 2024
	Public Deposits
<b>Balance as at March 31, 2023</b>	99
Borrowings made during the year	-
Repayment of Fixed deposits from Public repaid during the year	99
<b>Balance as at March 31, 2024</b>	<b>-</b>

Particulars	Year ended March 31, 2023
	Public Deposits
<b>Balance as at March 31, 2022</b>	404
Repayment of Fixed deposits from Public repaid during the year	(306)
<b>Balance as at March 31, 2023</b>	<b>99</b>

## 21 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
For Goods and Services		
Total Outstanding dues of micro and small enterprises (Refer Note No 36)	-	-
Total Outstanding dues of creditors other than micro and small enterprises	53	94
<b>Total</b>	<b>53</b>	<b>94</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 21 Trade Payables (contd)

### Trade payables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment				Total
	Less than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed dues - MSME	-	-	-	-	-
ii) Undisputed dues - Others	-	-	-	53	53
	-	-	-	53	53

### Trade payables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from the due date of payment				Total
	Less than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed dues - MSME	-	-	-	-	-
ii) Undisputed dues - Others	-	32	23	39	94
	-	32	23	39	94

## 22 Other Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Employee Related Liabilities	14	52
Security Deposits	132	118
Unpaid Dividends	37	55
Unpaid matured deposits and interest accrued thereon	18	71
Liability towards guarantee invoked #	-	2,360
Accrued Expenses	335	64
Others	111	185
<b>Total</b>	<b>647</b>	<b>2,905</b>

# Represents relinquishment of Corporate Guarantee. Refer note 32 of exceptional items for detailed explanation.

## 23 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Dues to Statutory Authorities	28	24
Advance received towards sale of properties classified under AHS	164	164
Others	10	42
<b>Total</b>	<b>202</b>	<b>230</b>

## 24. Revenue from Operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Sale of Services</b>		
Freight, Ecommerce and Miscellaneous services	24	82
<b>Sale of Products</b>		
Sale of Diesel, Petrol and Lubricants	21,915	25,444
<b>Total (A)</b>	<b>21,939</b>	<b>25,526</b>
<b>Other Operating Revenue</b>		
Management Fee from Subsidiaries	134	168
Others	-	4
<b>Total (B)</b>	<b>134</b>	<b>172</b>
<b>Total (A)+(B)</b>	<b>22,073</b>	<b>25,698</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## A. Revenue from contracts with customers disaggregated based on revenue stream and by reportable segment.

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Revenue based on product &amp; services</b>		
a) Express Distribution	24	86
b) Fuel Stations	21,915	25,444
c) Others	134	168
<b>Total</b>	<b>22,073</b>	<b>25,698</b>
<b>Revenue based on Geography</b>		
India	22,073	25,698
Overseas	-	-
<b>Total</b>	<b>22,073</b>	<b>25,698</b>
<b>Reconciliation of Revenue from Operation with contract price</b>		
Revenue as per contract price	21,940	25,554
Less:		
Unsatisfied Performance Obligation	(1)	(28)
<b>Revenue from Operations</b>	<b>21,939</b>	<b>25,526</b>

### Transaction Price - Unsatisfied Performance Obligation

The Company's unsatisfied performance obligations mainly arises on account of undelivered shipments. The aggregate value of transaction price allocated to the unsatisfied performance obligations as at March 31, 2024 is ₹ 1 Lakhs, (Previous year ₹ 28 lakhs) which is expected to be recognised during next year after delivery of shipments.

There are no customers which individually accounted for more than 10% of revenue during the period ended 31 March, 2024

## B. Contract Balances

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Trade Receivables	1,794	1,848
Less: Impairment Allowances	(1,409)	(1,407)
<b>Total</b>	<b>385</b>	<b>441</b>

## 25. Other Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest Income		
On Deposit with Bank	538	216
On Inter Corporate Deposits	244	96
On Refund of Income Tax	37	9
Rental Income	17	163
Liabilities no longer required written back	77	208
Gain on Sale of Mutual Funds, net	-	8
Miscellaneous Income, net	45	8
<b>Total</b>	<b>958</b>	<b>708</b>

## 26. Operating Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Freight	7	59
Other Operating Expenses	167	140
<b>Total</b>	<b>174</b>	<b>199</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 27. Changes in Inventories of Stock-in-Trade

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Opening Stock:</b>		
Stock-in-trade	244	279
	<b>244</b>	<b>279</b>
<b>Closing Stock</b>		
Stock-in-trade	(215)	(243)
	<b>(215)</b>	<b>(243)</b>
Decrease in Inventories of Stock-in-trade	<b>29</b>	<b>36</b>

## 28. Employee Benefits Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, Wages & Bonus	213	200
Contribution to Provident and other Funds	16	17
Staff Welfare Expenses	2	9
Share Based Payment Expenses (Refer Note 50)	43	88
<b>Total</b>	<b>274</b>	<b>314</b>

## 29. Finance Costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest Expenses		
On Public Deposits	4	30
On Lease Liabilities	4	3
Others	-	1
<b>Total</b>	<b>8</b>	<b>34</b>

## 30. Depreciation and Amortization Expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation on Property, Plant and Equipment (Refer Note: 3)	39	57
Depreciation on Right of use Asset (Refer Note: 3A)	14	10
Amortisation of Intangible (Refer Note :3B)	0	-
<b>Total</b>	<b>53</b>	<b>67</b>

## 31. Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Professional and Legal expenses	195	285
Remuneration to Auditors (Refer Note 31.1)	29	25
Directors Sitting Fees *	23	5
Repairs and Maintenance	17	32
Insurance	16	20
Allowance for Expected Credit Loss	13	148
Bad debts and Irrevocable Balances Written off	11	113
Less: Provision for loss allowances recognised in earlier years	(11)	(90)
Electricity	12	17
Rates and Taxes	11	19
Management Fee	6	60

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Printing and Stationery	3	3
Telephone Expenses	2	1
Travelling Expenses	1	2
Rent	1	1
Foreign Exchange Loss, net	-	2
Loss on Disposal of Property, Plant and Equipment, net	-	4
Miscellaneous Expenses	158	81
<b>Total</b>	<b>487</b>	<b>728</b>

\* Refer Note 41 for Related Party Information.

## 31.1 Auditors' Remuneration

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Statutory Audit fees	16	15
Limited review of quarterly results	9	8
Certification fees and other services	3	1
Reimbursement of out of Pocket Expenses	1	1
<b>Total</b>	<b>29</b>	<b>25</b>

## 31.2 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013 ('Act'), the Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Education, Community, Environment Sustainability and Rural Development Projects & Donations. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- During the year, the Company has incurred ₹ Nil (March 31, 2023 ₹ Nil lakhs) on account of Corporate Social Responsibility (CSR) included under Other Expenses.
- Gross Amount required to be spent by the Company during the year is ₹ Nil lakhs
- Amount approved by the board to be spent during the year is ₹ Nil lakhs

## 32. Exceptional Items

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Loss on write off of Property, Plant & Equipment (Net) (Note d)	(1)	(258)
Impairment Charged on Property, Plant & Equipment (Note e)	-	(345)
Net Gain on disposal of Non-core Assets (Note c)	308	479
Impairment Charged in the realisable value of Non-core Assets	-	(674)
Relinquishment of Corporate Guarantee (Note a)	2,360	-
Provision on investment in Subsidiary "GIETL" (Note b)	(4)	(5)
<b>Total</b>	<b>2,663</b>	<b>(803)</b>

The Exceptional items (non-recurring) represents :

- In January 2016, the Company had issued a Corporate Guarantee to IDFC Bank Limited ('IDFC') on behalf of GI Hydro Private Limited (formerly GATI Infrastructure Private Limited ('GIPL')). In FY 2017-18, the Company recorded a liability of ₹ 2,360 lakhs due to the invocation of the Corporate Guarantee by IDFC. Subsequently, IDFC assigned all rights, title, and interests in financial assistance of GIPL to Edelweiss Asset Reconstruction Company Limited ('Edelweiss') under the SARFAESI Act, 2002.

During the current financial year, GIPL has raised funds by issuing bonds and repaid its debts to Edelweiss and thereby on January 12, 2024, Edelweiss has issued no-due certificate relinquishing the Corporate Guarantee issued by the Company. Accordingly, the Company has reassessed its exposure and reversed the liability of ₹ 2,360 lakhs. This has been treated as exceptional item (gain). Further the legal matters associated with this guarantee are disposed off during the current financial year.



# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 32. Exceptional Items (contd)

- Gati Import Export Trading Limited (GIETL), a wholly owned subsidiary of the Company, has discontinued its operations in FY 2021. Company's investment in GIETL has been provided to extent of 187 lakhs as on March 31, 2024, out of this ₹ 5 lakhs was provided in financial year 2022-23 and further ₹ 4 lakhs is provided in the current financial year.
- Net gain on sale of assets which are disclosed under "Assets held for Sale" of ₹ 308 lakhs (March 31, 2023 - ₹ 479 lakhs).
- A loss on write off of ₹ 1 lakhs in Property, Plant and Equipment is on account of discardment of Property, Plant and Equipment which have outlived their useful life and those which are no longer required for business operations (March 31, 2023 - ₹ 258 lakhs).
- During the previous financial year an impairment allowance of ₹ 345 lakhs has been provided in books on account of diminution in the fair value of Property, plant & Equipment.

## 33. Tax Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit Before Tax	3,359	(519)
<b>Income Tax recognised in Statement of Profit and Loss</b>		
Current Tax	-	40
Deferred Tax	-	-
Taxes related to earlier years	(58)	(16)
<b>Total</b>	<b>(58)</b>	<b>24</b>
<b>Income Tax recognised in Other Comprehensive Income</b>		
Deferred tax expenses on Re-Measurement gains/(losses) on defined benefit plans	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>(58)</b>	<b>24</b>

### 33.1 Reconciliation of Income Tax expense for the year with book profits

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit/(Loss) before Tax (After Exceptional Items)	3,359	(519)
Applicable Tax Rate	25.17%	27.82%
Tax Expense	<b>846</b>	<b>(144)</b>
<b>Tax Effect of :</b>		
Write back of liabilities not claimed as deduction in the earlier years	(672)	-
Brought forward losses utilised	(157)	-
Deffered tax not recognised	(18)	194
Taxes related to earlier years	-	(26)
Others	(57)	-
<b>Total tax expense as per Statement of Profit and Loss</b>	<b>(58)</b>	<b>24</b>
Effective Tax Rate	(1.73%)	(4.56%)

33.2 During the current financial year, the Company opted to exercise the option under section 115 BBA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 and has taken 25.168% rate of corporate tax in its accounts.

### 33.3 Deferred Tax Assets, net

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Deferred Tax Asset</b>		
Allowance for Doubtful Receivables & Loans	-	37
<b>Deferred Tax Liability</b>		
Property, Plant and Equipment	-	-
Others	-	(37)
<b>Total</b>	<b>-</b>	<b>-</b>

Deferred tax asset arising on account of business loss, allowance for doubtful receivables and advances, allowance for impairment of investments etc. has been recognised in books only to the extent of deferred tax liability. The reason for non recognition of deferred tax asset is due to carry forward losses and possible future capital gain on investments not being available for set off.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 34. (A) Contingent liabilities and commitments

### Contingent liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. The following is a description of claims and assertions where a potential loss is possible, but not probable.

(i) Contingent Liabilities (to the extent not provided for)	As at March 31, 2024	As at March 31, 2023
<b>(a) Claim against the Company not acknowledged as debt</b>		
(i) Income tax Demand disputed in appeals and others (Includes amount paid under protest ₹ 321 Lakhs, previous year ₹ 321 Lakhs)	920	920
(ii) Indirect Tax demand disputed in appeals (Includes amount paid under protest ₹ 81 Lakhs, previous year ₹ 73 Lakhs) <sup>(1)</sup>	4,577	4,445
(iii) Others <sup>(2)</sup>	229	223
<b>Total</b>	<b>5,726</b>	<b>5,267</b>

<sup>(1)</sup> Indirect taxes related matters:

Nature of Indirect taxes	Amount	Period to which amount pertains	Status
Service Tax	4,445	2009 - 2017	The Company has received various demand notices from Commissioner of Service Tax towards non payment of service tax on freight forwarding services, non payment of service tax on voyage charter service excess availment of Cenvat credit which are being contested by the Company based on the management evaluation and advice of tax consultants.
Goods and Service tax	132	2017 - 2020	The Company has received various demand notices for a sum of ₹ 70.41 lakhs for FY 2017-18 and 2018-19 majorly towards excess input claim which are being contested by the Company based on the management evaluation and advice of tax consultants.
<b>Total</b>	<b>4,577</b>		

### <sup>(2)</sup> Other Claims

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of a material nature, other than those described below:

#### **B) Neera Children Trust ('NCT') Vs. Gati Limited. & 29 Ors. (NCLT 535 of 2019), NCLT Hyderabad**

Neera Children Trust (NCT) has filed a case alleging oppression and mismanagement against Gati Limited, its promoters, and directors, with the case currently under the purview of the National Company Law Tribunal (NCLT) in Hyderabad. Various Interim Applications (IAs) have been submitted by different parties during the proceedings, addressing matters such as maintainability, waiver, the legality of postal ballots, shifting the registered office, and adding other respondents. In one significant development, Gati Limited filed an IA requesting the relocation of its registered office from Telangana to Maharashtra, which was granted by the NCLT on April 25, 2023.

As the litigation proceeds, Gati Limited's counter to the interim reliefs sought by NCT has been recorded, and the main petition is scheduled for a hearing on June 24, 2024. The case has seen six IAs filed by various parties, focusing on issues of maintainability, waiver, the legality of the postal ballot, the shifting of the head office, and the addition of other respondents. According to the assessment by the learned counsel, there is a high possibility of obtaining a favorable order in this case. However, the final resolution and its potential impact on Gati Limited's financial position depend on the NCLT's final verdict.

Until the NCLT reaches a decision, the ultimate impact on Gati Limited's financial standing cannot be determined with certainty. The Company is committed to monitoring the proceedings closely and will assess any potential financial implications as they arise.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 34. (A) Contingent liabilities and commitments (contd)

### Notes :

- a) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments / decisions pending with various forums / authorities.
- b) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial position. Also, the Company does not expect any reimbursement in respect of the above contingent liabilities.
- c) There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that needs to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. From the previous year ended March 31, 2023, the Company is in compliance with same. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.
- d) The Code on Social Security 2020 (Code) related to employee benefits during employment and post-employment received Presidential assent in September'2020. The Code has been published in the Gazette of India; however, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. However, the Company envisages that the impact of the above would not be material.

## 35. Disclosure as required under Ind AS 19 on Employee Benefits:

Defined Benefit Obligation	As at March 31, 2024	As at March 31, 2023
<b>Statement of Assets and Liabilities for defined benefit obligation</b>		
Present value of funded obligations	(52)	(48)
Fair value of plan assets	5	6
<b>Net defined benefit liability recognised</b>	<b>(47)</b>	<b>(42)</b>

### Defined benefits - Gratuity

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India.

These defined benefit plans expose the Company to actuarial risks, such as currency risk, interest risk and market (investment) risk.

The Company expects ₹ 20 lakhs to contribute to Gratuity Fund in the next year.

### Defined benefits - Compensated absences

The Company provides for accumulation of leaves by certain categories of its employees. These employees can carry forward a portion of the unutilised leaves and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for such leaves in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation is ₹ 14 lakhs and ₹ 14 lakhs as at March 31, 2024 and March 31, 2023, respectively.

### Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 35. Disclosure as required under Ind AS 19 on Employee Benefits: (contd)

The following tables analyse present value of defined benefit obligations, expense recognised in Statement of Profit and Loss, actuarial assumptions and other information.

Reconciliation of the net defined benefit (asset) / liability:	Year ended March 31, 2024	Year ended March 31, 2023
<b>(I) Reconciliation of present value of defined benefit obligation</b>		
(a) Balance at the beginning of the year	48	35
(b) Current service cost	4	2
(c) Interest on defined obligations	3	2
(d) Benefits paid	(4)	(6)
(e) Actuarial (gains)/ losses recognised in other comprehensive income	-	-
change in demographic assumptions	-	2
change in financial assumptions	(2)	(2)
experience adjustments	3	15
<b>Balance at the end of the year</b>	<b>52</b>	<b>48</b>
<b>(II) Reconciliation of present value of plan assets</b>		
(a) Balance at the beginning of the year	6	6
(b) Investment Income	-	-
(c) Actual return on plan assets	-	-
(d) Contributions by the employer	-	6
(e) Benefits paid	(4)	(6)
(f) Fund Transfer adjustment	-	-
(g) Actuarial Gain/(Loss) on Plan Assets	3	-
<b>Balance at the end of the year</b>	<b>5</b>	<b>6</b>
<b>(III) Gratuity cost recognised in Statement of Profit or Loss</b>		
(a) Current service cost	4	2
(b) Interest on defined obligations	3	2
(c) Interest income on plan assets	-	-
<b>Gratuity cost recognised in Statement of Profit or Loss</b>	<b>7</b>	<b>4</b>
<b>(IV) Remeasurements recognised in Other Comprehensive Income</b>		
(a) Actuarial (gain) / loss on defined benefit obligation	1	15
(b) Return on plan asset excluding interest income	(3)	-
<b>Amount recognised in Other Comprehensive Income</b>	<b>(2)</b>	<b>15</b>

(V) Net Asset/ (Liability) recognised in the Balance Sheet	As at March 31, 2024	As at March 31, 2023
(a) Present value of defined benefit obligation	(52)	(48)
(b) Fair value of plan assets	5	6
<b>Net defined benefit obligations in the Balance Sheet</b>	<b>(47)</b>	<b>(42)</b>

(VI) Plan assets	As at March 31, 2024	As at March 31, 2023
Plan assets comprise of the following:		
Investments with LIC	100%	100%

(VII) Actuarial assumptions	Year ended March 31, 2024	Year ended March 31, 2023
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
(a) Discount rate	7.17%	7.31%
(b) Future salary growth	5.00% first 2 years; 5.00% thereafter	8.00% first 2 years; 6.00% thereafter
(c) Retirement age (years)	58	58
(d) Withdrawal rates	8%	10%

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14).

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 35. Disclosure as required under Ind AS 19 on Employee Benefits: (contd)

### (VIII) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
(a) Discount rate (1% movement)	(1)	1	(1)	1
(b) Future salary growth (1% movement)	1	(1)	1	(1)
(c) Withdrawal assumption (1% movement)	-	-	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown.

Wherever amounts are "0", the value is less than rupees fifty thousand.

Expected Cash Flows over the next (valued on Undiscounted Cash Flows)	As at March 31, 2024	As at March 31, 2023
1 year	20	8
2 to 5 years	32	40
6 to 10 years	9	8
More than 10 years	2	3

Defined Contribution	Year ended March 31, 2024	Year ended March 31, 2023
Provident/Pension Fund	9	8
Employee State Insurance	0	-
<b>Total</b>	<b>9</b>	<b>8</b>

## 36. Due to Micro Enterprises and Small Enterprises

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year :	-	-
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 37. Financial instruments - fair values and risk management

### A. Category wise classification of financial instruments and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2024, including their levels in the fair value hierarchy.

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Other financial assets (Refer Note 5 & 13)	-	-	2,355	-	2,355	-	-	-	-
Trade receivables (Refer Note 9)	-	-	385	-	385	-	-	-	-
Cash and cash equivalents (Refer Note 10)	-	-	611	-	611	-	-	-	-
Other bank balances (Refer Note 11)	-	-	8,536	-	8,536	-	-	-	-
Loans (Refer Note 12)	-	-	3,484	-	3,484	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15,371</b>	<b>-</b>	<b>15,371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>									
Trade payables(Refer Note 21)	-	-	-	53	53	-	-	-	-
Other financial liabilities(Refer Note 22)	-	-	-	647	647	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700</b>	<b>700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2023, including their levels in the fair value hierarchy.

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Other financial assets (Refer Note 5 & 13)	-	-	1,776	-	1,776	-	-	-	-
Trade receivables (Refer Note 9)	-	-	441	-	441	-	-	-	-
Cash and cash equivalents (Refer Note 10)	-	-	259	-	259	-	-	-	-
Other bank balances (Refer Note 11)	-	-	7,637	-	7,637	-	-	-	-
Loans (Refer Note 12)	-	-	2,254	-	2,254	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12,367</b>	<b>-</b>	<b>12,367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>									
Borrowing (Refer Note 20)	-	-	-	99	99	-	-	-	-
Trade payables(Refer Note 21)	-	-	-	94	94	-	-	-	-
Other financial liabilities(Refer Note 22)	-	-	-	2,905	2,905	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,098</b>	<b>3,098</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 37. Financial instruments - fair values and risk management (contd)

### B. Measurement of fair values

#### i. Valuation techniques and significant unobservable inputs

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, investments in Debt instrument, borrowings, lease liabilities, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value.

During the previous year, Investments in equity instruments, which are classified as FVOCI are based on market price at the respective reporting date.

#### ii. Level 1 fair values

The following table shows a reconciliation from the opening balance to the closing balance for Level 1 fair values.

Particulars	FVOCI Equity 'instruments
<b>Balance as at March 31,2022</b>	<b>1,011</b>
Current Investments during the year	100
Net Gain on investments measured at FVTPL	8
Equity Investments through other comprehensive income	-
Sale proceeds of Non current Investments	(1,119)
<b>Balance as at March 31,2023</b>	<b>-</b>
Current Investments during the year	-
Sale proceeds of Non current Investments	-
<b>Balance as at March 31, 2024</b>	<b>-</b>

### C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### Risk management framework

The Company's principal financial liabilities includes borrowings, Lease liabilities, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Loans, trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

#### a) Trade receivables

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Company uses expected credit loss model to assess the impairment loss or gain in accordance with Ind AS 109. The Company uses a provision matrix to compute the credit loss allowance for trade receivables.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 37. Financial instruments - fair values and risk management (contd)

The movement of Trade Receivables and Expected Credit Loss are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables (Gross)	1,794	1,848
Less: Expected Credit Loss	(1,409)	(1,407)
<b>Trade Receivables (Net)</b>	<b>385</b>	<b>441</b>

Reconciliation of Expected Credit Loss (Trade receivables)	Amount
<b>Expected Credit Loss as at March 31, 2022</b>	<b>1,349</b>
Allowance for Expected Credit Loss	148
Utilisation of Allowance for Bad debts written off	(90)
<b>Expected Credit Loss as at March 31, 2023</b>	<b>1,407</b>
Allowance for Expected Credit Loss	13
Utilisation of Allowance for Bad debts written off	(11)
<b>Expected Credit Loss as at March 31, 2024</b>	<b>1,409</b>

### b) Loans and Advances

The movement of Loans and Expected Credit Loss are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Loans	5,091	3,861
Less: Expected Credit Loss	(1,607)	(1,607)
<b>Loans (net)</b>	<b>3,484</b>	<b>2,254</b>

Reconciliation of Expected Credit Loss (Loans)	Amount
<b>Expected Credit Loss as at March 31, 2022</b>	<b>1,607</b>
Allowance for Expected Credit Loss	-
<b>Expected Credit Loss as at March 31, 2023</b>	<b>1,607</b>
Allowance for Expected Credit Loss	-
<b>Expected Credit Loss as at March 31, 2024</b>	<b>1,607</b>

The movement of Advances and Expected Credit Loss are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Other Advances receivable	4,035	3,915
Less: Expected Credit Loss	(1,911)	(2,191)
<b>Loans (net)</b>	<b>2,124</b>	<b>1,724</b>

Reconciliation of Expected Credit Loss (Other Advance Receivable)	Amount
<b>Expected Credit Loss as at March 31, 2022</b>	<b>2,321</b>
Allowance for Expected Credit Loss	6
<b>Expected Credit Loss as at March 31, 2023</b>	<b>2,327</b>
Allowance for Expected Credit Loss	(416)
<b>Expected Credit Loss as at March 31, 2024</b>	<b>1,911</b>

### (ii) 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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Besides, it generally has certain undrawn credit facilities which



# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 37. Financial instruments - fair values and risk management (contd)

can be accessed as and when required ; such credit facilities are reviewed at regular intervals. Thus , no liquidity risk is perceived at present.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

March 31, 2024	Contractual cash flows				
	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Trade Payables	53	53	53	-	-
Other Financial Liabilities	647	647	647	-	-
<b>Total</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>-</b>	<b>-</b>

March 31, 2023	Contractual cash flows				
	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	99	99	99	-	-
Trade Payables	94	94	94	-	-
Other Financial Liabilities	2,905	2,905	2,905	-	-
<b>Total</b>	<b>3,098</b>	<b>3,098</b>	<b>3,098</b>	<b>-</b>	<b>-</b>

### (iii) Market Risk

#### Floating exchange rate

Floating exchange rate with reference to Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### 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 total unhedged foreign currency exposure at the year end towards Trade Receivable & Trade Payable is ₹ 9 Lakhs (Previous year ₹ 2 Lakhs) and ₹ 24 Lakhs (Previous Year ₹ 3 Lakhs) respectively. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Fixed rate instruments</b>		
<b>Financial Liabilities</b>		
Deposits from Public	-	99
	<b>-</b>	<b>99</b>

#### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

#### Equity risk

The Company's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 38. Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders and debt includes borrowings and lease liabilities.

The Company monitors capital on the basis of the following Gearing ratio:

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (including current maturities of Long term borrowing)	-	99
<b>Less:</b>		
Cash and Cash Equivalents	(611)	(259)
Bank balance other than Cash and Cash Equivalents	(8,536)	(7,637)
<b>Net Debt</b>	<b>(9,147)</b>	<b>(7,797)</b>
Total Equity	73,622	69,503
Debt to equity ratio	(0.12)	(0.11)

## 39. Segment Information

### A Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which is the Company's primary business segment. These business units are managed separately because they require different marketing strategies. For these business the Company's CODM (designation of the person who reviews) reviews internal management reports at quarterly basis.

Reportable segments - Operations

Express Distribution - Covers integrated E-commerce cargo logistics

Fuel Stations - Covers fuel stations dealing in petrol, diesel and lubricants, etc.

### B Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Summary of Segment Information as at and for the year ended March 31, 2024 and March 31, 2023 is as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>1. Segment Revenue (Net Sales / Income from each Segment)</b>		
a) Express Distribution	24	86
b) Fuel Stations	21,915	25,444
c) Unallocated	134	168
<b>Total</b>	<b>22,073</b>	<b>25,698</b>
Less: Inter Segment Revenue	-	-
<b>Net Sales / Income from Operations</b>	<b>22,073</b>	<b>25,698</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 39. Segment Information (contd)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)</b>		
a) Express Distribution	(24)	(272)
Exceptional Items - Income/(expense)	-	(272)
<b>Total(A)</b>	<b>(24)</b>	<b>(544)</b>
b) Fuel Stations	243	378
Exceptional Items - Income/(expense)	-	-
<b>Total(B)</b>	<b>243</b>	<b>378</b>
<b>Total (A+B)</b>	<b>219</b>	<b>(166)</b>
Add/Less: (i) Finance Cost	(8)	(34)
(ii) Other un-allocated Income/(expense), net	485	212
(iii) Exceptional Items - Income/(expense), net	2,663	(531)
<b>Profit / (Loss) before tax</b>	<b>3,359</b>	<b>(519)</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>3. Segment Assets</b>		
a) Express Distribution	253	485
b) Fuel Stations	1,191	1,175
c) Unallocated	73,191	71,281
<b>Total Assets</b>	<b>74,635</b>	<b>72,941</b>
<b>Segment Liabilities</b>		
a) Express Distribution	254	407
b) Fuel Stations	45	46
c) Unallocated	714	2,985
<b>Total Liabilities</b>	<b>1,013</b>	<b>3,438</b>
<b>Capital Employed</b>	<b>73,622</b>	<b>69,503</b>

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>4. Depreciation and Amortisation Expenses</b>		
a) Express Distribution	41	54
b) Fuel Stations	12	13
<b>Total</b>	<b>53</b>	<b>67</b>

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>5. Significant Non - Cash Expenditure</b>		
a) Express Distribution	-	1,287
b) Fuel Stations	13	-
<b>Total</b>	<b>13</b>	<b>1,287</b>

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>6. Capital Expenditure</b>		
a) Express Distribution	-	-
b) Fuel Stations	6	36
<b>Total</b>	<b>6</b>	<b>36</b>

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## C Geographical Information

The Company at present, operates in India only and therefore the analysis of geographical segments is not applicable to the Company.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>1. Revenue from External Customers</b>		
a) India	22,073	25,698
b) International	-	-
<b>Total</b>	<b>22,073</b>	<b>25,698</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>2. Segment Non Current Assets *</b>		
a) India	905	1,626
b) International	-	-
<b>Total</b>	<b>905</b>	<b>1,626</b>

\* Non Current Assets are excluding Investment in Subsidiaries, Income tax asset and net Deferred tax asset.

## 40. Earnings per Share

	Year ended March 31, 2024	Year ended March 31, 2023
Profit/(Loss) for the year (₹ Lakhs)	3,417	(543)
Weighted Basic average number of shares (Nos.)	13,01,86,061	12,54,41,055
Weighted Diluted average number of shares (Nos.)	13,12,58,292	12,67,00,185
<b>Basic &amp; Diluted EPS</b>		
Basic Earnings Per Share (In ₹)	2.63	(0.43)
Diluted Earnings Per Share (In ₹)	2.63	(0.43)
Nominal value of shares outstanding (In ₹)	2.00	2.00

In the current year, in the computation of Diluted EPS, the Company has considering diluted weighted average shares of 10,72,231 shares (March 31 2023 12,59,130 shares) (ESARs).

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 41. Related party disclosures

### (A) Names of related parties and related party relationship for the year ended March 31, 2024

i)	<b>Holding Company</b>	1. Allcargo Logistics Limited	
ii)	<b>List of Directors &amp; Key Managerial Personnel</b>	1. Mr Shashi Kiran Shetty	– Chairman and Mangaing Director
		2. Mr Yasuhiro Kaneda	– Nominee Director (Resigned w.e.f July 01, 2022 )
		3. Mr Kaiwan Kalayaniwalla	– Director
		4. Ms. Cynthia D'Souza	– Independent Director (Resigned w. e. f. June 08, 2023)
		5. Mr. Dinesh Kumar Lal	– Independent Director
		6. Mr. Yasuyuki Tani	– Nominee Director (Resigned w. e. f June 08, 2023)
		7. Mr. Nilesh Shivji Vikamsey	– Independent Director
		8. Ms. T S Maharani	– Company Secretary and Compliance Officer
		9. Mr. Pirojshaw Sarkari (Phil)	– Pirojshaw Aspi Sarkari (Stepped down as CEO w.e.f. May 31, 2023 and appointed as Director w. e. f. June 08, 2023)
		10. Mr. Anish T Mathew	– Chief Financial Officer (Appointed w.e.f February 04, 2022)
		11. Mr Hetal Madhukant Gandhi	– Independent Director (Appointed w. e. f. June 09, 2023)
		12. Mr Ravi Jakhar	– Director ( Appointed w.e.f. June 09, 2023)
		13. Ms Vinita Dang Mohoni	– Independent Director ( Appointed w. e. f. June 05, 2023)
iii)	<b>Entities in which Non Executive Director having significant influence</b>	1. Talentos ( India) Pvt Limited	
iv)	<b>Subsidiaries &amp; Step down Subsidiaries</b>	1. Gati Express & Supply Chain Private Limited (Formerly known as Gati Kintetsu Express Private Limited)	
		2. Gati Import Export trading Limited	
		3. Gati Logistics Parks Private Limited	
		4. Gati Projects Private Limited	
		5. Zen Cargo Movers Private Limited	
v)	<b>Fellow Subsidiaries</b>	1. ECU Hold NV	
		2. Gati Cargo Express (Shanghai) Co Limited	
		3.Gati Hong Kong Limited	
		4.Gati Asia Pacific Pte Limited.	
		5. Allcargo Belgium N.V.	
		6. Allcargo Supply Chain Private Limited	
vi)	<b>Associate</b>	1. Gati Ship Limited	

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 41. Related party disclosures (contd)

### (B) Summary of the transactions with related parties

SL. No	Nature of Transaction	Key Managerial Personnel & Relatives		Entities in which Non Executive Director having significant influence		Holding, Subsidiaries, step down Subsidiaries & Fellow Subsidiaries		Total	
		FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
a)	<b>EXPENDITURE</b>								
	<b>Freight Expenses</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	6	40	6	40
		-	-	-	-	6	40	6	40
	<b>Rent</b>								
	Talentos ( India) Pvt Limited	-	-	1	-	-	-	1	-
		-	-	1	-	-	-	1	-
	<b>Remuneration-Short term employee benefits</b>								
	Ms T S Maharani	40	39	-	-	-	-	40	39
	Mr Anish T Mathew	141	99	-	-	-	-	141	99
		181	138	-	-	-	-	181	138
	<b>Directors Sitting Fee-Short term employee benefits</b>								
	Ms. Cynthia D'Souza	-	1	-	-	-	-	-	1
	Mr. Dinesh Kumar Lal	7	2	-	-	-	-	7	2
	Mr. Nilesh Shivji Vikamsey	7	2	-	-	-	-	7	2
	Mr Hetal Madhukant Gandhi	5	-	-	-	-	-	5	-
	Ms Vinita Dang Mohoni	4	-	-	-	-	-	4	-
		23	5	-	-	-	-	23	5
	<b>Management Fee</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	6	60	6	60
	Allcargo Logistics Limited	-	-	-	-	-	-	-	-
		-	-	-	-	6	60	6	60
	<b>Maintenance Expenses</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	-	10	-	10
		-	-	-	-	-	10	-	10
	<b>Provision for Investment</b>								
	Gati Import and Export Private Limited	-	-	-	-	4	5	4	5
		-	-	-	-	4	5	4	5
	<b>Other Expenses</b>								
	Allcargo Logistics Limited	-	-	-	-	-	28	-	28
	ECU Hold NV	-	-	-	-	-	0	-	0
		-	-	-	-	-	28	-	28

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 41. Related party disclosures (contd)

SL. No	Nature of Transaction	Key Managerial Personnel & Relatives		Entities in which Non Executive Director having significant influence		Holding, Subsidiaries, step down Subsidiaries & Fellow Subsidiaries		Total	
		FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
<b>b)</b>	<b>INCOME</b>								
	<b>Freight</b>								
	Gati Cargo Express (Shanghai) Co Limited	-	-	-	-	26	18	26	18
		-	-	-	-	26	18	26	18
	<b>Rent</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	1	109	1	109
	Gati Import Export Trading Limited	-	-	-	-	1	0	1	0
	Gati Logistics Parks Private Limited	-	-	-	-	1	0	1	0
	Gati Projects Private Limited	-	-	-	-	1	0	1	0
	Gati Ship Limited	-	-	-	-	1	0	1	0
		-	-	-	-	5	110	5	110
	<b>Management Fee</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	119	168	119	168
	Allcargo Supply Chain Private Limited	-	-	-	-	15	-	15	-
		-	-	-	-	134	168	134	168
	<b>Reimbursement of expenses/ Other Income</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	-	21	-	21
		-	-	-	-	-	21	-	21
	<b>Interest Income - Inter Corporate Deposit</b>								
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	-	-	212	96	212	96
	Allcargo Supply Chain Private Limited	-	-	-	-	31	-	31	-
		-	-	-	-	243	96	243	96
	<b>Sale of Assets</b>								
	Allcargo Logistics Limited	-	-	-	-	-	23	-	23
		-	-	-	-	-	23	-	23

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 41. Related party disclosures (contd)

### (c) Summary of closing balances with related parties.

SL. No	Particulars	Holding Company		Fellow Subsidiaries, Associates & Entities in which having significant influence and common influence		Total	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>c)</b>	<b>Investments - Equity</b>						
	Gati Import Export Trading Limited	-	-	230	230	230	230
	Gati Import Export Trading Limited - Provision	-	-	(187)	(182)	(187)	(182)
	Zen Cargo Movers Private Limited	-	-	36	36	36	36
	Zen Cargo Movers Private Limited - Provision	-	-	(36)	(36)	(36)	(36)
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	55,100	55,100	55,100	55,100
	Gati Logistic Parks Private Limited	-	-	1	1	1	1
	Gati Projects Private Limited	-	-	1	1	1	1
		-	-	<b>55,145</b>	<b>55,150</b>	<b>55,145</b>	<b>55,150</b>
<b>d)</b>	<b>Trade Receivables</b>						
	Gati Cargo Express (Shanghai) Co Limited	-	-	5	12	5	12
		-	-	<b>5</b>	<b>12</b>	<b>5</b>	<b>12</b>
<b>e)</b>	<b>Other Receivables</b>						
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	1,237	866	1,237	866
	Allcargo Supply Chain Private Limited	-	-	-	-	-	-
	Gati Import Export Trading Limited	-	-	-	-	-	-
	Zen Cargo Movers Private Limited	-	-	7	6	7	6
	Gati Logistic Parks Private Limited	-	-	1	0	1	0
	Gati Projects Private Limited	-	-	1	0	1	0
	Gati Ship Limited	-	-	2	0	2	0
	Allcargo Logistics Limited	862	692	-	-	862	692
		<b>862</b>	<b>692</b>	<b>1,248</b>	<b>873</b>	<b>2,110</b>	<b>1,565</b>
<b>f)</b>	<b>Interest Receivable on Inter Corporate Deposit (ICD)</b>						
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	143	86	143	86
		-	-	<b>143</b>	<b>86</b>	<b>143</b>	<b>86</b>
<b>g)</b>	<b>Loans &amp; Advances - Given</b>						
	Gati Logistic Parks Private Limited	-	-	1,444	1,444	1,444	1,444
	Gati Logistic Parks Private Limited - Provision	-	-	(1,443)	(1,443)	(1,443)	(1,443)
	Gati Express and Supply Chain Private Limited - ICD	-	-	3,484	2,250	3,484	2,250
	Gati Projects Private Limited	-	-	3	3	3	3
	Gati Import Export Trading Limited	-	-	0	-	0	-
		-	-	<b>3,488</b>	<b>2,254</b>	<b>3,488</b>	<b>2,254</b>



# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 41. Related party disclosures (contd)

### (c) Summary of closing balances with related parties.

SL. No	Particulars	Holding Company		Fellow Subsidiaries, Associates & Entities in which having significant influence and common influence		Total	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>h)</b>	<b>Trade Payables</b>						
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	4	-	-	-	4	-
		<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>
<b>i)</b>	<b>Other Payables</b>						
	Gati Express & Supply Chain Private Limited (Formerly Known as Gati Kintetsu Express Private Limited)	-	-	0	-	0	-
	Talentos ( India) Pvt Limited	-	-	0	-	0	-
		<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>
<b>j)</b>	<b>Investment Held for Sale</b>						
	Gati Ship Limited	-	-	8,623	8,623	8,623	8,623
	Gati Ship Limited Provision	-	-	(8,623)	(8,623)	(8,623)	(8,623)
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Notes -

- (i) This is to confirm that the above transactions are (a) comprehensive and have been reviewed by Internal Auditors of the Company; (b) in the ordinary course of Business and at arm's length; (c) in compliance with applicable regulatory / statutory requirements including the Company's policy on Related Party Transactions.
- (ii) The Management confirms that requisite test to determine the arms length has been done and documented and where required confirmation from the external experts has been obtained for such determination.
- (iii) Related Party Transactions for which approval of the Audit Committee has been taken are well within the ambit of Omnibus Approval given by the Audit committee.
- (iv) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given in FY 2023-24.
- (v) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.
- (vi) Wherever amounts are "0", the value is less than rupees fifty thousand.
- (vii) Post employment benefits are actuarially determined on overall basis and hence not separately provided.

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

42. During the current year, Company had signed an out of court settlement with AIR India, pertaining to an ongoing legal matter before the Hon'ble Delhi High Court. As a result, Company has received a sum of ₹ 42 lakhs towards the final settlement, which has been recognised as Other Income. Pursuant to the settlement, the Hon'ble Delhi High Court accepted the Company's petition for withdrawal of the case and released the original bank guarantee, amounting to ₹2,200 lakhs, which is equivalent to the disputed arbitral award. The mentioned bank guarantee has been released by the banking partner.
43. During the current year, Allcargo Logistics Limited ("Parent Company") has acquired a 30% stake (1,50,000 Equity Shares) in "Gati Express & Supply Chain Private Limited" (formerly known as Gati Kintetsu Express Private Limited), a material subsidiary. The acquisition comprises 1,30,000 Equity Shares (26% stake) from KWE-Kintetsu World Express (S) Pte Ltd and 20,000 Equity Shares (4% stake) from KWE Kintetsu Express (India) Private Limited. The name of the Subsidiary Company " Gati Kintetsu Express Private Limited" has been changed to "Gati Express & Supply Chain Private Limited" w.e.f. July 27, 2023, duly approved by the Registrar of Companies, Mumbai, Ministry of Corporate Affairs.
44. During the current year, the name of Company has been changed to "Allcargo Gati Limited", pursuant to the approval of the Board of Directors vide their Meeting held on August 04, 2023 and the shareholders of the Company at the Annual General Meeting held on September 04, 2023. The Registrar of Companies, Telangana, approved and accordingly issued fresh certificate of incorporation pursuant to the change of the name w.e.f. October 19, 2023.
45. Disclosure pursuant to Securities Exchange Board of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of The Companies Act, 2013.

The Loans in the nature of loan to subsidiaries are as follows; -

	As at March 31, 2024	As at March 31, 2023
Loans <sup>(1)</sup>	1,443	1,443
Less: - Allowances on the loans	(1,443)	(1,443)
	-	-
Inter Corporate Deposit from Subsidiary <sup>(2)</sup>	3,484	2,250
<b>Total</b>	<b>3,484</b>	<b>2,250</b>

<sup>(1)</sup> The Company had given interest free loan to a wholly owned subsidiary "Gati Logistics Parks Limited (GLPL)" amounting to ₹ 2,001 Lakhs towards financing a project in an earlier year, where the operation is yet to commence. During the earlier financial year, the Company has received repayment of loan amount to the tune of ₹ 558 lakhs and balance loan receivable amount of ₹1,443 lakhs had been provided as provision.

<sup>(2)</sup> Gati Limited has extended an inter-corporate deposits (ICDs) of ₹ 3,484 Lakhs to Gati Express and Supply Chain Private Limited (formerly known as Gati Kintetsu Express Private Limited) at an interest rate of 7.50% per annum, with interest payable at the end of the 12 months tenure.

46. The Board of directors in their meeting held on May 16, 2024 and May 19, 2023 has given the Company approval to explore the sale/disposal of fuel station business and an in-principle consent to transfer the fuel station business to one of its wholly owned subsidiary, Gati Projects Private Limited, respectively subject to consent from the respective Oil Marketing Companies and the necessary approvals from the shareholders of the Company.
47. There are no subsequent event after reporting date.

## 48. Financial performance ratios

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance	Reasons for Variance
Current Ratio (in times)	Current Assets	Current Liabilities	19.24	4.61	317%	Note -1
Debt Equity ratio (in times)	Total Debt	Shareholder's Equity	0.00	0.00	0%	
Debt service coverage ratio (in times)	Earnings available for debt Service	Total Debt Service	6.47	2.42	168%	Note -2
Return on Equity Ratio (in %)	Net Profit After Taxes- Preference Dividends( if any)	Average Shareholder's Equity	0.05	(0.01)	-683%	Note -3
Inventory turnover ratio (in times)	Cost of Goods Sold or Sales	Average Inventory	95.49	97.30	-2%	
Trade Receivables turnover ratio (in times)	Net Sales	Average Account Receivables	10.21	10.90	-6%	-
Trade payables turnover ratio (in times)	Net Purchases	Average Account Payables	2.37	1.13	109%	Note -4
Net capital turnover ratio (in times)	Net Sales	Working Capital	1.31	2.13	-38%	Note -5
Net profit ratio (in %)	Net Profit	Net Sales	0.15	(0.02)	-832%	Note -6

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance	Reasons for Variance
Return on Capital employed (in %)	Earnings before interest and tax	Capital Employed	0.05	(0.01)	-751%	Note -7
Return on investment (in %)	Earnings before interest and tax	Investment	NA	NA	-	-

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

## Notes :

- The improvement in the current ratio is due to the relinquishment of the corporate guarantee related to the IDFC matter and the profitable disposal of non-core properties compared to their carrying value.
- Strengthened debt equity ratio is on account of reduction in debt and inflow from share warrant conversion contribute to an improved financial leverage, reflected by a lower debt equity ratio.
- The improvement in Return on Equity is due to increased earnings.
- The company's vendor turnover ratio has been optimized due to decrease in the average accounts payables as compared to previous year.
- The decline in net capital turnover ratio is majorly due to reduction in current liabilities on account of relinquishment of the corporate guarantee related to the IDFC matter and lower revenue from operations compared to previous year.
- The improved net profit ratio is driven by better business performance and exceptional gains from the relinquishment of the corporate guarantee related to the IDFC matter, as well as the profitable disposal of non-core properties compared to their carrying value.
- The improved return on capital employed ratio is attributable to favorable earnings results predominantly driven by exceptional gains, and reduction in debt due to repayment of borrowings.

## 48. Financial performance ratios (Continued)

### Definitions:

- Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.
- Debt service = Interest & Lease Payments + Principal Repayments
- Average inventory = (Opening inventory balance + Closing inventory balance) / 2
- Net sales = Net sales consist of gross sales minus sales return
- Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
- Net purchases = Net purchases consist of gross purchases minus purchase return
- Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return
- Working capital = Current assets - Current liabilities.
- Earning before interest and taxes = Profit before exceptional items and tax + Finance costs
- Capital Employed = Total Equity + Total Debt
- Return on Investment  

$$\frac{MV(T1) - MV(T0) - \text{Sum}[C(t)]}{MV(T0) + \text{Sum}[W(t) * C(t)]}$$
 where,  
 T1 = End of time period, T0 = Beginning of time period, t = Specific date falling between T1 and T0  
 MV(T1) = Market Value at T1, MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as  $[T1 - t] / T1$

## 49. Other statutory information

- The Company does not have any transactions with companies struck off during current or previous financial year.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period during current or previous financial year.
- The Company has not traded or invested in Crypto currency or Virtual Currency during current or previous financial year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority during current or previous financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) during current or previous financial year with the understanding that the Intermediary shall:
  - 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 to or on behalf of the Ultimate Beneficiaries

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) during current or previous financial year 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 does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during current or previous financial 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) Loans or Advances in the nature of loans are granted to Promoters, Directors, KMPs and the Related Parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Nil	Nil	Nil

- (ix) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets or both during current or previous financial year.

## 50. Employee share-based payment:

The Company has formulated employee share-based payment schemes with objective to attract and retain talent and align the interest of employees with the Company as well as to motivate them to contribute to its growth and profitability. The Company views employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come. For the year ended March 31, 2024 the Company recognised total expenses of ₹ 43 lakhs (March 31, 2023 - ₹ 88 lakhs) related to Share based Payment schemes. The Nomination and Remuneration Committee of the Board of Directors of the Company during the FY 2023-24 have granted 9,50,000 ESARs to the Employees of its Holding Company and Subsidiary Company. The necessary accounting for the above has been made in the books of accounts in the respective years. Furthermore, the Nomination and Remuneration Committee of the Board of Directors of the Company vide its meeting held on March 07, 2024 have granted 5,25,000 ESARs to the Employees Subsidiary Company w.e.f April 01, 2024. At present, following employee share-based payment scheme is in operation, details of which are given below: "

### A) Details of ESAR grants are summarised below -

S. No.	Description	Year ended March 31, 2024	Year ended March 31, 2023
1	Date of shareholders' approval	January 27, 2022	January 27, 2022
2	Total number of options approved under ESARs scheme	42,00,000	42,00,000
3	Vesting requirements	Vesting period of one year but not later than 4 years from the date of grant	Vesting period of one year but not later than 4 years from the date of grant
4	Exercise price or pricing formula	The Exercise Price per ESAR shall be the Market Price of the Shares of the Company discounted by such percentage not exceeding 50% to be determined by the Committee from time to time	The Exercise Price per ESAR shall be the Market Price of the Shares of the Company discounted by such percentage not exceeding 50% to be determined by the Committee from time to time
5	Maximum term of options granted	9 years from the date of Grant	9 years from the date of Grant
6	Source of shares (primary, secondary or combination)	Primary	Primary
7	Variation of terms of options	No Variations	No Variations
8	Method used to account for ESOS - Intrinsic or fair value	Fair Value Method	Fair Value Method

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 50. Employee share-based payment: (contd)

S. No.	Description	Year ended March 31, 2024	Year ended March 31, 2023
1	Number of options outstanding at the beginning of the year	28,80,000	-
2	Number of options granted during the year	9,50,000	31,05,000
3	Number of options forfeited/lapsed during the year	8,07,500	2,25,000
4	Number of options vested during the year	8,64,000	-
5	Number of options exercised during the year	2,85,000	-
6	Number of shares arising as a result of exercise of options	1,21,910	NA
7	Amount realized by exercise of options (₹)	2,43,820	-
8	Loan repaid by the Trust during the year from exercise price received	NA	NA
9	Number of options outstanding at the end of the year (out of total number of options approved under scheme)	27,37,500	28,80,000
10	Number of options exercisable at the end of the year (out of total number of options approved under scheme)	27,37,500	28,80,000
11	Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information	The Black Scholes option-pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option-pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.	

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

	Grant-4	Grant-3	Grant-2	Grant-1
Stock Options granted on	July 31, 2023	June 01, 2023	April 1, 2023	April 1, 2022
Weighted average exercise price (in ₹)	85.00	85.00	85.00	85.00
Weighted average Fair value (in ₹)	95.27	70.75	58.93	114.56
Volatility (%)	53.98%	53.18%	53.64%	54.80%
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Life of Options granted (Years)	4.51	5.01	5.01	5.01
Risk free interest rate (%)	7.04%	6.82%	7.14%	6.15%

13 The volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the options and is based on the daily volatility of the Company's stock price on NSE.

14 There are no market conditions attached to the grant and vest.

51. The Company has used four accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same was enabled throughout the year except in case of the following two accounting software wherein this feature was enabled from specific date and in case of one softwares audit trail is not enabled for direct changes to data when using certain access rights as mentioned below:

Application	Audit trail enablement date
Oracle	Audit trail at application layer is enabled from April 28, 2023, Database level effective throughout the year.
Fuel Plus	Audit trail at application layer is enabled from December 13, 2023. Audit trail at Database layer was not enabled.

There is no instance of audit trail feature being tampered with was noted in respect of the above accounting softwares

# Notes to Standalone Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

- 52.** There are no standards that are notified and not yet effective as on the date.
- 53.** The Board of Directors in their meeting held on December 21, 2023 has considered and approved the Scheme of Arrangement involving Allcargo Logistics Limited (Parent Company), Allcargo ECU Limited (Fellow Subsidiary), Allcargo Gati Limited (the Company), Gati Express & Supply Chain Private Limited (Subsidiary) and Allcargo Supply Chain Private Limited (Fellow Subsidiary). The Scheme involves merger of fellow subsidiary and subsidiary with the Company effective from appointed date of October 01, 2023 and the merger of the Company (post-merger of fellow subsidiary and subsidiary) with the Parent Company on the date the Scheme becomes effective. The Scheme has been filed with BSE and NSE and the Company is in the process of getting the necessary regulatory and other approvals. The Scheme of Arrangement and other relevant details are available on the Company's website.
- 54.** The Board of Directors in their meeting held on December 21, 2023 and Shareholders through postal ballot passed on February 05, 2024, approved to raise funds through various permissible modes, in accordance with applicable laws. The fund-raising will be conducted by issuing Equity Shares, equity-linked instruments, convertible preference shares, fully or partly convertible debentures, or through a composite issue of non-convertible debentures and warrants. Warrant holders will have the right to apply for equity shares or other eligible securities. The modes include private placement, qualified institutions placements, further public issues, preferential issues, rights issues, or any other permissible mode under applicable laws, or a combination thereof, up to ₹ 50,000 lakhs. The funds are intended for growth capital, expansion, capex, working capital, etc.

## As per our report of even date attached

### For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

### Per Aniket A Sohani

Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

## For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

### Shashi Kiran Shetty

Chairman & Managing Director  
DIN: 00012754

### Anish T Mathew

Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

### Pirojshaw Sarkari

Director  
DIN: 00820860

### T S Maharani

Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# INDEPENDENT AUDITOR'S REPORT

To the Members of Allcargo Gati Limited (Formerly known as Gati Limited)

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of Allcargo Gati Limited (hereinafter referred to as "the Holding Company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2024, their consolidated profits including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in

the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

#### Key audit matters

#### How our audit addressed the key audit matter

##### Recoverability of trade receivables (as described in Note 12 of the Consolidated Financial Statements)

The gross balance of trade receivables as at March 31, 2024 amounted to ₹ 29,733 Lakhs, against which the Group has recorded expected credit loss provision of ₹ 5,352 Lakhs. The collectability of trade receivables is a key element of the Group's working capital management.

The Group has a formal policy for evaluation of recoverability of receivables and recording of impairment loss which is applied at every period-end. In accordance with Ind AS 109 'Financial Instruments', the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables which is based on the historical credit loss experience, current conditions and forecasts of future conditions. In calculating expected credit loss, the Group has also considered customer accounts as well as experience with collection trends and current economic and business conditions.

We considered this as key audit matter due to the materiality of the amounts and significant estimate and judgements as stated above.

Our audit procedures among other things included the following:

- We obtained an understanding of the Group's policies, processes and financial controls relating to the monitoring of trade receivables and review of credit risks of customers, evaluated the design and tested the operating effectiveness of such controls.
- We performed procedures to evaluate the management's assessment of recoverability of receivables including management's estimates and the inputs used for development of the ECL model, analysis of ageing of receivables, assessment of material overdue individual trade receivables and specific customer balances.
- We circularized requests for balance confirmations on sample basis and examined responses. Performed alternate procedures where confirmations were not received.
- We inspected relevant contracts and correspondences with the customers on sample basis, assessment of their creditworthiness with reference to publicly available information etc., where applicable.
- We obtained evidence of receipts from customers after the period end on test check basis.
- We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Group.

We assessed the adequacy of the disclosures on the trade receivables in Note 12.

## Key audit matters

## How our audit addressed the key audit matter

Impairment assessment of Goodwill (as described in Note 4 of the Consolidated Financial Statements)

The Group has recognised goodwill of ₹ 42,580 lakhs as at the balance sheet date. Goodwill is tested for impairment annually.

Management has assessed and determined the recoverable amount based on judgments and key assumptions relating to identification of impairment indicators, revenue growth, operating margin, forecasts of future cashflows and discount rates applied to such cash flows.

We considered this as key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain and because of the materiality of the balances to the Consolidated Financial Statements as a whole.

Our audit procedures among other things included the following:

- We obtained an understanding of the Group's processes and policies with respect to assessment of impairment, evaluated the design and tested the operating effectiveness of such controls.
- We obtained and assessed the cash flow forecasts and evaluated the key assumptions and estimates used by Management in preparing these forecasts by comparing them with factors such as historical financial information and performing inquiries with Management.
- We assessed objectivity and independence of external specialist engaged by the management for evaluation of recoverable value. We obtained and read the report of external specialist to understand the work performed on testing of key assumptions and estimates and their outcome of testing.
- We involved our subject matter experts to assist in evaluating the valuation methodology, identifying and testing key assumptions and estimates and performing comparative calculations to test the reasonableness of key assumptions used in preparing the cash flow forecasts.
- We also assessed the recoverable value by performing sensitivity testing of key assumptions used.
- We tested the arithmetical accuracy of the calculations and assessed the accounting treatment applied.
- We assessed whether the disclosures made in Consolidated Financial Statements, are in accordance with the requirements of the Indian Accounting Standards.

## 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 Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably



be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the

independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

We did not audit the financial statements and other financial information, in respect of four subsidiaries, whose financial statements include total assets of ₹ 210.28 Lakhs as at March 31, 2024 and total revenues of ₹ Nil and net cash outflows of ₹ 60.65 Lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The Consolidated Financial Statements also include the Group's share of net profit of ₹ Nil for the year ended March 31, 2024 as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, 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 and associate, is based solely on the reports of such other auditors.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India, as noted in the 'Other Matter' paragraph 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, and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g);
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 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 and associate company, none of the directors of the Group's companies and its associate, incorporated in

- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate, incorporated in India during the year ended March 31, 2024.

Period to which the amount relates	Amount (₹ in Lacs)	Delay in days	Remarks
FY 2006-07	0.32	3,352	During the year Holding Company has deposited these amounts in delay with Investor Education and Protection Fund.
FY 2008-09	0.21	2,892	
FY 2009-10	0.30	2,485	
FY 2010-11	0.00	2,135	
FY 2011-12	0.67	1,590	
FY 2012-13	0.65	1,282	
FY 2013-14	3.47	940	
FY 2014-15	4.29	519	
FY 2015-16	8.03	187	
FY 2016-17	2.72	85	
	<b>20.67</b>		

- iv. a) The respective managements of the Holding Company and its subsidiaries and associate 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 and associate 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 and associate to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in

India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated Financial position of the Group and its associate in its Consolidated Financial statements – Refer Note 37(i) to the Consolidated Financial Statements;
  - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024,;

- 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 and associate (“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 and associate 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 and associate 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 and associate from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate 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 Holding Company, its subsidiaries and associate company, incorporated in India.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and one subsidiary has used six accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except, as explained in note 59 to the financial statements, audit trail at application level in case of three softwares was enabled for substantial part of the year and in case of one software audit trail is not enabled for direct changes to data when using certain access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail was enabled.
- Four subsidiaries have used accounting software for maintaining its books of account which does not have the feature of recording audit trail (edit log) facility, as described in note 59 to the financial statements, and accordingly, reporting on tampering of audit trail does not arise.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Aniket A Sohani**

Partner

Place of Signature: Mumbai

Date: May 16, 2024

Membership Number: 117142

UDIN: 24117142BKDHZP4700

## Annexure '1'

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

Re: Allcargo Gati 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:

(xxi) 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	Clause number of the CARO report which is qualified or is adverse
1	Allcargo Gati Limited	L63011TG1995PLC020121	Holding Company	Clause 3(i)(c) <sup>1</sup> Clause 3(vii)(a) <sup>2</sup>
2	Gati Projects Private Limited	U45400TG2011PTC072399	Subsidiary	Clause 3(xvii) <sup>3</sup> Clause 3(xix) <sup>4</sup>
3	Zen Cargo Movers Private Limited	U64120DL2007PTC160560	Subsidiary	Clause 3(xvii) <sup>3</sup> Clause 3(xix) <sup>4</sup>
4	Gati Import Export Trading Limited	U60232TG2008PLC057692	Subsidiary	Clause 3(i)(c) <sup>1</sup> Clause 3(xvii) <sup>3</sup> Clause 3(xix) <sup>4</sup>
5	Gati Logistics Parks Private Limited	U63030TG2011PTC072285	Subsidiary	Clause 3(ix)(a) <sup>5</sup> Clause 3(xvii) <sup>3</sup> Clause 3(xix) <sup>4</sup>
6	Gati Express and Supply Chain Private Limited	U62200MH2007PTC390900	Subsidiary	Clause 3(vii)(a) <sup>2</sup>

<sup>1</sup> Clause pertains to title deeds of certain of immovable properties not held in name of the Company.

<sup>2</sup> Clause pertains to timely deposit of undisputed statutory dues.

<sup>3</sup> Clause pertains to cash losses incurred in current and immediately preceding financial year.

<sup>4</sup> Clause pertains to 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.

<sup>5</sup> Clause pertains to outstanding loans or borrowings or interest thereon due to any lender during the year.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Aniket A Sohani**

Partner

Membership Number: 117142

UDIN: 24117142BKDHZP4700

Place of Signature: Mumbai

Date: May 16, 2024

## ANNEXURE '2'

### TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALLCARGO GATI LIMITED

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Allcargo Gati Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

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

A Company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

#### Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to four subsidiaries and one associate which are Companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Aniket A Sohani**

Partner

Place of Signature: Mumbai

Date: May 16, 2024

Membership Number: 117142

UDIN: 24117142BKDHZP4700

# Consolidated Balance Sheet

as at March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3A	6,424	7,262
Right-of-use Asset	3B	22,132	18,278
Goodwill	4	42,580	42,580
Other Intangible Assets	5	219	333
Intangible Assets under Development	6	371	59
Financial Assets			
Other Financial Assets	7	1,505	1,047
Deferred Tax Assets, net	8	3,568	2,635
Income tax assets, net	9	5,910	6,610
Other Non-Current Assets	10	595	160
		<b>83,304</b>	<b>78,964</b>
<b>Current Assets</b>			
Inventories	11	215	244
Financial Assets			
Trade Receivables	12	24,381	26,678
Cash and Cash Equivalents	13A	8,863	1,893
Other Bank Balances	13B	8,676	7,759
Other Financial Assets	14	2,153	2,431
Other Current Assets	15	3,406	3,113
		<b>47,694</b>	<b>42,118</b>
Assets Held for Sale	16	1,346	7,388
		<b>49,040</b>	<b>49,506</b>
<b>Total Assets</b>		<b>1,32,344</b>	<b>1,28,470</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	17	2,605	2,603
Other Equity	18	60,940	58,864
<b>Equity attributable to equity holders of the Company</b>		<b>63,545</b>	<b>61,467</b>
Non Controlling Interest	19	6,469	7,344
		<b>70,014</b>	<b>68,811</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	-	1
Lease Liabilities	21	19,284	16,052
Provisions	22	2,167	1,920
		<b>21,451</b>	<b>17,973</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	23	14,425	12,449
Lease Liabilities	21	4,900	3,575
Trade Payables	24		
(a) Total outstanding dues of Micro and Small Enterprises		1,078	1,128
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		7,761	8,387
Other Financial Liabilities	25	9,665	13,084
Other Current Liabilities	26	1,942	1,742
Provisions	22	1,108	1,321
		<b>40,879</b>	<b>41,686</b>
<b>Total Liabilities</b>		<b>62,330</b>	<b>59,659</b>
<b>Total Equity and Liabilities</b>		<b>1,32,344</b>	<b>1,28,470</b>
Material Accounting Policies	2		

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

As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Consolidated Statement of Profit and Loss

for the Year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>(I) INCOME</b>			
Revenue from Operations	27	1,69,799	1,72,317
Other Income	28	1,151	2,287
<b>TOTAL INCOME (I)</b>		<b>1,70,950</b>	<b>1,74,604</b>
<b>(II) EXPENSES</b>			
Operating Expenses	29	1,11,625	1,05,954
Purchase of Stock-in-trade		21,310	24,744
Changes in Inventories of stock-in-trade	30	29	36
Employee Benefit Expenses	31	17,726	18,815
Finance Costs	32	3,002	2,936
Depreciation and Amortisation Expense	33	6,894	5,921
Other Expenses	34	13,919	15,764
<b>TOTAL EXPENSES (II)</b>		<b>1,74,505</b>	<b>1,74,170</b>
<b>(III) PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>		<b>(3,555)</b>	<b>434</b>
<b>(IV) Exceptional Items</b>	35	3,449	96
<b>(V) PROFIT/(LOSS) BEFORE TAX (III+IV)</b>		<b>(106)</b>	<b>530</b>
<b>(VI) TAX EXPENSES</b>	36		
Current Tax		235	1,313
Deferred Tax		(895)	347
Tax related to earlier years		(58)	(39)
<b>TOTAL TAX EXPENSES</b>		<b>(718)</b>	<b>1,621</b>
<b>(VII) PROFIT/(LOSS) FOR THE YEAR (V-VI)</b>		<b>612</b>	<b>(1,091)</b>
<b>(VIII) OTHER COMPREHENSIVE INCOME (OCI)</b>			
Items not to be reclassified to profit or loss in subsequent periods:			
a) Re-Measurement gains/ (losses) on defined benefit plans		(151)	(813)
b) Income tax effect on above items		38	201
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)</b>		<b>(113)</b>	<b>(612)</b>
<b>(IX) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)</b>		<b>499</b>	<b>(1,703)</b>
<b>(X) Profit/(Loss) for the year</b>		<b>612</b>	<b>(1,091)</b>
Attributable to:			
Owners of the company		1,453	(928)
Non-Controlling Interests		(841)	(163)
<b>Other Comprehensive Income for the year</b>		<b>(113)</b>	<b>(612)</b>
Attributable to:			
Owners of the Company		(79)	(433)
Non-Controlling Interests		(34)	(179)
<b>Total comprehensive income for the year</b>		<b>499</b>	<b>(1,703)</b>
Attributable to:			
Owners of the company		1,374	(1,361)
Non-Controlling Interests		(875)	(342)
<b>EARNINGS PER EQUITY SHARE</b>	44		
<b>[Nominal value per share ₹2/-]</b>			
Basic (in ₹)		1.12	(0.74)
Diluted (in ₹)		1.12	(0.74)
Material Accounting Policies	2		

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

As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Consolidated Cash Flow Statement

for the Year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>(A) Cash Flow from Operating Activities</b>		
Profit/(Loss) Before Taxes after exceptional items as per Statement of Profit and Loss	(106)	530
<b>Adjustments For :</b>		
Depreciation and Amortisation Expense	6,894	5,921
Finance Costs	3,002	2,936
Interest on Income Tax Refund	(132)	(158)
Interest Income from Deposit with Bank and Others	(600)	(225)
Interest Income from Unwinding of Other Financial Assests	(140)	(89)
Liabilities no longer required - written back	(141)	(1,684)
Impairment charged/(Reversed) of Property, Plant and Equipment	(50)	345
Loss on write off of Property, Plant and Equipment	27	792
Net (gain)/ loss on sale of Property, Plant and Equipment	26	(17)
Net gain on Lease Modification	(77)	(22)
Net gain on Sale of Mutual Funds	-	(8)
Relinquishment of the financial liability	(2,360)	-
Allowance for Expected Credit Loss	44	2,555
Bad debts and irrevocable balances written off (net of allowances)	10	23
Allowance for other financial assets	70	-
Provision for Employees Share Appreciation Rights	413	924
Net Foreign Exchange gain	15	-
Net gain on disposal of Non-core Assets	(1,066)	(704)
Impairment Reversed in the realisable value of Non-core Assets	-	(529)
<b>Operating profit before working capital changes</b>	<b>5,829</b>	<b>10,590</b>
Decrease In Inventories	29	36
Decrease /(Increase ) In Trade Receivables	2,253	(5,486)
Increase in Other Financial Assets	(25)	(164)
(Increase )/Decrease in Other Assets	(373)	228
(Decrease)/Increase in Provisions	(117)	358
(Decrease)/Increase in Financial Liabilities	(513)	1,040
(Decrease)/Increase In Trade Payables	(689)	5
Increase/(Decrease) in Liabilities	210	(82)
<b>Cash generated from operating Activities</b>	<b>6,604</b>	<b>6,525</b>
Direct Taxes paid (net of refunds)	655	(707)
<b>Net Cash Flows generated from Operating Activities (A)</b>	<b>7,259</b>	<b>5,818</b>
<b>(B) Cash Flow from Investing Activities</b>		
Proceeds from sale of Property, Plant and Equipment	165	117
Proceeds from sale of Non-core Assets	7,779	7,776
Expenditure on Property, Plant and Equipment	(2,062)	(3,295)
Expenditure on Intangible Assets including Intangibles under development	(395)	(21)
Purchase of Current Investments	-	(100)
Proceeds from Sale of Investments	-	1,119
Investment in bank Fixed Deposit, net	(917)	(7,524)
Interest Received	613	295
<b>Net Cash Flows generated/(used) from Investing Activities (B)</b>	<b>5,183</b>	<b>(1,633)</b>
<b>(C) Cash Flow from Financing Activities</b>		
Proceeds from issue of Equity Shares on exercise of ESARs	2	-
Proceeds from allotment of shares against Share Warrants	-	5,250
Repayment of Public Deposits	(111)	(305)
Repayment of Long Term Borrowings	(11)	(1,012)
Proceeds/(repayment) of Short Term Borrowings (Net)	2,085	(1,466)
Transfer of Unpaid Public deposits to Investor Education and Protection Fund(IEPF)	(21)	-



# Consolidated Cash Flow Statement

for the Year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Payment of Unpaid Dividend and transfer to Investor Education and Protection Fund(IEPF)	(18)	-
Payment of Principal portion of Lease Liabilities	(4,400)	(3,394)
Payment of Interest on Lease Liabilities	(1,897)	(1,650)
Interest Paid	(1,101)	(1,296)
<b>Net Cash Flows used in Financing Activities (C)</b>	<b>(5,472)</b>	<b>(3,873)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>6,970</b>	<b>312</b>
Cash and Cash Equivalents at the beginning of the year	1,893	1,581
Cash and Cash Equivalents as the end of the year	<b>8,863</b>	<b>1,893</b>

**Notes:**

1. The above Statement of Cash Flow has been prepared under the " Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

2. Components of Cash and Cash Equivalents	As at March 31, 2024	As at March 31, 2023
Balance with Banks:		
On Current Accounts	3,788	1,878
Deposits with original maturity of less than three months	5,057	-
Cash on hand	18	15
<b>Cash and Cash Equivalents as per Balance Sheet (Refer Note 13A)</b>	<b>8,863</b>	<b>1,893</b>

**Reconciliation of movements of liabilities to cash flows arising from financing activities.**

	Public Deposits	Short Term Borrowings	Long Term Borrowings*	Lease liabilities
Balance as at April 1, 2022	404	13,806	1,024	17,201
Cash Flow Changes, net	(306)	(1,466)	(1,013)	(5,044)
On account of Ind AS 116	-	-	-	7,470
Others	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>99</b>	<b>12,340</b>	<b>11</b>	<b>19,627</b>
Balance as at April 1, 2023	99	12,340	11	19,627
Cash Flow Changes, net	(111)	2,085	(11)	(6,297)
On account of Ind AS 116	-	-	-	10,854
Others	12	-	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>14,425</b>	<b>-</b>	<b>24,184</b>

(\*) Includes current maturities of long term borrowings

Note : Public deposits balance does not include the obligation related to unpaid matured deposits which is Grouped under "Other Current Financial liabilities".

**As per our report of even date attached**

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

**For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)**

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Consolidated Statement of Changes in Equity

for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

A) Equity Share Capital	No. of Shares	Amount
<b>Particulars</b>		
<b>Balance as at April 01, 2023</b>	<b>13,01,30,117</b>	<b>2,603</b>
Add/(Less): Changes in Equity Share Capital for the year ended March 31, 2024 (Note a)	1,21,910	2
<b>Balance as at March 31, 2024</b>	<b>13,02,52,027</b>	<b>2,605</b>

Particulars	No. of Shares	Amount
<b>Balance as at April 01, 2022</b>	<b>12,29,68,997</b>	<b>2,459</b>
Add/(Less): Changes in Equity Share Capital for the year ended March 31, 2023 (Note b)	71,61,120	144
<b>Balance as at March 31, 2023</b>	<b>13,01,30,117</b>	<b>2,603</b>

Note (a) During the current year upon vesting of Grant 1 shares, the Company has allotted equity shares of 1,21,910 towards exercise of vested ESARs of 2,85,000. For these shares allotment, the Company has received ₹ 2.43 lakhs at face value of ₹ 2 per share as per the "Gati Employees Stock Appreciation Rights Plan 2021(ESAR Plan 2021)".

B) Other Equity	Reserves and Surplus							Equity attributable to owners of the company	Non controlling Interest	Total
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (Utilized)	Share Option Outstanding account/ ESAR's	Special Reserve	Retained Earnings			
<b>Balance as at April 01, 2023</b>	<b>41,924</b>	<b>10,505</b>	<b>2,084</b>	<b>929</b>	<b>1,649</b>	<b>14,707</b>	<b>(12,934)</b>	<b>-</b>	<b>7,344</b>	<b>66,208</b>
Profit/(Loss) for the year	-	-	-	-	-	-	1,453	-	(841)	612
Other Comprehensive income for the year	-	-	-	-	-	-	(79)	-	(34)	(113)
Share based payment expense	-	-	-	-	702	-	-	-	-	702
Transfer on account of ESARs not exercised	-	26	-	-	(26)	-	-	-	-	-
Transfer on account of exercise of ESARs	306	-	-	-	(306)	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>42,230</b>	<b>10,531</b>	<b>2,084</b>	<b>929</b>	<b>2,019</b>	<b>14,707</b>	<b>(11,560)</b>	<b>-</b>	<b>6,469</b>	<b>67,409</b>

# Consolidated Statement of Changes in Equity

for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus						Share Option Outstanding account/ESAR's	Special Reserve	Retained Earnings	Money received against share warrants	Equity attributable to owners of the company	Non controlling Interest	Total
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (Utilized)	Special Reserve	Retained Earnings							
<b>Balance as at April 01, 2022</b>	35,067	10,505	2,084	929	56	14,707	(11,572)	1,750	53,526	7,686	61,212		
Profit/(Loss) for the year	-	-	-	-	-	(928)	(928)	-	(928)	(163)	(1,091)		
Other Comprehensive income for the year	-	-	-	-	-	(433)	(433)	-	(433)	(179)	(612)		
Share based payment expense	-	-	-	1,593	-	-	-	-	1,593	-	1,593		
Issue of shares pursuant to preferential allotment (Note b)	6,857	-	-	-	-	-	-	(1,750)	5,107	-	5,107		
<b>Balance as at March 31, 2023</b>	<b>41,924</b>	<b>10,505</b>	<b>2,084</b>	<b>929</b>	<b>1,649</b>	<b>14,707</b>	<b>(12,934)</b>	<b>-</b>	<b>58,864</b>	<b>7,344</b>	<b>66,208</b>		

**Note (b)** During the previous year, the Company has issued and allotted 71,61,120 Equity Shares of face value of ₹ 2/- each ("Equity Shares") against share warrants at a price of ₹ 97.75/- per Equity Share at a premium of ₹ 95.75/- per Equity Share, aggregating up to ₹ 6,857 lakhs.

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

## As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/E3000004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

## For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## Corporate and General information:

The Consolidated Financial Statements comprise financial statements of Allcargo Gati Limited ("the Holding Company" or "Gati" or "the Company") and its Subsidiaries (collectively, the Group) for the year ended March 31, 2024. The Holding Company is a public limited Company incorporated in 1995 under provisions of the Companies Act, 1956 having its Corporate Office at 4<sup>th</sup> floor, Western Pearl, Survey No.13(P), Kondapur, Hyderabad - 500084, Telangana, India. The Group is primarily engaged in the business of Express distribution and Supply chain solution through Surface, Air and Rail logistics, Supply chain management (SCM), E-Commerce logistics, and Fuel stations. The Holding Company is listed on National Stock exchange (NSE) and Bombay Stock Exchange (BSE).

During the current year, the Registrar of Companies (ROC), Hyderabad and Registrar of Companies (ROC), Mumbai, Ministry of Corporate Affairs have approved form INC 22 giving effect to the change in the registered office address of the Company from "4<sup>th</sup> floor, Western Pearl, Survey No.13(P), Kondapur, Hyderabad - 500084, Telangana, India" to "4<sup>th</sup> Floor, B Wing, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai - 400 098" with effect from February 27, 2024.

The Subsidiary companies considered in these Consolidated Financial Statements are as follows:

Sl. No.	Name of the subsidiary	Country of Incorporation	% Voting Power as at March 31, 2024	% Voting Power As at March 31, 2023
1	Gati Express & Supply Chain Private Limited (Formerly known as Gati Kintetsu Express Private Limited)	India	70%	70%
2	Gati Import Export Trading Limited	India	100%	100%
3	Zen Cargo Movers Private Limited	India	100%	100%
4	Gati Logistics Parks Private Limited	India	100%	100%
5	Gati Projects Private Limited	India	100%	100%

The Group holds an interest in below associate

Sl. No.	Name of the subsidiary	Country of Incorporation	% Voting Power as at March 31, 2024	% Voting Power As at March 31, 2023
1	Gati Ship Limited	India	47.91%	47.91%

## Nature of Business of the subsidiaries and associate are as follows:

Gati Express & Supply Chain Private Limited is India's pioneer and leader in Express Distribution and Supply Chain solutions.

Gati Import Export Trading Limited is primarily engaged in the trading of food, Non - food, pulses watch movements, cosmetics, Automobile spares & Electronic goods & such other products.

Zen Cargo Movers Private Limited is primarily engaged to carry on the business of International and domestic freight & forwarding agents.

Gati Logistics Parks Private Limited is primarily engaged to set up integrated logistics park to let out and / or to carry on activities relating to transport multimodal.

Gati Projects Private Limited is primarily engaged to purchase, on lease or in exchange, hire or otherwise any immovable and/ or any rights or privileges.

Gati Ship Limited is primarily engaged to carry on the business of operating ships and all other ancillary incidental and related activities.

## (1) Basis of Accounting:

### 1.1 Statement of Compliance

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with Section 133 of the Companies Act, 2013 (the "Act"). The presentation of the Consolidated Financial Statements is based on Division II Schedule III of the Companies Act, 2013.

The financial statement are approved for issue by the Board of Directors at its meeting held on May 16, 2024.

### 1.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on a going concern basis using historical cost, except as stated below

- ▶▶ Financial Instruments - Measured at Fair value/ Amortised cost;
- ▶▶ Plan Assets under defined benefit plans - Measured at fair value;
- ▶▶ Employee share-based payments - Measured at fair value

### 1.3 Functional and Presentation Currency

All financial information presented in Indian rupees (INR) which is the Group's functional currency, has been rounded to the nearest lakhs, unless otherwise stated.

### 1.4 Use of Estimates and Judgements

The preparation of the Consolidated Financial Statements requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses, the accompanying disclosures and disclosures of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumption in these financial statements have been disclosed below. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

# Notes to the Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

Critical accounting estimates and judgments used are as below:

- (i) Defined benefit obligation
- (ii) Recognition of current tax and deferred tax
- (iii) Recognition and measurement of provisions and contingencies
- (iv) Fair value measurement of Financial instruments
- (v) Allowance for expected credit losses of receivables
- (vi) Allowance for bad and doubtful advances
- (vii) Share based payments
- (viii) Impairment of Goodwill

## 1.5 Basis of Consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has all of the below:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ▶ Exposure, or rights, to variable returns from its involvement with the investee, and
- ▶ The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ▶ The contractual arrangement with the other vote holders of the investee
- ▶ Rights arising from other contractual arrangements
- ▶ The Group's voting rights and potential voting rights
- ▶ The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control on the subsidiary.

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 subsidiaries financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended March 31, 2024. When the end of the reporting period of the Holding Company is different from that of a subsidiaries, the subsidiary prepares additional financial information as on the same date for consolidation purpose to enable the Holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

### Consolidation Procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Group 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.
- b) Offset (eliminate) the carrying amount of the Holding Company investment in each subsidiary and the Holding Company portion of equity of each subsidiary. 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 Property, Plant and Equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- c) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

## 1.6 Current Vs Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- ▶ Expected to be realized or intended to sell or consume in normal operating cycle;
- ▶ Held primarily for the purpose of trading;
- ▶ Expected to be realized within twelve months after the reporting period; or

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- ▶ 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 the 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 respectively.

## (2) Material Accounting Policies:

A summary of the material accounting policies applied in the preparation of the Consolidated Financial Statements are as given below. These accounting policies have been applied consistently to all the periods presented in the Consolidated Financial Statements.

### 2.1 Property, Plant and Equipment

#### Recognition and Measurement:

- ▶ Property, plant and equipment (PPE) held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at acquisition cost, net of accumulated depreciation and cumulative impairment losses, if any.
- ▶ The initial cost at cash price equivalent of property, plant and equipment acquired comprises its purchase price after deducting trade discounts and rebates, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use. Administrative, Borrowing and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of cost of PPE, if PPE meets the criteria of qualifying assets. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

#### Capital work in progress and Capital Advances:

Capital work in progress represents Property, Plant and Equipment that are not yet ready for their intended use as at the Balance sheet date.

Capital advances given towards purchase/ acquisition of PPE outstanding at each balance sheet date are classified as capital advances under Other Non-current Assets.

#### Non-current assets held for sale

Assets are classified as Non-current assets held for sale and are presented separately in the Balance Sheet when the following criteria are met

- the Group is committed to selling the assets;
  - the assets are available for sale immediately;
  - an active plan of sale has commenced; and
  - sale is expected to be completed within 12 months.
- Assets held for sale and disposal Groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated from the date of classification.

#### Subsequent Expenditure:

- ▶ 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 cost incurred 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.
- ▶ Items such as spare parts, stand by equipments and servicing equipments that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.
- ▶ Cost in nature of repair and maintenance expenses are charged to the statement of profit or loss during the reporting period in which they are incurred.

#### Depreciation:

- ▶ Depreciation on assets is provided on straight-line method at the rates determined based on the useful lives of respective assets as prescribed under Schedule II of the Companies Act, 2013 as follows:

Category	Useful lives (in years)
Building	30 to 60
Plant and machinery	5 to 15
Vehicles – Cars	8
Commercial Vehicles	8
Furniture and fixtures	10
Computers	3 to 6
Office equipments	3 to 5

- ▶ Freehold land is not depreciated.
- ▶ Cost of leasehold land is amortised over the period of the lease or its useful life, whichever is lower.
- ▶ Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.
- ▶ Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (upto) the date on which asset is ready for use (disposed off).

#### De-recognition Assets:

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss is recognized in the statement of profit and loss.

# Notes to the Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

## 2.2. Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation and cumulative impairment, if any. The Group capitalizes identifiable costs relating to development of internally generated software and these are stated net of accumulated amortisation. Estimated economic useful lives of the intangible assets is 3 to 6 years. Intangible assets are amortised on straight line basis over its estimated useful life.

Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date. The carrying amount of the intangible asset is derecognized on disposal or when no future economic benefit is expected from its use. Any gain or loss is recognised in the statement of Profit and loss.

## 2.3. 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 identifiable asset for a period of time in exchange for 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.

#### (i) Right-of-use Assets (ROU Assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any 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.

The estimated useful life of Right-of-use assets range from one to seven 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 2.4 Impairment assets.

#### (ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease

incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured 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. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### (iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of properties, machinery and equipment (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 office equipment 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.

## 2.4. Impairment of assets:

- a) The Group assesses at each reporting date whether there is any indication that an asset, may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units (CGU) net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss to the extent previously recognized in P&L and remaining amount transferred to reserves.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- b) Assets that are subject to depreciation and amortisation and assets representing investments in associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.
- c) Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired
- d) CGUs to which goodwill is allocated are tested for impairment annually on each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognized is not reversed in subsequent period.
- e) 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 no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
- f) Goodwill arising on business combination is carried at cost as established at the transaction date of business combination. Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.
- c) At each balance sheet date, foreign currency monetary items are restated using the closing exchange rate.
- d) Any exchange difference on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognised in the Statement of Profit and Loss.
- e) Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.
- f) On consolidation of subsidiaries, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

## 2.6. Inventories:

Cost of Inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost and net realizable values.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost are assigned to inventory on "Fist in First out" basis.

## 2.7. Revenue Recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net off variable consideration) allocated to the performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc. offered by the Group as part of the contract. The variable consideration is estimated based on the expected value of outflow.

### a) Freight services:

Revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The requirement is that a contract with enforceable rights and obligations exists and, amongst other things, the receipt of consideration is likely, taking-into-account the customer's credit quality.

## 2.5. Foreign currency Transactions:

- a) The financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of the Group.
- b) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.



# Notes to the Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

The revenue corresponds to the transaction price to which the Group is expected to be entitled. Variable consideration is included in the transaction price when it is highly probable that a significant reversal in the amount of revenue recognised will not occur and as soon as the uncertainty associated with the variable consideration no longer exists. The Group does not expect to have contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. Accordingly, the promised consideration is not adjusted for the time value of money.

## b) Sales of Fuel:

Revenue from sale of fuel products is recognized when the control on the goods has been transferred to the customer.

## c) Others:

- i. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and amount of income can be measured reliably.
- ii. Rent income is recognised on a straight-line basis over the period of the lease.
- iii. Business support charges are recognized as and when the related services are rendered.

## 2.8. Trade receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are separately disclosed in the financial statements.

## 2.9. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

### (i) Financial assets:

#### a) Initial recognition and measurement:

On initial recognition, a financial asset is classified and measured at:

- ▶ Amortised Cost; or
- ▶ Fair value through Other Comprehensive Income (FVOCI); or
- ▶ Fair value through Profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial asset. In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognized initially at fair value

plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

### I. Financial assets at amortized cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

The Effective Interest Rate (EIR) amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

### II. Financial assets at fair value through other comprehensive income (FVOCI):

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (designated as FVOCI-equity investment). This election is made on an investment-by-investment basis

Financial assets are measured at the FVOCI if both of the following conditions 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.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

### III. Financial assets at fair value through profit or loss (FVTPL):

All financial assets which are not classified/ measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

For purposes of subsequent measurement:

Category	Subsequent measurement and gains and Losses
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

An investment in associates is carried at cost in separate financial statements.

**(ii) Financial Liability:**

Financial liabilities are classified and measured at amortised cost or FVTPL

**a) Initial Recognition & Subsequent measurement:**

**I. Financial liabilities recognized at fair value through profit or loss (FVTPL):**

A financial liability is recognized at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

**II. Financial liabilities at amortised cost:**

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

**b) Financial guarantee liability:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**(iii) Impairment of Financial Assets:**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected credit loss at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

**(iv) Derecognition:**

**a) Financial Assets:**

The Group derecognizes a financial asset only

- ▶ when the contractual rights to the cash flows from the asset expire, or
- ▶ It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially

# Notes to the Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

all of the risks and rewards of ownership and does not retain control of the financial asset.

**b) Financial liabilities:**

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

**(v) Offsetting:**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet, when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

## 2.10. Fair Value measurement:

A number of the Group accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities. The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments.

The Group measures financial assets and financial liability at fair value at each balance sheet date.

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

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

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

- ▶▶ Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶▶ Level 2- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- ▶▶ Level 3- Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

## 2.11. Employee benefits:

**a) Current employee benefits**

Employee benefits payable wholly within twelve months of availing employee services are classified as current employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of current employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

**b) Defined contribution plan:**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions of employee provident fund to Government administered provident fund and Employee State insurance scheme which is defined contribution plans. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of Profit and Loss in the periods during which the related services are rendered by employees.

**c) Defined benefit plan:**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in Other comprehensive income (OCI).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in Statement of profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Group. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognized in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

**d) Compensated absences:**

As per policy of the Group, employees can carry forward unutilized accrued compensated absences and utilize it in next service period or receive cash compensation. Since the compensated absences fall due wholly within twelve months after the end of the period in which the employees render the related service and are also expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a current employee benefit. The Group records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement.

The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

**e) Short-term employee benefit:**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided

by the employee, and the amount of obligation can be estimated reliably.

**2.12. Exceptional items**

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period. Material item of income or expense are evaluated on a case to case basis for disclosure under exceptional items

**2.13. Taxes:**

**a) Income Tax:**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current tax:**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax:**

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities in financial statements and their corresponding tax bases. Deferred tax assets are recognized for deductible temporary differences, unused tax credits, and tax losses, but only to the extent that it is probable that taxable profit will be available to offset them. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced if it becomes unlikely that sufficient taxable profit will be available. Unrecognized deferred tax assets are reassessed at each reporting date and recognized if it becomes probable that future taxable profits will allow their recovery.

Deferred tax related to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss, either in other comprehensive income or directly in equity. Deferred tax liabilities and assets are measured using the tax rates expected to apply when the liability is settled or the asset is realized, based on tax rates and laws enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax

# Notes to the Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

liabilities and assets is reviewed at the end of each reporting period.

**b) GST/ value added taxes paid on acquisition of assets or on incurring expenses:**

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Where receivables and payables are stated with the amount of tax included.

**2.14. Cash and cash equivalents:**

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

**2.15. Provisions and Contingencies:**

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Such liabilities are disclosed by way of notes to the financial statements.

**2.16. Borrowing cost:**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

**2.17. Share based payments:**

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Share Option outstanding account". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Share Option outstanding account" are transferred to the "General Reserve".

When the options are exercised, the Group issues new fully paid up equity shares of the Group. The proceeds received and the related balance standing to credit of the Share Option outstanding account, are credited to equity share capital (nominal value) and Securities Premium.

**2.18. Segment Reporting:**

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

**2.19. Investment in Associate:**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date.

The value of investment in associate had been fully provided in the books of accounts.

**2.20. Earnings per share:**

**(i) Basic earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive Income for the period attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the period.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

**(ii) Diluted earnings per share:**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- » The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- » The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.21. Climate Related Matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

## 2.22. Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from April 1, 2023. The Company applied for the first-time these amendments.

**i. Ind AS 1 - Disclosure of material accounting policies:** The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements and adding guidance on how entities apply the concept of materiality in making decisions.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

**ii. Ind AS 12 - Income Taxes:** The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognise a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with: a) right-of-use assets and lease liabilities, b) decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. Therefore, if a the Group has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognise on gross basis based on the carrying amount of right-of-use assets and lease liabilities.

The amendments had no impact on the Consolidated financial statements.

**iii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:** The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Consolidated financial statements.

## 2.23. Significant accounting judgements, estimates and assumptions:

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Some of the significant accounting judgement and estimates are given below

**i) Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

**ii) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 42 for further disclosures.

# Notes to the Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

### iii) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and

is required to make certain entity-specific estimates (such as the credit rating).

### iv) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

# Notes to Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 3A. Property, Plant and Equipment

### Tangible assets

Particulars	Gross Block			Accumulated Depreciation and Impairment			Net Carrying Value		
	As at April 01, 2023	Additions	As at March 31, 2024	As at April 01, 2023	Depreciation for the year	Impairment for the year	Reclassified Assets to Held for Sale	As at March 31, 2024	As at March 31, 2023
Freehold Land	2,171	-	638	869	-	-	-	638	1,302
Buildings	41	-	24	12	1	-	-	13	29
Lease Hold Improvements	231	64	295	7	17	-	-	24	224
Vehicles	314	-	240	194	25	-	-	176	64
Plant & Machinery	3,703	240	3,474	1,412	475	-	-	1,494	1,980
Computer	4,091	655	3,904	3,248	440	-	-	2,846	1,058
Furniture & Fittings	3,723	167	3,427	1,688	229	-	-	1,509	1,918
Office Equipment	2,215	226	2,116	1,797	155	-	-	1,632	484
<b>Total</b>	<b>16,489</b>	<b>1,352</b>	<b>14,118</b>	<b>9,227</b>	<b>1,342</b>	<b>-</b>	<b>-</b>	<b>7,694</b>	<b>7,262</b>
								<b>2,875</b>	<b>6,424</b>

Particulars	Gross Block			Accumulated Depreciation and Impairment			Net Carrying Value		
	As at April 01, 2022	Additions	As at March 31, 2023	As at April 01, 2022	Depreciation for the year	Impairment for the year	Reclassified Assets to Held for Sale	As at March 31, 2023	As at March 31, 2022
Freehold Land	2,176	-	2,171	524	-	345	-	869	1,302
Buildings	794	-	41	138	7	-	57	12	29
Lease Hold Improvements	78	153	231	1	6	-	-	7	224
Vehicles	432	35	314	214	38	-	-	194	120
Plant & Machinery	4,764	994	3,703	2,501	467	-	-	1,412	2,263
Computer	4,234	789	4,091	3,863	317	-	-	932	843
Furniture & Fittings	3,890	1,352	3,723	2,728	287	-	-	1,327	1,162
Office Equipment	2,364	326	2,215	2,099	161	-	-	463	265
<b>Total</b>	<b>18,732</b>	<b>3,649</b>	<b>16,489</b>	<b>12,068</b>	<b>1,283</b>	<b>345</b>	<b>57</b>	<b>9,227</b>	<b>6,664</b>
								<b>4,412</b>	<b>7,262</b>

### Notes :

- The amount of Contractual commitments for acquisition of property, plant and equipment is disclosed in Note 37(ii).
- Refer Note 16 for detailed information on assets held for sale.
- No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.
- During the current year, the management has identified three non-core immovable properties for monetisation purpose and accordingly classified from Property Plant and Equipment to Assets Held for Sale as it meets criteria of Asset held for sale amounting ₹ 681 Lakhs (March 31, 2023- ₹ 407 lakhs)



# Notes to Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees lakhs, unless otherwise stated)

## 3B. Right-of-use Assets (ROU)

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value	
	As at April 01, 2023	As at March 31, 2024	As at April 01, 2023	Amortization for the year	Reclassified to Held for Sale	Disposals/ Adjustment	As at March 31, 2024	As at March 31, 2023
Buildings	24,202	31,418	6,264	5,303	-	2,049	9,518	21,900
Vehicles	814	17	808	7	-	798	17	-
Vehicles - ALD Cars	22	21	7	10	-	3	14	7
Computers	660	521	446	66	-	139	373	148
Plant & Machinery	134	134	29	28	-	-	57	77
<b>Total</b>	<b>25,832</b>	<b>32,111</b>	<b>7,554</b>	<b>5,414</b>	<b>-</b>	<b>2,989</b>	<b>9,979</b>	<b>18,278</b>

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value	
	As at April 01, 2022	As at March 31, 2023	As at April 01, 2022	Amortization for the year	Reclassified to Held for Sale	Disposals/ Adjustment	As at March 31, 2023	As at March 31, 2022
Leasehold Land	910	-	78	2	80	-	-	832
Buildings	19,059	24,202	3,389	3,870	-	995	6,264	17,938
Vehicles	1,327	-	642	471	-	305	808	6
Vehicles - ALD Cars	22	814	4	8	-	5	7	15
Computers	660	22	324	122	-	-	446	214
Plant & Machinery	38	134	2	27	-	-	29	105
<b>Total</b>	<b>22,016</b>	<b>25,832</b>	<b>4,439</b>	<b>4,500</b>	<b>80</b>	<b>1,305</b>	<b>7,554</b>	<b>18,278</b>

The following are the amounts recognised in the statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of Right-of-use Assets	5,414	4,500
Interest expense on Lease Liabilities	1,897	1,650
<b>Total</b>	<b>7,311</b>	<b>6,150</b>

### Notes:

- The aggregate depreciation expenses on Right-of-use asset (ROU) is included under depreciation and amortization expenses in the Statement of Profit and Loss. (Refer Note - 33)
- The Company had total cash outflows for leases of ₹6,297 lakhs during the year ended March 31, 2024. The maturity analysis of lease liabilities are disclosed in note 21 of these Consolidated financial statements.

# Notes to Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 4. Goodwill

Goodwill is recognized as the result of consolidation of our subsidiary, Gati Express and Supply Chain Private Limited and the Business Transfer Agreement executed in the financial year 2011-12, representing the excess value of liabilities over the acquired assets. Goodwill arising upon business combinations is not amortised but tested for impairment at least annually or more frequently if there is any indication that the cash generating unit to which goodwill is allocated is impaired. Gross carrying value and accumulated amortisation with respect to goodwill represent Indian GAAP balances, that have been carried forward as such, relating to business combination entered before the transition date i.e., April 01, 2016.

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Gross carrying value</b>		
Opening Balance	42,580	42,580
Disposals	-	-
<b>Closing Balance</b>	<b>42,580</b>	<b>42,580</b>
<b>Accumulated Amortisation</b>		
Opening Balance	-	-
Impairment Loss	-	-
Disposals	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Value</b>	<b>42,580</b>	<b>42,580</b>

The carrying value of the subsidiary company's (Gati Express Supply Chain Private Limited) net identifiable assets has been classified as a single Cash Generating Unit since they represent the smallest collection of assets that generate independent cash flows. As a result, the carrying value of goodwill has been assigned to the single identified Cash Generating Unit for the purposes of the impairment test. Impairment testing was performed on 31<sup>st</sup> March 2024.

The recoverable amounts of the above cash generating units have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include:

- Estimated cash flows for five years, based on management's projections.
- A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using a constant long-term growth rate of 5%. This long-term growth rate takes into consideration external macroeconomic sources of data.
- The pre tax discount rates used are based on the Company's weighted average cost of capital 15.69%.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

# Notes to Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 5. Other Intangible Assets

Particulars	Gross Block		Accumulated Depreciation		Net Carrying Value	
	As at April 01, 2023	As at March 31, 2024	As at April 01, 2023	Disposals/ Adjustment	As at March 31, 2024	As at March 31, 2023
Computer software	1,773	1,251	1,441	547	1,032	333
<b>Total</b>	<b>1,773</b>	<b>1,251</b>	<b>1,441</b>	<b>547</b>	<b>1,032</b>	<b>333</b>

Particulars	Gross Block		Accumulated Depreciation		Net Carrying Value	
	As at April 01, 2022	As at March 31, 2023	As at April 01, 2022	Disposals/ Adjustment	As at March 31, 2023	As at March 31, 2022
Computer software	1,752	1,773	1,303	138	1,441	450
<b>Total</b>	<b>1,752</b>	<b>1,773</b>	<b>1,303</b>	<b>138</b>	<b>1,441</b>	<b>450</b>

## 6. Intangible Assets under Development

Particulars	As at March 31, 2024	As at March 31, 2023
Software under Development	371	59
<b>Total</b>	<b>371</b>	<b>59</b>

### Notes :

Expenses during the year capitalized in respect of intangible Assets under development.

a) Other Expenses.

	371	-
	371	-

### Intangible assets under development ageing schedule

Projects in progress As at March 31, 2024	Amount for a period of			Total
	Less than 1 Year	1-2 Years	2 - 3 Years	
As at March 31, 2023	371	-	-	371
	-	59	-	59

### Notes:

a) The Group does not have any overdue projects as at March 31, 2024 and March 31, 2023.

b) The Group does not have any projects where its cost has exceeded its original budget value.

c) The Group has expensed off ₹ 59 Lakhs of Intangible assets under development during the year.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 7 Other Non Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Security Deposit with Land lords towards leases	1,500	1,012
Term Deposit with Banks (original and remaining maturity more than 12 months)	5	-
Margin Money with Banks (remaining maturity more than 12 months)	-	35
<b>Total (A)</b>	<b>1,505</b>	<b>1,047</b>
Gati Kausar India Limited of ₹10/-each (*)	8	8
Less: Impairment Allowance	(8)	(8)
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A)+(B)</b>	<b>1,505</b>	<b>1,047</b>

(\*) Gati Kausar India Limited ceased to be a subsidiary with effect from July 14, 2021. The Group has retained 7,518 number of equity shares as investment amounting to ₹8 lakhs which was fully provided in earlier years.

## 8 Income tax assets, net

Particulars	As at March 31, 2024	As at March 31, 2023
MAT Credit	10	10
Deferred Tax Assets, net	3,558	2,625
<b>Total</b>	<b>3,568</b>	<b>2,635</b>

### 8.1. Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2024 and March 31, 2023

Particulars	As at March 31, 2023	Recognised In Statement of Profit & Loss	Recognised In Equity	Others	As at March 31, 2024
<b>Deferred Tax Assets/(Liabilities)</b>					
Property, Plant and Equipment	373	(50)	-	-	323
Assets Held for Sale	(1,051)	1,051	-	-	-
Allowances for Expected Credit Loss	2,020	(345)	-	-	1,675
Employee Benefits - Gratuity and Compensated Absences	800	(31)	38	-	807
Right of Use Assets	(4,587)	(978)	-	-	(5,565)
Leases Liabilities	4,928	1,147	-	-	6,075
Other Temporary Differences	142	101	-	-	243
MAT Credit Entitlement, net	10	-	-	-	10
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>2,635</b>	<b>895</b>	<b>38</b>	<b>-</b>	<b>3,568</b>

Particulars	As at March 31, 2022	Recognised In Statement of Profit & Loss	Recognised In Equity	Others	As at March 31, 2023
<b>Deferred Tax Assets/(Liabilities)</b>					
Property, Plant and Equipment	237	136	-	-	373
Assets Held for Sale	-	(1,051)	-	-	(1,051)
Allowances for Expected Credit Loss	1,797	223	-	-	2,020
Employee Benefits - Gratuity and Compensated Absences	510	89	201	-	800
Right of Use Assets	(4,213)	(374)	-	-	(4,587)
Leases Liabilities	4,328	600	-	-	4,928
Other Temporary Differences	110	32	-	-	142
MAT Credit Entitlement, net	10	-	-	-	10
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>2,779</b>	<b>(345)</b>	<b>201</b>	<b>-</b>	<b>2,635</b>

The Group has determined that undistributed profits of its subsidiaries, will not be distributed in the foreseeable future, Hence the Group has not created Deferred Tax Liability on the undistributed subsidiary profits.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 9. Income tax assets, net

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax, net	5,910	6,610
<b>Total</b>	<b>5,910</b>	<b>6,610</b>

## 10. Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Capital Advance	376	21
<b>Considered doubtful, unsecured</b>		
Capital Advance	173	173
Less: Allowance for Doubtful Advances	(173)	(173)
<b>Total (A)</b>	<b>376</b>	<b>21</b>
Balances with Statutory Authorities	207	126
Prepaid Expenses	12	13
<b>Total (B)</b>	<b>219</b>	<b>139</b>
<b>Total (A)+(B)</b>	<b>595</b>	<b>160</b>

## 11. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At Lower of Cost and Net Realisable Value)</b>		
Stock-in-Trade *	215	244
<b>Total</b>	<b>215</b>	<b>244</b>

\* Consists of Petrol, Diesel &amp; Lubricants etc.,

Note: No inventories were pledged as security for liabilities during the current year and previous year.

## 12. Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Considered Good,	25,837	30,547
Credit Impaired	3,896	3,439
<b>Total</b>	<b>29,733</b>	<b>33,986</b>
Less: Allowances for Expected Credit loss (Refer Note: 42(C)(i)(a))	(5,352)	(7,308)
<b>Total</b>	<b>24,381</b>	<b>26,678</b>

### Trade Receivable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed Trade Receivable - Considered good	16,128	8,655	650	223	181	-	25,837
ii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	141	141
iii) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivable - Credit impaired	-	8	125	459	229	2,934	3,755
<b>Gross Trade Receivables</b>	<b>16,128</b>	<b>8,663</b>	<b>775</b>	<b>682</b>	<b>410</b>	<b>3,075</b>	<b>29,733</b>
Less: Allowances for Expected Credit Loss							(5,352)
<b>Balance as at March 31, 2024</b>							<b>24,381</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## Trade receivable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed Trade Receivable - Considered good	14,160	12,820	1,470	1,536	561	-	30,547
ii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	219	219
iii) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivable - Credit impaired	-	-	-	-	143	3,077	3,220
<b>Gross Trade Receivables</b>	<b>14,160</b>	<b>12,820</b>	<b>1,470</b>	<b>1,536</b>	<b>704</b>	<b>3,296</b>	<b>33,986</b>
Less: Allowances for Expected Credit Loss							(7,308)
<b>Balance as at March 31, 2023</b>							<b>26,678</b>

### Note:

- No Trade receivables are due from directors and other officers of the Company either severally or jointly with any other person.
- The Carrying amount of trade receivables is pledged as security for working capital loans. (Refer Note 23)
- Trade Receivables are non interest bearing and are generally on terms of 30 to 90 days.

## 13A Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks:		
In Current Accounts	3,788	1,878
Term deposits with bank (original maturities less than 3 months)	5,057	-
Cash on hand	18	15
<b>Total</b>	<b>8,863</b>	<b>1,893</b>

## 13B Other Bank Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with bank (original maturities more than 3 months but less than 12 months)	8,525	7,637
Margin money with bank (original maturities more than 3 months but less than 12 months)	114	67
Unpaid Dividend account	37	55
<b>Total</b>	<b>8,676</b>	<b>7,759</b>

## 14. Other Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Receivable towards management fees and ESAR from related parties (refer Related Party Note 45(C))	881	768
Security Deposit with Land lords towards leases	870	1,196
Security Deposits with vendors	57	293
Accrued Interest on Deposits	88	100
Inter-Corporate Deposits (ICD's)	25	23
Earnest Money Deposits	6	6
Advance to Employees	15	10
Other receivables	211	35
<b>Total (A)</b>	<b>2,153</b>	<b>2,431</b>
<b>Considered doubtful, unsecured</b>		
Other receivables	1,911	2,327
Less: Allowance for Doubtful Receivable	(1,911)	(2,327)
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A)+(B)</b>	<b>2,153</b>	<b>2,431</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 15 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered good, unsecured</b>		
Advance against Supply of Goods and Services for truck hire charges	1,345	711
Advance against Supply of Goods and Services for others	541	746
<b>Considered doubtful, unsecured</b>		
Advance against Supply of Goods and Service	458	458
Less: Allowance for Doubtful Advances	(458)	(458)
<b>Total (A)</b>	<b>1,886</b>	<b>1,457</b>
Prepaid Expenses	729	500
Balances with Statutory Authorities	788	1,148
Others	3	8
<b>Total (B)</b>	<b>1,520</b>	<b>1,656</b>
<b>Total (A)+(B)</b>	<b>3,406</b>	<b>3,113</b>

## 16 Assets Held for Sale

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A) Property, Plant &amp; Equipment</b>		
Land & Building	1,346	7,388
<b>Total</b>	<b>1,346</b>	<b>7,388</b>

### Movement of Assets held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance of Assets held for sale</b>	7,388	13,260
Classified to Assets held for sale during the year (Refer Note 3A)	681	1,243
Disposal of Assets held for sale during the year	(6,723)	(7,115)
<b>Closing Balance of Assets held for sale</b>	<b>1,346</b>	<b>7,388</b>

Note - The Group has adopted an Asset Light Strategy, basis which the decision was taken to sell the all the non-core immovable properties and use the proceeds from such sale to pay the debt. Exceptional item refers to loss/gain on disposal of such assets as at March 31, 2024 in line with Ind AS 105. the Group has taken necessary steps and negotiation is ongoing with the prospective buyers for the sale of assets classified as AHS which is expected to be concluded in next one year. The Group has sold properties of ₹ 6,723 lakhs and has recorded a gain of ₹ 1,066 lakhs in exceptional item. The proceeds from sale of properties is ₹ 7,779 Lakhs included net of advances received against Sale of properties.

## B) Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number / Units	Amount	Number / Units	Amount
<b>B) Investments</b>				
Investment in an Associate				
Gati Ship Limited of ₹ 10/- each	48,00,000	8,623	48,00,000	8,623
Less: Impairment Allowance		(8,623)		(8,623)
<b>Total</b>		<b>-</b>		<b>-</b>

### Note:

- The Board has taken necessary steps and negotiation is ongoing with the prospective buyers for disposal of the above Property Plant & Equipment and investments and transaction is expected to be concluded in next one year.
- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Holding Company, except for the following:

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 16 Assets Held for Sale (contd)

Description of item of Property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a Promoter, director or relative of Promoter/director or employee of promoter	Property held Since which year	Reason for not being held in the name of the Company
Freehold building (Chennai Myalpure)	352	Transport Corporation of India Limited	No	2000	The asset was transferred to the Company pursuant to the business transfer arrangement with Transport Corporation of India Limited and the same is in the process of sale
Freehold building (Sholapur)	0.01	Transport Corporation of India Limited	No	2000	The asset was transferred to the Company pursuant to the business transfer arrangement with Transport Corporation of India Limited and the same is in the process of sale

## 17 Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Authorized share capital</b>				
Equity Shares of ₹ 2/- each	17,50,00,000	3,500	17,50,00,000	3,500
		<b>3,500</b>		<b>3,500</b>
<b>Issued equity capital</b>				
Equity Shares of ₹2/- each fully paid up	13,02,52,027	2,605	13,01,30,117	2,603
		<b>2,605</b>		<b>2,603</b>
<b>Subscribed and fully paid-up:</b>				
Equity Shares of ₹2/- each fully paid up	13,02,52,027	2,605	13,01,30,117	2,603
	<b>13,02,52,027</b>	<b>2,605</b>	<b>13,01,30,117</b>	<b>2,603</b>

### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Shares at the beginning of the year</b>	13,01,30,117	2,603	12,29,68,997	2,459
Add: Shares issued on allotment during the year ( Refer (i) & (ii) )	1,21,910	2	71,61,120	144
<b>Shares at the end of the year</b>	<b>13,02,52,027</b>	<b>2,605</b>	<b>13,01,30,117</b>	<b>2,603</b>

i) Details of shares issued/allotted during the financial year 2023-24 are as follows:

Date of allotment	Mode of Issue/allotment	No. of shares allotted	Face Value per shares	Nature of Consideration
a) August 04, 2023	Employee Stock Appreciation Rights	24,866	2	Cash
b) September 02, 2023	Employee Stock Appreciation Rights	19,469	2	Cash
c) November 03, 2023	Employee Stock Appreciation Rights	62,885	2	Cash
d) February 02, 2024	Employee Stock Appreciation Rights	14,690	2	Cash
<b>Total</b>		<b>1,21,910</b>		

ii) During the previous financial year, the Board of Directors of the Company have approved the allotment of 71,61,120 (Seventy One Lakhs Sixty One Thousand One Hundred and Twenty) Equity Shares of a face value of ₹ 2/- (Rupees Two Only) fully paid up, to Allcargo Logistics Limited, Promoter of the Company, pursuant to the exercise of options attached to the Warrants allotted on June 17, 2021 and upon the receipt of balance 75% of the subscription money. Consequent to above allotment, the paid-up equity shares capital of the Company has increased by ₹ 1,43,22,240/- (Rupees One Crore Fourty Three Lakhs Twenty Two Thousand Two Hundred and Fourty Only) which represents 71,61,120 (Seventy One Lacs Sixty One Thousand One Hundred and Twenty) Equity Shares of face value of ₹ 2/- (Rupees Two Only) each.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 17 Equity Share Capital (contd)

### b) Terms /Rights attached to Shareholders

The Company has only one class of issued shares i.e. Equity Shares having par value of 2/- per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding. "

### c) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Allcargo Logistics Limited	6,53,30,095	50.16%	6,53,30,095	50.20%
Mr. Mukul Mahavir Agrawal	70,00,000	5.37%	70,00,000	5.38%
<b>Total</b>	<b>7,23,30,095</b>	<b>55.53%</b>	<b>7,23,30,095</b>	<b>55.58%</b>

d) The Company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the year of five years preceding the date at which Balance Sheet is prepared.

e) No calls are unpaid by any directors or officers of the Company during the year.

### f) Details of shares held by promoters

Sl. No.	Name of the Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the Year
		Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	
1	Allcargo Logistics Limited (effective from April 08, 2020)	6,53,30,095	50.16	6,53,30,095	50.20	0%
2	Neera And Children Trust	23,15,889	1.78	23,15,889	1.78	0%
3	Mahendra Kumar Agarwal	2,24,935	0.17	2,24,935	0.17	0%
4	Tci Finance Limited	2,84,838	0.22	4,88,347	0.38	-42%
5	Mahendra Kumar Agarwal & Sons HUF	4,90,118	0.38	5,41,568	0.42	-10%
6	Mahendra Investment Advisors Private Limited	1,51,577	0.12	1,51,577	0.12	0%
7	Jubilee Commercial & Trading Private Limited	20,000	0.02	20,000	0.02	0%
8	Dhruv Agarwal Benefit Trust	8,750	0.01	8,750	0.01	0%
9	Manish Agarwal Benefit Trust	1,19,728	0.09	24,728	0.02	384%
10	Bunny Investments & Finance Private Limited	-	0.00	-	0.00	0%
	<b>Total</b>	<b>6,89,45,930</b>	<b>52.93</b>	<b>6,91,05,889</b>	<b>53.12</b>	

**Note :** During the year, the following Promoter and Promoter Group members have applied for reclassification from "Promoter and Promoter Group" category to "Public" category under Regulation 31A of SEBI LODR Regulations, 2015:-

- 1) Mahendra Kumar Agarwal
- 2) Mahendra Kumar Agarwal & Sons HUF
- 3) TCI Finance Limited
- 4) Mahendra Investment Advisors Private Limited
- 5) Jubilee Commercial & Trading Private Limited
- 6) Bunny Investments And Finance Private Limited

## 18 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
a) Securities Premium	42,230	41,924
b) General Reserve	10,531	10,505
c) Capital Reserve	2,084	2,084
d) Tonnage Tax Reserve (Utilized)	929	929
e) Share based payment reserve (ESARs - Equity)	2,019	1,649
f) Special Reserve	14,707	14,707
g) Retained Earning	(11,560)	(12,934)
<b>Total</b>	<b>60,940</b>	<b>58,864</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## The description, nature, purpose and movement of each reserve under other equity are as follows:-

### a) Securities Premium :

Securities premium is used to record the premium on issue of equity shares. The same can be utilised in accordance with the provisions of The Companies Act, 2013.

### b) General Reserve :

General reserve is the retained earnings of the Group, which are kept aside out of the Group profit to meet future obligations, if any.

### c) Capital Reserve :

Capital Reserve includes amount received on allotment of convertible warrants was forfeited and transferred to Capital Reserve Account.

### d) Tonnage Tax Reserve (Utilised) :

This reserve is a statutory reserve which is created and will be utilized in accordance with the provisions of Section 115VT of Income tax Act 1961 to comply with the provisions of 'Tonnage Tax Scheme' under Chapter XII-G of Income tax Act, 1961.

### e) Share based payment Reserve :

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amount recorded in this reserve is transferred to securities premium upon exercise of stock appreciation rights options by employees. The amount outstanding in the "Share based payment reserve" will be transferred to "General Reserve", when the options are lapsed / cancelled .

### f) Special Reserve:

The Hon'ble Andhra Pradesh High Court, approved the Scheme of Arrangement for amalgamation. (The Scheme) vide its Order dated March 19, 2013 which inter alia, permits creation of a capital reserve to be called Special Reserve to which shall be credited excess of value of assets over value of liabilities on amalgamation of the subsidiaries amounting to 55,554 Lakhs to be utilized by the Company to adjust therefrom any capital losses arising from transfer of assets and certain other losses, any balance remaining in the Special Reserve shall be available for adjustment against any future permanent diminution in the value of assets and exceptional items etc. as specified in the Scheme as the Board of directors may deem fit.

### g) Retained Earnings:

Retained earnings comprise of net accumulated profit/ (loss) of the Group, after declaration of dividend.

## The movement of Other equity as follows:

	As at March 31, 2024	As at March 31, 2023
<b>i) The movement of Securities Premium</b>		
Opening Balance	41,924	35,067
Add: Issue of shares pursuant to preferential allotment	-	6,857
Add: Transfer on account of exercise of ESARs	306	-
<b>Closing Balance</b>	<b>42,230</b>	<b>41,924</b>
<b>ii) The movement of General Reserve</b>		
Opening Balance	10,505	10,505
Add: Transfer on account of ESARs not exercised	26	-
<b>Closing Balance</b>	<b>10,531</b>	<b>10,505</b>
<b>iii) The movement of Capital Reserve</b>		
Opening Balance	2,084	2,084
Add/(Less): Adjustment during year	-	-
<b>Closing Balance</b>	<b>2,084</b>	<b>2,084</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

iv) The movement of Tonnage Tax Reserve (Utilised)	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	929	929
Add/(Less): Adjustment during year	-	-
<b>Closing Balance</b>	<b>929</b>	<b>929</b>
v) The movement of Share based payment reserve (ESARs - Equity)	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	1,649	56
Add: Share based payment expense	702	1,593
Less: Transfer on account of ESARs not exercised	(26)	-
Less: Transfer on account of exercise of ESARs	(306)	-
<b>Closing Balance</b>	<b>2,019</b>	<b>1,649</b>
vi) The movement of Special Reserve	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	14,707	14,707
Add/(Less): Adjustment during year	-	-
<b>Closing Balance</b>	<b>14,707</b>	<b>14,707</b>
vii) The movement of Retained Earning	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	(12,934)	(11,572)
Add: Profit/(Loss) for the year	1,453	(928)
Add: Other Comprehensive income for the year	(79)	(433)
<b>Closing Balance</b>	<b>(11,560)</b>	<b>(12,934)</b>

## 19. Non controlling interest

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Non controlling interest	7,344	7,686
Add: Loss for the year attributable to Non-controlling interest	(841)	(163)
Add: Other comprehensive income for the year	(34)	(179)
<b>Total</b>	<b>6,469</b>	<b>7,344</b>

## 20. Non Current Borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non - Current	Current Maturities	Non - Current	Current Maturities
<b>Secured</b>				
ii) Vehicle Loan from Banks	-	-	1	10
<b>Total (A)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>10</b>
<b>Unsecured</b>				
Fixed Deposits from Public	-	-	-	99
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>
<b>Total (A)+(B)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>109</b>

Vehicle loans from Banks is repaid & Fixed Deposits from Public is matured during the year.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 21. Lease Liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non- Current	Current	Non- Current	Current
<b>Secured</b>				
Lease Obligation	19,284	4,900	16,052	3,575
<b>Total</b>	<b>19,284</b>	<b>4,900</b>	<b>16,052</b>	<b>3,575</b>

### Notes:

(a) The Company has lease contracts for certain items of Computers, Vehicles, Land & Buildings. The Company's obligations under leases are secured by the lessor's title to the leased assets.

### (b) Movement in lease liabilities during the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Lease liabilities at the beginning of the year</b>	19,627	17,201
Recognition of lease liability during the year	9,801	6,733
Interest cost accrued during the year	1,897	1,650
Payment of lease liabilities including interest	(6,298)	(5,044)
Decognition of right-of-use liability during the year	(843)	(913)
<b>Lease liabilities at the end of the year</b>	<b>24,184</b>	<b>19,627</b>

### (c) Amounts recognised in the statement of cash flow arising from financing activities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflow for leases	6,298	5,044

### (d) Future payment of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	6,686	5,073
Later than one year but not later than five years		
1-2 years	5,923	4,432
2-3 years	4,815	3,819
3-4 years	3,953	3,029
4-5 years	1,760	2,301
Later than five years	10,499	10,306
<b>Total</b>	<b>33,636</b>	<b>28,960</b>

(e) Lease payments for less than 1 year lease contracts as well as for low value items for the year ended March 31, 2024 is ₹2,978 Lakhs (March 31, 2023 - ₹3,612 Lakhs)(included in other expenses and operating expenses).

## 22. Provisions

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non- Current	Current	Non- Current	Current
<b>Employee Benefits</b>				
Gratuity (Refer Note 38)	1,678	798	1,500	825
Compensated Absences (Refer Note 38)	489	310	420	496
<b>Total</b>	<b>2,167</b>	<b>1,108</b>	<b>1,920</b>	<b>1,321</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 23. Current Borrowings

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Secured</b>		
i) Working Capital facilities from Banks		
Cash Credit	14,425	12,340
ii) Current Maturities of Long term Borrowings	-	109
<b>Total</b>	<b>14,425</b>	<b>12,449</b>

- a) Working Capital Borrowings in rupees is secured by book debts and other current assets of the Company on pari-passu charge with all working capital lenders under multiple banking arrangement. Weighted average rate of interest is 7.45%.
- b) In case of one of the subsidiary "Gati Express & Supply Chain Private Limited " where the Company has been sanctioned working capital facilities from banks on the basis of security of current assets. The company has filed quarterly returns/ statements with such banks are in agreement with the books of account other than those set below for FY 2023-24.

Quarter ended	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Jun-23	1) Axis Bank,		34,813	34,813	-
Sep-23	2) IndusInd Bank,	Gross Trade	35,329	35,329	-
Dec-23	3) Bank of Bahrain and Kuwait,	Receivables	31,214	31,214	-
Mar-24	4) Federal Bank.		27,938	27,938	-

Quarter ended	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Jun-22	1) Axis Bank,		32,968	32,968	-
Sep-22	2) IndusInd Bank,	Gross Trade	33,977	33,977	-
Dec-22	3) Bank of Bahrain and Kuwait,	Receivables	34,938	34,938	-
Mar-23	4) Federal Bank, 5) Standard Chartered Bank		32,132	32,132	-

### c) Reconciliation of liabilities arising from financing activities

Particulars	Year ended March 31, 2024		
	Public Deposits	Short Term Borrowings	Long Term Borrowings *
<b>Balance as at March 31, 2023</b>	<b>99</b>	<b>12,340</b>	<b>11</b>
Proceeds/(Repayment) of Short term borrowings (Net)	-	2,085	-
Repayment of Fixed deposits from Public repaid during the year	(99)	-	-
Long term borrowings repaid during the year	-	-	(11)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>14,425</b>	<b>-</b>

(\*)Includes current maturities of long term borrowings

### Reconciliation of liabilities arising from financing activities

Particulars	Year ended March 31, 2023		
	Public Deposits	Short Term Borrowings	Long Term Borrowings *
<b>Balance as at March 31, 2022</b>	<b>404</b>	<b>13,806</b>	<b>1,024</b>
Proceeds/(Repayment) of Short term borrowings (Net)	-	(1,466)	-
Repayment of Fixed deposits from Public repaid during the year	(306)	-	-
Long term borrowings repaid during the year	-	-	(1,013)
<b>Balance as at March 31, 2023</b>	<b>99</b>	<b>12,340</b>	<b>11</b>

(\*)Includes current maturities of long term borrowings

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 23. Current Borrowings (Contd)

### d) Evaluation of financial covenant compliance and key performance indicators of material subsidiary

Bank	As at March 31, 2024	Financial Covenants	Results of performance indicators	Covenant Breach
IndusInd Bank	8,650	Allcargo to hold 40% of Allcargo Gati Limited and management control	-	No
Bank of Bahrain and Kuwait	3,500	a) Current Ratio - Minimum 1.10 b) TOL/TNW - Maximum 3 times	a) Current Ratio - 0.81 b) TOL/TNW - 7.29	Yes
Federal Bank	1,800	a) TOL/TNW - Maximum 4 times b) Debt/Equity - Maximum 2 times c) Debt/EBITDA - Below 4 times	a) TOL/TNW - 7.29 b) Debt/Equity - 0.83 c) Debt/EBITDA - 2.27	Yes

The breach of financial covenants represents instances where the performance indicators did not meet the criteria set by bankers for credit line arrangements. The breach of covenants entails 2% penal interest. These breaches with two banking partners are in existence since the time of loan sanction and renewal. Further, till the date of approval of these financial statements, lenders have not demanded for the penal interest and based on the discussion have agreed to waive off the penal interest. Other than penal interest, there are no other implications. Considering the present financial position the company maintains a healthy cash flow to meet it's obligations.

Bank	As at March 31, 2023	Financial Covenants	Results of performance indicators	Covenant Breach
IndusInd Bank	7,050	Allcargo to hold 40% of Allcargo Gati Limited and management control	-	No
Bank of Bahrain and Kuwait	2,500	a) Current Ratio - Minimum 1.10 b) TOL/TNW - Maximum 3 times	a) Current Ratio - 0.90 b) TOL/TNW - 4.95	Yes
Federal Bank	2,300	a) TOL/TNW - Maximum 4 times b) Debt/Equity - Maximum 2 times c) Debt/EBITDA - Below 4 times	a) TOL/TNW - 4.95 b) Debt/Equity - 0.60 c) Debt/EBITDA - 1.62	Yes

"The breach of financial covenants represents instances where the performance indicators did not meet the criteria set by bankers for credit line arrangements. The breach of covenants entails 2% penal interest. These breaches with two banking partners are in existence since the time of loan sanction and renewal. Further, till the date of approval of these Financial statements, lenders have not demanded for the penal interest and based on the discussion have agreed to waive off the penal interest. Other than penal interest, there are no other implications. Considering the present financial position the Company maintains a healthy cash flow to meet it's obligations."

- e) The Company had uncommitted lines of credit of ₹8,573 lakhs and ₹ 10,160 lakhs as at March 31, 2024 and March 31, 2023, respectively, from its banks for working capital requirements. The Company draw upon these lines of credit based on its working capital requirements.

## 24. Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total Outstanding dues of micro and small enterprises (Refer Note 40)	1,078	1,128
Total Outstanding dues of creditors other than micro and small enterprises	7,761	8,387
<b>Total</b>	<b>8,839</b>	<b>9,515</b>

### Trade payables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	Total
i) Undisputed MSME	1,073	5	-	-	1,078
ii) Undisputed Others	7,477	80	23	181	7,761
	<b>8,550</b>	<b>85</b>	<b>23</b>	<b>181</b>	<b>8,839</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 24. Trade Payables (contd)

Trade payables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from the due date of payment				Total
	Less than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
i) Undisputed MSME	1,124	4	-	-	1,128
ii) Undisputed Others	8,207	-	48	132	8,387
<b>Total</b>	<b>9,331</b>	<b>4</b>	<b>48</b>	<b>132</b>	<b>9,515</b>

## 25 Other Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Accrued Expenses	3,752	3,765
Security Deposits	2,585	2,689
Employee Related Liabilities	1,196	1,993
Interest Accrued but not due on Borrowings	10	16
Unpaid Dividends	37	55
Unpaid matured deposits and interest accrued thereon	18	71
Liability towards guarantee invoked #	-	2,360
Others	2,067	2,135
<b>Total</b>	<b>9,665</b>	<b>13,084</b>

# Represents relinquishment of Corporate Guarantee. Refer note 35 of exceptional items for detailed explanation.

## 26 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	1,749	1,510
Advance received towards sale of properties classified under AHS	164	174
Others	29	58
<b>Total</b>	<b>1,942</b>	<b>1,742</b>

## 27. Revenue from Operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Sale of Services</b>		
Freight, E-commerce and Miscellaneous services	1,47,239	1,46,300
<b>Sale of Products</b>		
Sale of Diesel, Petrol and Lubricants & Others	21,915	25,444
<b>Total (A)</b>	<b>1,69,154</b>	<b>1,71,744</b>
<b>Other Operating Revenue</b>		
Sale of unclaimed goods	194	460
Management Fee from Related parties	451	113
<b>Total (B)</b>	<b>645</b>	<b>573</b>
<b>Total (A)+(B)</b>	<b>1,69,799</b>	<b>1,72,317</b>

### A. Revenue from contracts with customers disaggregated based on revenue stream.

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Revenue based on product &amp; services</b>		
a) Express Distribution and Supply Chain	1,47,433	1,46,592
b) Fuel Stations	21,915	25,444
c) Unallocated	451	281
<b>Total</b>	<b>1,69,799</b>	<b>1,72,317</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Revenue based on Geography</b>		
India	1,69,799	1,72,317
Overseas	-	-
<b>Total</b>	<b>1,69,799</b>	<b>1,72,317</b>
<b>Reconciliation of Revenue from Operation with contract price</b>		
Revenue as per contract price	1,76,822	1,77,251
<b>Less:</b>		
Discounts	(273)	(207)
Credit Notes	(4,093)	(2,447)
Unsatisfied Performance Obligation	(3,302)	(2,853)
<b>Revenue from Operations</b>	<b>1,69,154</b>	<b>1,71,744</b>

## Transaction Price - Unsatisfied Performance Obligation

The Group's unsatisfied performance obligations mainly arises on account of undelivered shipments. The aggregate value of transaction price allocated to the unsatisfied performance obligations as at March 31, 2024 is ₹3,302 lakhs (previous Year ₹2,853 lakhs), which is expected to be recognised during next year after delivery of shipments.

There are no customers which individually accounted for more than 10% of revenue during the period ended 31 March, 2024

## B. Contract Balances

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Trade Receivables	29,733	33,986
Less: Allowances for Expected Credit loss	(5,352)	(7,308)
<b>Total</b>	<b>24,381</b>	<b>26,678</b>

## 28. Other Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income		
On Deposit with Bank and Others	569	225
On Inter corporate deposits	31	-
On Refund of Income Tax	132	158
On Unwinding of Other Financial Assests	140	89
Rental Income	13	53
Profit on Disposal of Property, Plant and Equipment, net	-	21
Liabilities no longer required - written back	141	1,684
Gain on Lease Modification, net	77	22
Gain on Sale of Mutual Funds, net	-	8
Miscellaneous Income, net	48	27
<b>Total</b>	<b>1,151</b>	<b>2,287</b>

## 29. Operating Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Freight - Linehaul services	69,018	66,790
Freight - First mile pickup and last mile delivery charges	27,584	26,614
Freight - Air freight services	4,086	3,960
Handling Charges	5,157	4,528
Supply Chain Management Services	3,740	2,803
Other Operating Expenses	2,040	1,259
<b>Total</b>	<b>1,11,625</b>	<b>1,05,954</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 30. Changes in Inventories of Stock-in-Trade

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Opening Stock :</b>		
Stock-in-trade	244	280
	<b>244</b>	<b>280</b>
<b>Closing Stock:</b>		
Stock-in-trade	(215)	(244)
	<b>(215)</b>	<b>(244)</b>
<b>Decrease in Inventories of Stock-in-trade, net of allowances</b>	<b>29</b>	<b>36</b>

## 31. Employee Benefits Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, Wages & Bonus	15,782	16,243
Contribution to Provident and other Funds	1,232	1,167
Share Based Payment Expenses (Refer note 58)	413	924
Staff Welfare Expenses	299	481
<b>Total</b>	<b>17,726</b>	<b>18,815</b>

## 32. Finance Costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest Expenses		
On Term Loans and Working Capital Loans	1,102	1,251
On Lease Liabilities	1,897	1,650
On Public Deposits	3	30
Others	-	5
<b>Total</b>	<b>3,002</b>	<b>2,936</b>

## 33. Depreciation and Amortization Expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation on Property, Plant and Equipment (Refer Note 3A)	1,342	1,283
Depreciation on Right-of-use Asset (Refer Note 3B)	5,414	4,500
Amortisation of Intangible Assets (Refer Note 5)	138	138
<b>Total</b>	<b>6,894</b>	<b>5,921</b>

## 34. Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Lease Rental	2,821	3,164
Office Maintenance	2,375	2,172
Professional and Consultancy Charges	1,762	1,511
Repairs and Maintenance		
Computers	1,045	889
Plant and Equipment	129	119
Vehicles	76	97
Buildings	5	16
Others	18	32

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 34. Other Expenses (contd)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Management Fee	1,173	624
Electricity Expenses	911	849
Automation Network Expenses	667	600
Travel and Conveyance	558	570
Printing and Stationery	459	369
Advertisements	365	435
Rates and Taxes	170	417
Auditors' Remuneration (Refer Note 34.1)	97	68
Insurance	78	136
Telephone Expenses	52	49
Allowance for Expected Credit Loss	44	2,555
Directors' Sitting Fees *	30	9
Loss on Disposal of Property, Plant and Equipment, net	26	4
Charity and Donations	22	-
Foreign Exchange Loss, net	15	2
Corporate Social Responsibility Expenditure ( Refer Note 34.2)	13	12
Allowance for Other Financial Assets	11	30
Bad debts Written off-Others	10	124
Bad debts and Irrevocable Balances Written off	2,000	1,104
Less: Provision for loss allowances recognised in earlier years	(2,000)	(1,082)
Miscellaneous Expenses	988	889
<b>Total</b>	<b>13,919</b>	<b>15,764</b>

\*Refer Note 45 for Related Party Information.

### 34.1 Auditors' Remuneration

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Statutory Audit fees	39	44
Limited review of quarterly results	21	20
Certification fees and other services	31	1
Reimbursement of out of Pocket Expenses	6	3
<b>Total</b>	<b>97</b>	<b>68</b>

### 34.2 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013 ('Act'), the Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Education, Community, Environment Sustainability and Rural Development Projects & Donations. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- During the year, the Group has incurred ₹13 lakhs (March 31, 2023 ₹12 lakhs) on account of Corporate Social Responsibility (CSR) included under Other Expenses.
- Gross Amount required to be spent by the Company during the year is ₹13 lakhs.
- Amount of ₹13 lakhs, approved by the board to be spent during the year.
- Amount spent during the year on:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	13	12
<b>Total</b>	<b>13</b>	<b>12</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 34. Other Expenses (contd)

### (e) Unspent Amount:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance as at April 01, 2023</b>	-	-
Amount deposited in specified fund of schedule VII within 6 months	-	-
Amount required to be spent during the year	13	12
Less - Amount spent during the year	(13)	(12)
<b>Closing Balance as at March 31, 2024</b>	-	-

## 35. Exceptional Items

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Loss on write off of Property, Plant and Equipment, net (Refer Note a)	(27)	(792)
Impairment Reversed/(Charged) on Property, Plant & Equipment (Refer Note b)	50	(345)
Relinquishment of Corporate Guarantee (Refer Note c)	2,360	-
Net gain on disposal of non core assets (Refer Note d)	1,066	704
Impairment Reversed in the realisable value of Non-core Assets (Refer Note e)	-	529
<b>Total</b>	<b>3,449</b>	<b>96</b>

### The Exceptional items (non-recurring) represents :

- A loss on write off of ₹ 27 lakhs in Property, Plant and Equipment is on account of discardment of Property, Plant and Equipment which have outlived their useful life and those which are no longer required for business operations. (March 31, 2023 - ₹792 lakhs)
- An impairment reversal of ₹ 50 lakhs was recorded this year, compared to a charge of ₹345 lakhs last year, reflecting the realisation in the fair value of Property, Plant & Equipment..
- In January 2016, the Holding Company had issued a Corporate Guarantee to IDFC Bank Limited ('IDFC') on behalf of GI Hydro Private Limited (formerly GATI Infrastructure Private Limited ('GIPL')). In FY 2017-18, the Holding Company recorded a liability of ₹ 2,360 lakhs due to the invocation of the Corporate Guarantee by IDFC. Subsequently, IDFC assigned all rights, title, and interests in financial assistance of GIPL to Edelweiss Asset Reconstruction Company Limited ('Edelweiss') under the SARFAESI Act, 2002.  
  
During the current year, GIPL has raised funds by issuing bonds and repaid its debts to Edelweiss and thereby on January 12, 2024, Edelweiss has issued no-due certificate relinquishing the Corporate Guarantee issued by the Holding Company. Subsequently the case has been withdrawn. Accordingly, the Holding Company has reassessed its exposure and reversed the liability of ₹ 2,360 lakhs during the current year. This has been treated as exceptional item (gain).
- Net gain on the assets sold during the year which are disclosed as "Assets held for Sale" is of ₹1,066 lakhs (March 31, 2023 - ₹704 lakhs).
- In the previous financial year, ₹529 lakhs has been recorded as reversal of Impairment allowance basis on the realisable value of Non-core Assets.

## 36. Tax Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit Before Tax	(106)	530
<b>Income Tax recognised in Statement of Profit and Loss</b>		
Current Tax	235	1,313
Deferred Tax	(895)	347
Tax related earlier years	(58)	(39)
<b>Total</b>	<b>(718)</b>	<b>1,621</b>
<b>Income Tax recognised in Other Comprehensive Income</b>		
Deferred tax expenses on Re-Measurement gains/(losses) on defined benefit plans	(38)	(201)
<b>Total</b>	<b>(38)</b>	<b>(201)</b>
<b>Grand Total</b>	<b>(756)</b>	<b>1,420</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 36.1 Reconciliation of Income Tax expense for the year with book profits

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before Tax	(106)	530
Applicable Tax Rate	25.17%	27.82%
Tax Expense	(27)	147
<b>Tax Effect of :</b>		
Write back of liabilities not claimed as deduction in the earlier years	(672)	-
Tax on capital gain	205	514
Brought forward losses utilised	(157)	-
Deffered tax not recognised	(18)	-
Expenses not deductible for tax purposes	10	4
Others	(59)	956
<b>Tax Expense in Statement of Profit and Loss</b>	<b>(718)</b>	<b>1,621</b>
Effective Tax Rate	676%	306%

36.2 During the current financial year, the Company opted to exercise the option under section 115 BBA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 and has taken 25.168% rate of corporate tax in its accounts.

## 37. (A) Contingent liabilities and commitments

### Contingent liabilities

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. The following is a description of claims and assertions where a potential loss is possible, but not probable.

(i) Contingent Liabilities (to the extent not provided for)	As at March 31, 2024	As at March 31, 2023
<b>(a) Claim against the Company not acknowledged as debt</b>		
(i) Income tax Demand disputed in appeals and others (includes amount paid under protest and adjustments of ₹2,970 lakhs, previous year - ₹2,970 lakhs) <sup>(1)</sup>	4,082	4,095
(ii) Indirect Tax demand disputed in appeals (Includes amount paid under protest ₹91 Lakhs, previous year - ₹43 Lakhs) <sup>(2) (3) (4)</sup>	5,388	4,768
(iii) Others <sup>(#)</sup>	690	609
<b>Total</b>	<b>10,160</b>	<b>9,472</b>

<sup>(1)</sup> The Group has ongoing disputes with income tax authorities in India and these disputes majorly related to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances. Accordingly the Group has recognised contingent liability in respect of the tax demands received from income tax authorities in India of ₹ 4,082 Lakhs and ₹ 4,095 Lakhs as at March 31, 2024 and March 31, 2023, respectively. Against these demands Group has paid ₹ 2,970 lakhs under protest and adjustments thereon. These demand orders are being contested by the Group based on the management evaluation and advice of tax consultants.

<sup>(2)</sup> Indirect taxes related matters:

Nature of Indirect taxes	Amount	Period to which amount pertains	Status
Service Tax	4,445	2009 - 2017	The Group has received various demand notices from Commissionere of Service Tax towards non payment of service tax on freight forwarding services, non payment of service tax on voyage charter service excess availment of Cenvat credit which are being contested by the Group based on the management evaluation and advice of tax consultants.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 37.(A) Contingent liabilities and commitments (Contd)

Nature of Indirect taxes	Amount	Period to which amount pertains	Status
Goods and Service tax	557	2017 - 2020	The Group has received various demand notices for a sum of ₹ 557 lakhs for FY 2017-18 & 2018-19 majorly towards excess input claim which are being contested by the Group based on the management evaluation and advice of tax consultants.
Sales Tax	386	2013 - 2018	The Group has received various demand notices for a sum of ₹ 386 lakhs from Assistant Commissioner, Commercial Tax, Mathur and Haryana towards non payment of Commercial Tax on TDF which are being contested by the Group based on the management evaluation and advice of tax consultants.
<b>Total</b>	<b>5,388</b>		

<sup>(3)</sup> The Group has received a show cause notice on GST tax matters from the "Office of the Commissioner of Central Tax Audit, Bengaluru Audit – II". The Group has evaluated the legal position internally in respect of the same and believes that it has a strong case and hence no adjustment are required in the Financial Statements

<sup>(4)</sup> Based on the expert legal opinion obtained by the Company, management is of the view that Company has a strong ground to defend the case, thereby, estimated interest of ₹1,100 lakhs pertaining to exceptional item of GST related expense provision has not been provided in books.

The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group believes that none of the contingencies described above would have a material adverse effect on the Group's financial condition, results of operations or cash flows. Pending resolution of the above proceedings, it is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments / decisions pending with various forums / authorities. Also, the Group does not expect any reimbursement in respect of the above contingent liabilities.

### # Other Claims

The Group is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of a material nature, other than those described below:

#### A) Neera Children Trust ('NCT') Vs. Gati Limited. & 29 Ors. (NCLT 535 of 2019), NCLT Hyderabad

Neera Children Trust (NCT) has filed a case alleging oppression and mismanagement against Gati Limited, its promoters, and directors, with the case currently under the purview of the National Company Law Tribunal (NCLT) in Hyderabad. Various Interim Applications (IAs) have been submitted by different parties during the proceedings, addressing matters such as maintainability, waiver, the legality of postal ballots, shifting the registered office, and adding other respondents. In one significant development, Gati Limited filed an IA requesting the relocation of its registered office from Telangana to Maharashtra, which was granted by the NCLT on April 25, 2023.

As the litigation proceeds, Allcargo Gati Limited's counter to the interim reliefs sought by NCT has been recorded, and the main petition is scheduled for a hearing on June 24, 2024. The case has seen six IAs filed by various parties, focusing on issues of maintainability, waiver, the legality of the postal ballot, the shifting of the head office, and the addition of other respondents. According to the assessment by the learned counsel, there is a high possibility of obtaining a favorable order in this case. However, the final resolution and its potential impact on Gati Limited's financial position depend on the NCLT's final verdict.

Until the NCLT reaches a decision, the ultimate impact on Allcargo Gati Limited's financial standing cannot be determined with certainty. The Company is committed to monitoring the proceedings closely and will assess any potential financial implications as they arise.

(b) **Bank Guarantee (\*)** 674      500

(\*) Bank Guarantee is issued to meet certain business obligations towards government agencies and certain customers.

(ii) Commitments	As at March 31, 2024	As at March 31, 2023
<b>Commitment for acquisition of Property, Plant &amp; Equipments (Net of advances)</b>		
Towards Property, Plant & Equipment	219	82
Towards intangible Assets and intangible under Development.	2,780	-
<b>Total</b>	<b>2,999</b>	<b>82</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 37.(A) Contingent liabilities and commitments (Contd)

- (B) There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. From the previous year ended March 31, 2022, the Group is in compliance with same. The Group will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.
- (C) The Code on Social Security, 2020 (Code) related to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India; however, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. However, the Group envisages that the impact of the above would not be material.

## 38. Disclosure as required under Ind AS 19 on Employee Benefits:

Defined Benefit Obligation	As at March 31, 2024	As at March 31, 2023
<b>Statement of Assets and Liabilities for defined benefit obligation</b>		
Present value of funded obligations	(2,535)	(2,361)
Fair value of plan assets	59	36
<b>Net defined benefit liability recognised</b>	<b>(2,476)</b>	<b>(2,325)</b>

### Defined contribution

The expense for defined contribution plans amounted to ₹888 lakhs and ₹930 lakhs for the year ended March 31, 2024 and March 31, 2023 respectively.

### Defined benefits - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India.

These defined benefit plans expose the Group to actuarial risks, such as currency risk, interest risk and market (investment) risk. The Group expects to contribute ₹ 868 lakhs to Gratuity Fund in the next year.

### Defined benefits - Compensated absences

The Group's provides for accumulation of leaves by certain categories of its employees. These employees can carry forward a portion of the unutilised leaves and utilise them in future periods or receive cash in lieu thereof as per the Groups policy. The Group's records a liability for such leaves in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Group's towards this obligation was ₹ 799 lakhs and ₹ 912 lakhs as at March 31, 2024 and March 31, 2023, respectively.

### Inherent risk

The plan is defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Group, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 38. Disclosure as required under Ind AS 19 on Employee Benefits: (contd)

The following tables analyse present value of defined benefit obligations, expense recognised in Statement of Profit and Loss, actuarial assumptions and other information.

Reconciliation of the net defined benefit (asset) / liability:	Year ended March 31, 2024	Year ended March 31, 2023
<b>(I) Reconciliation of present value of defined benefit obligation</b>		
(a) Balance at the beginning of the year	2,361	1,671
(b) Current service cost	209	161
(c) Interest on defined obligations	141	82
(d) Benefits paid	(332)	(346)
(e) Benefit payments directly by employer	-	(15)
(f) Acquisition / Divestiture	2	
(g) Actuarial (gains)/ losses recognised in other comprehensive income		
change in demographic assumptions	4	(15)
change in financial assumptions	(140)	(79)
experience adjustments	290	902
<b>Balance at the end of the year</b>	<b>2,535</b>	<b>2,361</b>
<b>(II) Reconciliation of Fair value of plan assets</b>		
(a) Balance at the beginning of the year	36	198
(b) Actual return on plan assets	2	11
(c) Investment Income	-	(5)
(d) Contributions by the employer	350	178
(e) Benefits paid	(332)	(346)
(f) Actuarial (gains)/ losses on plan assets	3	-
<b>Balance at the end of the year</b>	<b>59</b>	<b>36</b>
<b>(III) Gratuity cost recognised in Statement of Profit or Loss</b>		
(a) Current service cost	209	161
(b) Interest on defined obligations	141	82
(c) Interest income on plan assets	(2)	(11)
<b>Gratuity cost recognised in Statement of Profit or Loss</b>	<b>348</b>	<b>232</b>
<b>(IV) Remeasurements recognised in Other Comprehensive Income</b>		
(a) Actuarial gain / (loss) on defined benefit obligation	154	808
(b) Actuarial (gain) / loss on plan assets	(3)	5
<b>Amount recognised in Other Comprehensive Income</b>	<b>151</b>	<b>813</b>
<b>(V) Net Asset/ (Liability) recognised in the Balance Sheet</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
(a) Present value of defined benefit obligation	(2,535)	(2,361)
(b) Fair value of plan assets	59	36
<b>Net defined benefit obligations in the Balance Sheet</b>	<b>(2,476)</b>	<b>(2,325)</b>
<b>(VI) Plan assets</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Plan assets comprise of the following:		
(a) Investments with LIC	100%	100%
<b>(VII) Actuarial assumptions</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
(a) Discount rate	7.17%	7.3% - 7.31%
(b) Future salary growth	5.00% first 2 years; 5.00% thereafter	8.00% first 2 years; 6.00% thereafter
(c) Retirement age (years)	58	58
(d) Withdrawal rates	8% - 31.25%	10% - 36%

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 38. Disclosure as required under Ind AS 19 on Employee Benefits: (contd)

### (VIII) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Increase
(a) Discount rate (1% movement)	(58)	61	(47)	52
(b) Future salary growth (1% movement)	70	(68)	59	(54)
(c) Withdrawal assumption (1% movement)	1	(1)	1	2

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown.

Expected Cash Flows over the next (valued on Undiscounted Cash Flows)	As at March 31, 2024	As at March 31, 2023
1 year	868	862
2 to 5 years	1,625	1,532
6 to 10 years	484	363
More than 10 years	83	48

Defined Contribution	Year ended March 31, 2024	Year ended March 31, 2023
Provident/Pension Fund	816	829
Superannuation Fund	2	3
Employee State Insurance	70	98
<b>Total</b>	<b>888</b>	<b>930</b>

## 39. Segment information

### A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which is the Group's primary business segment. These business units are managed separately because they require different marketing strategies. For these businesses, the Group (designation of the person who reviews) reviews internal management reports at quarterly basis.

Reportable segments	Operations
Express Distribution & Supply Chain	Covers integrated cargo services - Road, Air transportation, E-commerce logistics and supply chain solutions
Fuel Stations	Covers fuel stations dealing in petrol, diesel and lubricants, etc.

### B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis. The Company's Chief Operating Decision Maker (CODM) has identified business segments are Express distribution, Fuel Stations and Others.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 39. Segment information (Contd)

Summary of Segment Information for the year ended March 31, 2024 and March 31, 2023 is as follows:

1. Segment Revenue (Net Sales / Income from each Segment)	Year ended March 31, 2024	Year ended March 31, 2023
a) Express Distribution & Supply Chain	1,47,433	1,46,592
b) Fuel Station	21,915	25,444
c) Unallocated	451	281
<b>Total</b>	<b>1,69,799</b>	<b>1,72,317</b>
Less: Inter Segment Revenue	-	-
<b>Total Revenue from Operations</b>	<b>1,69,799</b>	<b>1,72,317</b>
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)	Year ended March 31, 2024	Year ended March 31, 2023
a) Express Distribution & Supply Chain	(448)	3,745
Less: Exceptional Items - Income/(expense)	-	(807)
<b>Total (A)</b>	<b>(448)</b>	<b>2,938</b>
b) Fuel Station	243	378
Less: Exceptional Items - Income/(expense)	-	-
<b>Total (B)</b>	<b>243</b>	<b>378</b>
<b>Total (A+B)</b>	<b>(205)</b>	<b>3,316</b>
Add/Less: (i) Finance Cost	(3,002)	(2,936)
(ii) Other un-allocated Income/(expense), net	(348)	(753)
(iii) Exceptional Items - Income/(expense), net	3,449	903
<b>Profit/(Loss) Before tax</b>	<b>(106)</b>	<b>530</b>
Less: Tax Expenses	(718)	1,621
<b>Profit after Tax as per statement of profit and loss</b>	<b>612</b>	<b>(1,091)</b>
3. Segment Assets and Liabilities	As at March 31, 2024	As at March 31, 2023
<b>Segment Assets</b>		
a) Express Distribution & Supply Chain	67,280	58,363
b) Fuel Stations	1,191	1,175
c) Unallocated	63,873	68,932
<b>Total Assets</b>	<b>1,32,344</b>	<b>1,28,470</b>
<b>Segment Liabilities</b>		
a) Express Distribution & Supply Chain	61,569	56,629
b) Fuel Stations	45	46
c) Unallocated	716	2,984
<b>Total Liabilities</b>	<b>62,330</b>	<b>59,659</b>
<b>Capital Employed</b>	<b>70,014</b>	<b>68,811</b>
4. Depreciation and Amortization Expense	Year ended March 31, 2024	Year ended March 31, 2023
a) Express Distribution & Supply Chain	6,882	5,908
b) Fuel Stations	12	13
<b>Total</b>	<b>6,894</b>	<b>5,921</b>
5. Significant Non - Cash Expenditure	Year ended March 31, 2024	Year ended March 31, 2023
a) Express Distribution & Supply Chain	1,198	2,969
b) Fuel Stations	13	-
<b>Total</b>	<b>1,211</b>	<b>2,969</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 39. Segment information (Contd)

6. Capital Expenditure	Year ended March 31, 2024	Year ended March 31, 2023
a) Express Distribution & Supply Chain	1,382	3,613
b) Fuel Stations	5	36
<b>Total</b>	<b>1,387</b>	<b>3,649</b>

## C. Geographical Information

1. Revenue from External Customers	Year ended March 31, 2024	Year ended March 31, 2023
a) India	1,69,799	1,72,317
b) International	-	-
<b>Total</b>	<b>1,69,799</b>	<b>1,72,317</b>

2. Segment Non Current assets *	As at March 31, 2024	As at March 31, 2023
a) India	73,826	69,719
b) International	-	-
<b>Total Assets</b>	<b>73,826</b>	<b>69,719</b>

\* Non Current Assets are excluding IncomeTax Assets, Deferred Tax Asset, net

## 40. Due to Micro Enterprises and Small Enterprises

	As at March 31, 2024	As at March 31, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year :		
Principal amount due to micro and small enterprises	1,058	1,114
Interest due on above	20	14
<b>Total</b>	<b>1,078</b>	<b>1,128</b>
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	20	14
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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.

41. There are no standards that are notified and not yet effective as on the date.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 42. Financial instruments - fair values and risk management

### A. Category wise classification of financial instruments and fair values

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at March 31, 2024

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
Other Financial Assets (Refer Note 7 & 14)	-	-	3,658	-	3,658	-	-	-	-
Trade Receivables (Refer Note 12)	-	-	24,381	-	24,381	-	-	-	-
Cash and Cash Equivalents (Refer Note 13A)	-	-	8,863	-	8,863	-	-	-	-
Other Bank Balances (Refer Note 13B)	-	-	8,676	-	8,676	-	-	-	-
<b>Total</b>	-	-	<b>45,578</b>	-	<b>45,578</b>	-	-	-	-
<b>Financial Liabilities</b>									
Borrowings (Refer Note 20 & 23)	-	-	-	14,425	14,425	-	-	-	-
Trade Payables (Refer Note 24)	-	-	-	8,839	8,839	-	-	-	-
Other Financial Liabilities (Refer Note 25)	-	-	-	9,665	9,665	-	-	-	-
<b>Total</b>	-	-	-	<b>32,929</b>	<b>32,929</b>	-	-	-	-

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at March 31, 2023

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
Other Financial Assets (Refer Note 7 & 14)	-	-	3,478	-	3,478	-	-	-	-
Trade Receivables (Refer Note 12)	-	-	26,678	-	26,678	-	-	-	-
Cash and Cash Equivalents (Refer Note 13A)	-	-	1,893	-	1,893	-	-	-	-
Other Bank Balances (Refer Note 13B)	-	-	7,759	-	7,759	-	-	-	-
<b>Total</b>	-	-	<b>39,808</b>	-	<b>39,808</b>	-	-	-	-
<b>Financial Liabilities</b>									
Borrowings (Refer Note 20 & 23)	-	-	-	12,450	12,450	-	-	-	-
Trade Payables (Refer Note 24)	-	-	-	9,515	9,515	-	-	-	-
Other Financial Liabilities (Refer Note 25)	-	-	-	13,084	13,084	-	-	-	-
<b>Total</b>	-	-	-	<b>35,049</b>	<b>35,049</b>	-	-	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 42. Financial instruments - fair values and risk management (contd)

### B. Measurement of fair values

#### i. Valuation techniques and significant unobservable inputs

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, investments in Debt instrument, borrowings, lease liabilities, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Group loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value.

Investments in equity instruments, which are classified as FVOCI are based on market price at the respective reporting date.

#### ii. Level 1 fair values

The following table shows a reconciliation from the opening balance to the closing balance for Level 1 fair values.

Particulars	Fair values Equity instruments
<b>Balance at March 31, 2022</b>	<b>1,011</b>
Current Investments during the year	100
Net Gain on investments measured at FVTPL	8
Equity Investments through Other Comprehensive Income	-
Sale proceeds of Non-Current Investments	(1,119)
<b>Balance at March 31, 2023</b>	<b>-</b>
Current Investments during the year	-
Net Gain on investments measured at FVTPL	-
Equity Investments through Other Comprehensive Income	-
Sale proceeds of Non-Current Investments	-
<b>Balance at March 31, 2024</b>	<b>-</b>

#### Financial instruments measured at amortised cost

The carrying amount of the financial asset and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

### C. Financial risk management

The Group's has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### Risk management framework

The Group's principal financial liabilities includes borrowings, lease liabilities, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, loans, cash and cash equivalents and other financial assets that derive directly from its operations. The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities."

#### (i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 42. Financial instruments - fair values and risk management (contd)

### (a) Trade receivables

As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Group uses expected credit loss model to assess the impairment loss or gain in accordance with Ind AS 109. The Group uses a provision matrix to compute the credit loss allowance for trade receivables.

The movement of Trade Receivables and Expected Credit Loss are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables (Gross)	29,733	33,986
Less: Allowance for Expected Credit Loss	(5,352)	(7,308)
<b>Trade Receivables (Net)</b>	<b>24,381</b>	<b>26,678</b>

Reconciliation of Expected Credit Loss (Trade receivables)	Amount
<b>Expected Credit loss as at March 31, 2022</b>	<b>5,835</b>
Allowance for Expected Credit Loss	2,555
Bad debts and Irrecoverable Balances Written off	(1,082)
<b>Expected Credit loss as at March 31, 2023</b>	<b>7,308</b>
Allowance for Expected Credit Loss	44
Bad debts and Irrecoverable Balances Written off	(2,000)
<b>Expected Credit loss as at March 31, 2024</b>	<b>5352</b>

### (b) Loans and Advances

The movement of Advances and Expected Credit Loss are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Other Advances Receivables (Gross)	3,003	3,130
Less: Expected Credit Loss	(1,911)	(2,327)
<b>Loans and advances (Net)</b>	<b>1,092</b>	<b>803</b>

Reconciliation of Loss Allowance on Advances	Amount
<b>Expected Credit Loss as at March 31, 2022</b>	<b>2,321</b>
Allowance for Expected Credit Loss	6
<b>Expected Credit Loss as at March 31, 2023</b>	<b>2,327</b>
Allowance for Expected Credit Loss	(416)
<b>Expected Credit Loss as at March 31, 2024</b>	<b>1,911</b>

### b) Other Financial Assets (Security Deposits given)

The Company has security deposits with lessors for leased premises at the year end. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered good. This include security deposits given to lessors with whom Letter of intent is signed.

### (ii) 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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. Thus, no liquidity risk is perceived at present.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 42. Financial instruments - fair values and risk management (contd)

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

March 31, 2024	Contractual cash flows				
	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	14,425	14,425	14,425	-	-
Trade Payables	8,839	8,839	8,839	-	-
Other Financial Liabilities	9,665	9,665	9,665	-	-
<b>Total</b>	<b>32,929</b>	<b>32,929</b>	<b>32,929</b>	<b>-</b>	<b>-</b>

March 31, 2023	Contractual cash flows				
	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	12,450	12,450	12,449	1	-
Trade Payables	9,515	9,515	9,515	-	-
Other Financial Liabilities	13,084	13,084	13,084	-	-
<b>Total</b>	<b>35,049</b>	<b>35,049</b>	<b>35,048</b>	<b>1</b>	<b>-</b>

### (iii) Floating exchange rate and Interest risk:

#### Floating exchange rate

Floating exchange rate with reference to Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### 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 total unhedged foreign currency exposure at the year end towards Trade Receivable & Trade Payable is ₹9 Lakhs (Previous year ₹2 Lakhs) and ₹24 Lakhs (Previous Year ₹3 Lakhs) respectively. The Group does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The interest rate profile of the Group interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Fixed rate instruments</b>		
<b>Financial Liabilities</b>		
Term Loan From Banks	-	11
Deposits from Public	-	99
	-	<b>110</b>
<b>Variable rate instruments</b>		
<b>Financial Liabilities</b>		
Cash Credit	14,425	12,340
	<b>14,425</b>	<b>12,340</b>
<b>Total</b>	<b>14,425</b>	<b>12,450</b>

#### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 42. Financial instruments - fair values and risk management (contd)

Particulars	Effect on Profit before tax		Consequential effect on Equity before tax	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Variable rate instruments - decrease by 100 basis points	144	123	144	123
Variable rate instruments - increase by 100 basis points	(144)	(123)	(144)	(123)

The sensitivity analysis above has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year.

### Equity risk

The Group's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

## 43. Capital management

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Group monitors the return on capital, as well as the level of dividends to equity shareholders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders and debt includes borrowings.

The Group monitors capital on the basis of the following gearing ratio.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (Including Current maturities of Long term Borrowings)	14,425	12,450
<b>Less:</b>		
Cash and Cash Equivalents	(8,863)	(1,893)
Bank Balances other than Cash and Cash Equivalents	(8,676)	(7,759)
<b>Net Debt</b>	<b>(3,114)</b>	<b>2,798</b>
Equity	63,545	61,467
Debt to Equity ratio	(0.05)	0.05

## 44. Earning Per Share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Net profit after tax attributable to equity shareholders</b>	1,453	(928)
Weighted Basic average number of shares outstanding (Nos.)	13,01,86,061	12,54,41,055
Weighted Diluted average number of shares outstanding (Nos.)	13,12,58,292	12,54,41,055
<b>Basic &amp; Diluted EPS *</b>		
Basic Earnings Per Share (In ₹)	1.12	(0.74)
Diluted Earnings Per Share (In ₹)	1.12	(0.74)
<b>Nominal value of shares outstanding (In ₹)</b>	<b>2</b>	<b>2</b>

In the current year, in the computation of Diluted EPS, the Company has considering diluted weighted average shares of 10,72,231 shares (ESARs).

In previous year, in the computation of Diluted EPS, after considering diluted weighted average shares of 12,59,130 share (ESARs), it was determined that the EPS is anti-dilutive. As a result we have treated Basic EPS as Diluted EPS.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 45. Related party disclosures

### (A) Names of related parties and related party relationship for the year ended March 31, 2024

<b>i) Parent Company</b>	1. Allcargo Logistics Limited	
<b>ii) List of Directors &amp; Key Managerial Personnel</b>	1. Mr Shashi Kiran Shetty	– Chairman and Mangaing Director
	2. Mr Yasuhiro Kaneda	– Nominee Director (Resigned w.e.f July 01, 2022 )
	3. Mr Kaiwan Kalayaniwalla	– Director
	4. Ms. Cynthia D'Souza	– Independent Director (Resigned w. e. f. June 08, 2023)
	5. Mr. Dinesh Kumar Lal	– Independent Director
	6. Mr. Yasuyuki Tani	– Nominee Director (Resigned w.e.f. June 08, 2023)
	7. Mr. Nilesh Shivji Vikamsey	– Independent Director
	8. Ms. T S Maharani	– Company Secretary and Compliance Officer
	9. Mr. Pirojshaw Sarkari (Phil)	– Stepped down as CEO w.e.f. May 31, 2023 and appointed as Director w. e. f. June 08, 2023)
	10. Mr. Anish T Mathew	– Chief Financial Officer (Appointed w.e.f Feb 04, 2022)
	11. Mr. Adarsh Hegde	– Executive Director (Resigned w.e.f May 31 , 2023)
	12. Mr Hetal Madhukant Gandhi	– Independent Director (Appointed w. e. f. June 09, 2023)
	13. Mr Ravi Jakhar	– Director ( Appointed w.e.f. June 09, 2023)
	14. Ms Vinita Dang Mohoni	– Independent Director ( Appointed w. e. f. June 17, 2023)
	15. Mr. R Ramachandran	– Independent Director (resigned w.e.f. April 27, 2022)
	16. Ms. Sheela Bhide	– Independent Director ( resigned w. e. f. June 08, 2023)
<b>iii) Fellow Subsidiaries</b>	1. Allcargo Inland Park Private Limited	
	2. Comptech Solutions Private Limited	
	3. Allcargo Supply Chain Private Limited *	
	4. Gati Cargo Express (Shanghai) Co. Limited	
	5. Allcargo Logistics Park Private Limited	
	6. Allcargo Multimodal Private Limited #	
	7. Prism Global Limited	
	8. Allcargo Terminals Ltd	
	9. AGL Warehousing Private Limited	
	10. Allcargo Corporate Services Pvt Ltd	
	11. ECU Hold NV	
	12. Gati Hong Kong Limited	
	13. Allcargo Belgium N.V.	
<b>iv) Associate</b>	1. Gati Ship Limited	
<b>v) Entities in which significant influence exists</b>	1. Talentos ( India) Private Limited	
	2. Conserve Buildcon LLP (w.e.f Nov 01, 2022)	
	3. National Institute of Industrial Engineering (w.e.f March 17, 2022)	
<b>vi) Entities under common influence with the Company</b>	1. Kintetsu World Express (India) Private Limited **	

\*Avvashya Supply Chain Private Limited was demerged from Avvashya CCI Logistics Private Limited w.e.f March 01, 2023 and from March 30, 2023 the name was changed to Allcargo Supply Chain Private Limited.

\*\* Ceased to be related party on June 08<sup>th</sup>, 2023 due to disinvestment by Kintetsu World Express (India) Pvt. Ltd

#Allcargo Multimodal Private Limited is Ceased to be related party on March 07, 2024 due to controlling stake disposal



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 45. Related party disclosures (contd)

### (B) Summary of the transactions with related parties

SL. No	Nature of Transaction	Key Managerial Personnel (KMP) & Relatives		Fellow Subsidiaries & Entities in which having significant influence and common influence		Parent Company		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
a)	<b>EXPENDITURE</b>								
	<b>Lease Rentals</b>								
	Allcargo Logistics Limited	-	-	-	-	17	7	17	7
	Allcargo Inland Park Private Limited	-	-	-	(9)	-	-	-	(9)
	Allcargo Multimodal Private Limited #	-	-	378	378	-	-	378	378
	Allcargo Supply Chain Private Limited *	-	-	98	115	-	-	98	115
	Comptech Solutions Private Limited	-	-	50	42	-	-	50	42
	Talentos (India) Private Limited	-	-	127	45	-	-	127	45
	AGL Warehousing Private Limited	-	-	9	-	-	-	9	-
		-	-	662	571	17	7	679	578
	<b>Freight Expenses</b>								
	Allcargo Logistics Limited	-	-	-	-	-	2	-	2
		-	-	-	-	-	2	-	2
	<b>Other Expenses</b>								
	Allcargo Supply Chain Private Limited *	-	-	2	3	-	-	2	3
	Conserve Buildcon LLP	-	-	242	100	-	-	242	100
	Allcargo Logistics Limited	-	-	-	-	-	33	-	33
	Prism Global Limited	-	-	-	16	-	-	-	16
	'National Institute of Industrial Engineering	-	-	-	1	-	-	-	1
	Kintentsu World Express (India) Private Limited **	-	-	3	16	-	-	3	16
	Allcargo Multimodal Private Limited #	-	-	94	91	-	-	94	91
	Comptech Solutions Private Limited	-	-	5	6	-	-	5	6
	ECU Hold NV	-	-	-	0	-	-	-	0
		-	-	346	233	-	33	346	266
	<b>Remuneration-Short term employee benefits</b>								
	Mr. Adarsh Hedge	25	150	-	-	-	-	25	150
	Ms. T S Maharani	40	39	-	-	-	-	40	39
	Mr.Pirojshaw A Sarkari	375	288	-	-	-	-	375	288
	Mr Anish T Mathew	141	99	-	-	-	-	141	99
		581	576	-	-	-	-	581	576

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 45. Related party disclosures (contd)

SL. No	Nature of Transaction	Key Managerial Personnel (KMP) & Relatives		Fellow Subsidiaries & Entities in which having significant influence and common influence		Parent Company		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	<b>Management Fees</b>								
	Allcargo Supply Chain Private Limited *	-	-	282	140	-	-	282	140
	Allcargo Logistics Limited	-	-	-	-	766	502	766	502
	Allcargo Corporate Services Private Ltd	-	-	119	-	-	-	119	-
		-	-	<b>401</b>	<b>140</b>	<b>766</b>	<b>502</b>	<b>1,167</b>	<b>642</b>
	<b>Directors Sitting Fee-Short term employee benefits</b>								
	Ms. Cynthia D'Souza	0	1	-	-	-	-	0	1
	Mr. Dinesh Kumar Lal	10	3	-	-	-	-	10	3
	Mr. Nilesh Shivji Vikamsey	9	4	-	-	-	-	9	4
	Ms. Sheela Bhide	1	1	-	-	-	-	1	1
	Mr. R Ramachandran	-	-	-	-	-	-	-	-
	Vinita Dang Mohoni	5	-	-	-	-	-	5	-
	Mr Hetal Madhukant Gandhi	5	-	-	-	-	-	5	-
		<b>30</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>9</b>
	<b>Capitalization</b>								
	Conserve Buildcon LLP	-	-	-	492	-	-	-	492
		-	-	-	<b>492</b>	-	-	-	<b>492</b>
	<b>b) INCOME</b>								
	<b>Freight</b>								
	Kintentsu World Express (India) Private Limited **	-	-	213	1,362	-	-	213	1,362
	Gati Cargo Express (Shanghai) Co. Limited	-	-	26	18	-	-	26	18
	Allcargo Logistics Park Private Limited	-	-	-	-	-	-	-	-
	Allcargo Supply Chain Private Limited *	-	-	8	1	-	-	8	1
	Allcargo Logistics limited	-	-	-	-	4	9	4	9
		-	-	<b>247</b>	<b>1,381</b>	<b>4</b>	<b>9</b>	<b>251</b>	<b>1,390</b>
	<b>Warehouse Income</b>								
	Allcargo Supply Chain Private Limited*	-	-	16	20	-	-	16	20
	Kintentsu World Express (India) Private Limited	-	-	1	6	-	-	1	6
	Gati Cargo Express (Shanghai) Co. Limited	-	-	53	71	-	-	53	71
		-	-	<b>70</b>	<b>97</b>	<b>-</b>	<b>-</b>	<b>70</b>	<b>97</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 45. Related party disclosures (contd)

SL. No	Nature of Transaction	Key Managerial Personnel (KMP) & Relatives		Fellow Subsidiaries & Entities in which having significant influence and common influence		Parent Company		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	<b>Management Fees</b>								
	Allcargo Logistics Limited	-	-	-	-	134	191	134	191
	Allcargo Supply Chain Private Limited *	-	-	317	91	-	-	317	91
		-	-	<b>317</b>	<b>91</b>	<b>134</b>	<b>191</b>	<b>451</b>	<b>282</b>
	<b>Rent</b>								
	Gati Ship Limited	-	-	1	-	-	-	1	-
		-	-	<b>1</b>	-	-	-	<b>1</b>	-
	<b>Interest Income</b>								
	Allcargo Supply Chain Private Limited *	-	-	31	-	-	-	31	-
		-	-	<b>31</b>	-	-	-	<b>31</b>	-
	<b>Sale of Assets</b>								
	Allcargo Logistics Limited	-	-	-	-	-	23	-	23
	Allcargo Supply Chain Private Limited *	-	-	1	-	-	-	1	-
		-	-	<b>1</b>	-	-	<b>23</b>	<b>1</b>	<b>23</b>

## (C) Summary of closing balances with related parties

SL. No	Particulars	Parent Company		Fellow Subsidiaries, Associates & Entities in which having significant influence and common influence		Total	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
a)	<b>Trade Receivable</b>						
	Kintentsu World Express (India) Private Limited **	-	-	-	163	-	163
	Gati Cargo Express (Shanghai) Co Limited	-	-	23	40	23	40
	Allcargo Logistics Limited	8	11	-	-	8	11
		<b>8</b>	<b>11</b>	<b>23</b>	<b>203</b>	<b>31</b>	<b>214</b>
	<b>Other Receivables</b>						
	Allcargo Supply Chain Private Limited*	-	-	3	40	3	40
	Allcargo Logistics Limited	876	728	-	-	876	728
	Allcargo Corporate Services Pvt Ltd	-	-	-	-	-	-
	Gati Ship Limited	-	-	2	0	2	0
		<b>876</b>	<b>728</b>	<b>5</b>	<b>40</b>	<b>881</b>	<b>768</b>
b)	<b>Deposit Given</b>						
	Comptech Solutions Private Limited	-	-	24	24	24	24
	Talentos ( India) Private Limited	-	-	31	23	31	23
	AGL Warehousing Private Limited	-	-	27	-	27	-
	Allcargo Multimodal Private Limited #	-	-	-	157	-	157
		-	-	<b>82</b>	<b>204</b>	<b>82</b>	<b>204</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 45. Related party disclosures (contd)

### (C) Summary of closing balances with related parties

SL. No	Particulars	Parent Company		Fellow Subsidiaries, Associates & Entities in which having significant influence and common influence		Total	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>c)</b>	<b>Other Payables</b>						
	Allcargo Logistics limited	127	104	-	-	127	104
	Comptech Solutions Private Limited	-	-	-	5	-	5
	Kintentsu World Express (India) Private Limited **	-	-	-	3	-	3
	Allcargo Supply Chain Private Limited *	-	-	29	23	29	23
	Allcargo Multimodal Private Limited #	-	-	-	48	-	48
	Talentos ( India) Private Limited	-	-	-	4	-	4
	Prism Global Limited	-	-	-	6	-	6
	Conserve Buildcon LLP	-	-	22	47	22	47
	AGL Warehousing Private Limited	-	-	36	-	36	-
	Allcargo Corporate Services Pvt Ltd	-	-	129	-	129	-
		<b>127</b>	<b>104</b>	<b>216</b>	<b>136</b>	<b>343</b>	<b>240</b>
<b>d)</b>	<b>Investment held for sale</b>						
	Gati Ship Limited - Equity Shares	-	-	8,623	8,623	8,623	8,623
	Impairment on Gati Ship Limited - Equity shares	-	-	(8,623)	(8,623)	(8,623)	(8,623)
		-	-	-	-	-	-

- This is to confirm that the above transactions are (a) comprehensive and have been reviewed by Internal Auditors of the Company; (b) in the ordinary course of Business and at arm's length; (c) in compliance with applicable regulatory / statutory requirements including the Company's policy on Related Party Transactions.
- The Management confirms that requisite test to determine the arms length has been done and documented and where required confirmation from the external experts has been obtained for such determination.
- Related Party Transactions for which approval of the Audit Committee has been taken are well within the ambit of Omnibus Approval given by the Audit committee.
- The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.
- Post employment benefits are actuarially determined on overall basis and hence not separately provided for the key managerial personnel.
- Wherever amounts are "0", the value is less than rupees fifty thousand.

46. The value of the Holding Company's investment in an associate had been fully provided in earlier years therefore the share of loss in that has not been considered in consolidated accounts.

47. During the current financial year, the Company had signed an out of court settlement with AIR India, pertaining to an ongoing legal matter before the Hon'ble Delhi High Court. As a result, the Company has received a sum of ₹42 lakhs towards the final settlement, which has been recognised as Other Income. Pursuant to the settlement, the Hon'ble Delhi High Court accepted the Company's petition for withdrawal of the case and released the original bank guarantee, amounting to ₹2,200 lakhs, which is equivalent to the disputed arbitral award. The mentioned bank guarantee has been released by the banking partner.

48. The Board of Directors in their meeting held on December 21, 2023 has considered and approved the Scheme of Arrangement involving Allcargo Logistics Limited (Parent Company), Allcargo ECU Limited( Fellow Subsidiary), Allcargo Gati Limited (the Company), Gati Express & Supply Chain Private Limited (Subsidiary) and Allcargo Supply Chain Private Limited (Fellow Subsidiary). The Scheme involves merger of fellow subsidiary and subsidiary with the Company effective from appointed date of October 01, 2023 and the merger of the Company (post-merger of fellow subsidiary and subsidiary) with the Parent Company on the date the Scheme becomes effective. The Scheme has been filed with BSE and NSE and the Company is in the process of getting the necessary regulatory and other approvals. The Scheme of Arrangement and other relevant details are available on the Company's website.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

49. The Board of Directors in their meeting held on December 21, 2023 and Shareholders through postal ballot passed on February 05, 2024, approved to raise funds through various permissible modes, in accordance with applicable laws. The fund-raising will be conducted by issuing Equity Shares, equity-linked instruments, convertible preference shares, fully or partly convertible debentures, or through a composite issue of non-convertible debentures and warrants. Warrant holders will have the right to apply for equity shares or other eligible securities. The modes include private placement, qualified institutions placements, further public issues, preferential issues, rights issues, or any other permissible mode under applicable laws, or a combination thereof, up to ₹ 50,000 lakhs. The funds are intended for growth capital, expansion, capex, working capital, etc.
50. During the current year, the name of the Company has been changed to "Allcargo Gati Limited", pursuant to the approval of the Board of Directors vide their Meeting held on August 04, 2023 and the shareholders of the Company at the Annual General Meeting held on September 04, 2023. The Registrar of Companies, Telangana, approved and accordingly issued fresh certificate of incorporation pursuant to the change of the name w.e.f. October 19, 2023.
51. During the current financial year, Allcargo Logistics Limited ("Parent Company") has acquired a 30% stake (1,50,000 Equity Shares) in "Gati Express & Supply Chain Private Limited" (formerly known as Gati Kintetsu Express Private Limited), a material subsidiary. The acquisition comprises 1,30,000 Equity Shares (26% stake) from KWE-Kintetsu World Express (S) Pte Ltd and 20,000 Equity Shares (4% stake) from KWE Kintetsu Express (India) Private Limited. The name of the Subsidiary Company "Gati Kintetsu Express Private Limited" has been changed to "Gati Express & Supply Chain Private Limited" w.e.f. July 27, 2023, duly approved by the Registrar of Companies, Mumbai, Ministry of Corporate Affairs.
52. The Board of directors in their meeting held on May 16, 2024 and May 19, 2023 has given the Company approval to explore the sale/disposal of fuel station business and an in-principle consent to transfer the fuel station business to one of its wholly owned subsidiary, Gati Projects Private Limited, respectively subject to consent from the respective Oil Marketing Companies and the necessary approvals from the shareholders of the Company.
53. There are no subsequent events after reporting date.

## 54. Other statutory information

- (i) The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 except for the following:

Name of Company	Nature of transactions	Balance as at March 31, 2024	Balance as at March 31, 2023
M G Corporation	Receivables	10	-
Mayur Enterprises	Receivables	3	-
Mrp Logistics	Receivables	3	-
Advance Valves Private Limited	Receivables	3	-
Laxmi Enterprises	Receivables	3	-
Entex Shipping Private Limited	Receivables	2	-
Sew Eurodrive Inida Private Limited	Receivables	2	-
Rahul Enterprises	Receivables	2	-
Nova Enterprises Private Limited	Receivables	16	-
Indo American Vitamin Foods Private Limited	Receivables	-	310
Alok Leasing Private Limited	Receivables	-	1
Apurva Organics Limited	Receivables	-	1
Bgrg Electrosoft Private Limited	Receivables	-	1
Crown Closures Private Limited	Receivables	-	0
Danfoss Industries Private Limited	Receivables	38	67
Ford India Private Limited	Receivables	-	73
Gilard Electronics Private Limited	Receivables	-	0
Inox India Private Limited	Receivables	-	2
Jassonia Enterprises India Private Limited	Receivables	-	2
Madura Coats	Receivables	2	2

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 54. Other statutory information (contd)

Name of Company	Nature of transactions	Balance as at March 31, 2024	Balance as at March 31, 2023
Thermadyne Private Limited	Receivables	-	0
Welspun India Limited	Receivables	-	1
<b>Total</b>		<b>84</b>	<b>460</b>
Interglobe Aviation Limited	Payables	10	-
Sb Enterprises	Payables	1	-
Progressive Logistics	Payables	1	-
3S Enterprises	Payables	1	-
<b>Total</b>		<b>13</b>	<b>-</b>

- Note :
- 1) Wherever amounts are "0", the value is less than rupees fifty thousand.
  - 2) None of the above mentioned party is related party as per the definition of "related party" under section 2(76) of the Companies Act, 2013.
- (ii) The Company is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders.
  - (iii) The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) during current or previous financial year 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.
  - (iv) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) during current or previous financial year 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 to or on behalf of the Ultimate Beneficiaries.
  - (v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during current or previous financial 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).
  - (vi) Loans or Advances in the nature of loans are granted to Promoters, Directors, KMPs and the Related Parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Nil	Nil	Nil

- (vii) The Group has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets or both during current or previous financial year.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 55. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates

Name of the Enterprise	2023-24							
	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit/( Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/( Loss)	Amount	As % of Consolidated Profit/( Loss)	Amount	As % of Consolidated Profit/( Loss)	Amount
<b>Holding Company</b>								
Allcargo Gati Limited	105%	73,622	559%	3,417	-2%	2	685%	3,419
<b>Subsidiaries</b>								
<b>Indian</b>								
1. Gati Express & Supply Chain Private Limited (Formerly known as Gati Kintetsu Express Private Limited)"	31%	21,562	-320%	(1,959)	71%	(80)	-409%	(2,039)
2. Gati Import Export Trading Limited	0%	43	-1%	(4)	0%	(0)	-1%	(4)
3. Zen Cargo Movers Private Limited	0%	(44)	0%	-	0%	-	0%	-
4. Gati Logistics Parks Private Limited	-2%	(1,446)	0%	(1)	0%	(0)	0%	(1)
5. Gati Projects Private Limited	0%	(4)	0%	(1)	0%	-	0%	(1)
		<b>93,733</b>		<b>1,453</b>		<b>(79)</b>		<b>1,374</b>
Inter Company Elimination and Consolidation Adjustment	-43%	(30,188)	0%	-	0%	-	0%	-
<b>Sub Total</b>		<b>63,545</b>		<b>1,453</b>		<b>(79)</b>		<b>1,374</b>
Non Controlling Interest in all Subsidiaries	9%	6,469	-138%	(841)	30%	(34)	-175%	(875)
<b>Total</b>	<b>100%</b>	<b>70,014</b>	<b>100%</b>	<b>612</b>	<b>100%</b>	<b>(113)</b>	<b>100%</b>	<b>499</b>

Name of the Enterprise	2022-23							
	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit/( Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/( Loss)	Amount	As % of Consolidated Profit/( Loss)	Amount	As % of Consolidated Profit/( Loss)	Amount
<b>Holding Company</b>								
Allcargo Gati Limited	101%	69,503	50%	(543)	2%	(15)	33%	(558)
<b>Subsidiaries</b>								
<b>Indian</b>								
1. Gati Express & Supply Chain Private Limited (Formerly known as Gati Kintetsu Express Private Limited)	36%	24,479	35%	(380)	68%	(418)	47%	(798)
2. Gati Import Export Trading Limited	0%	47	0%	(5)	0%	-	0%	(5)
3. Zen Cargo Movers Private Limited	0%	(44)	0%	(3)	0%	-	0%	(3)
4. Gati Logistics Parks Private Limited	-2%	(1,445)	0%	(1)	0%	-	0%	(1)
5. Gati Projects Private Limited	0%	(3)	0%	(1)	0%	-	0%	(1)
		<b>92,537</b>		<b>(933)</b>		<b>(433)</b>		<b>(1,366)</b>
Inter Company Elimination and Consolidation Adjustment	-45%	(31,070)	0%	5	0%	-	0%	5
<b>Sub Total</b>		<b>61,467</b>		<b>(928)</b>		<b>(433)</b>		<b>(1,361)</b>
Non Controlling Interest in all Subsidiaries	11%	7,344	15%	(163)	29%	(179)	20%	(342)
<b>Total</b>	<b>100%</b>	<b>68,811</b>	<b>100%</b>	<b>(1,091)</b>	<b>100%</b>	<b>(612)</b>	<b>100%</b>	<b>(1,703)</b>

# Notes to Consolidated Financial Statements

as at and for the Year Ended March 31, 2024

(All amounts in Indian Rupees lakhs, unless otherwise stated)

## 56. Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures

### PART "A": SUBSIDIARIES

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation exceptional items	Exceptional Items	Profit/ (Loss) before taxation and exceptional items	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of shareholding
1	Gati Express & Supply Chain Private Limited #	April-March	INR	50	21,515	87,605	66,040	-	1,47,859	(4,243)	782	(3,461)	(660)	(2,801)	-	70% held by the Company
2	Gati Import Export Trading Ltd. ^	April-March	INR	230	(187)	187	144	-	-	(4)	-	(4)	-	(4)	-	100% held by the Company
3	Zen Cargo Movers Private Limited ^	April-March	INR	36	(80)	23	67	-	-	0	-	0	0	(0)	-	100% held by the Company
4	Gati Logistics Parks Private Limited ^	April-March	INR	1	(1,447)	0	1,446	-	0	(1)	-	(1)	-	(1)	-	100% held by the Company
5	Gati Projects Private Limited ^	April-March	INR	1	(5)	0	5	-	0	(1)	-	(1)	-	(1)	-	100% held by the Company

### Names of the subsidiaries which are yet to commence operations

#### Sl. No. Name of the companies

- 1 Gati Logistics Parks Private Limited
- 2 Gati Projects Private Limited

# The accounts of the Subsidiary Companies have been audited by the respective statutory auditors and the financial statements of these Companies have been considered in the consolidation.

^ The accounts of the Subsidiary Companies have been certified by the management and the financial statements of these Companies have been considered in the consolidation.

### PART "B": ASSOCIATES

Sl. No.	Name of the Associate/ Joint Venture	Shares of Associate/ Joint Ventures held by the Company on the year end					Profit/loss for the year			
		Latest audited Balance Sheet date	No. of shares	Amount of Investment	Extent of holding %	Description of how there is a significant influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Considered in consolidation	Not considered in consolidation
1	Gati Ship Limited	31-Mar-24	48,00,000	8,623	47.95%	There is no significant control over the Company. So the results are not consolidated.	The company ceases to have significant control after the sale of stake of 12.09% on May 16, 2014. Hence the same is not considered in consolidation.	50	-	(1)



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 57. The Subsidiary Companies considered in the Financial Statements are as follows:

Sl. No.	Name of the subsidiary	Country of Incorporation	% Voting Power as at March 31, 2024	% Voting Power as at March 31, 2023
1	Gati Express & Supply Chain Private Limited (Formerly known as Gati Kintetsu Express Private Limited)	India	70%	70%
2	Gati Import Export Trading Limited	India	100%	100%
3	Zen Cargo Movers Private Limited	India	100%	100%
4	Gati Logistics Parks Private Limited	India	100%	100%
5	Gati Projects Private Limited	India	100%	100%

## 58. Employee share-based payment:

The Holding Company has formulated employee share-based payment schemes with objective to attract and retain talent and align the interest of employees with the Group as well as to motivate them to contribute to its growth and profitability. The Group view employee stock options as instruments that would enable the employees to share the value they create for the Group in the years to come. For the year ended March 31, 2024 the Group recognised total expenses of ₹ 413 lakhs (March 31, 2023 ₹ 924 lakhs) related to Share based Payment schemes. The Nomination and Remuneration Committee of the Board of Directors of the Company during the FY 2023-24 have granted 9,50,000 ESARs to the Employees of its Holding Company and Subsidiary Company. The necessary accounting for the above has been made in the books of accounts in the respective periods. Furthermore, the Nomination and Remuneration Committee of the Board of Directors of the Company vide its meeting held on March 07, 2024 have granted 5,25,000 ESARs to the Employees Subsidiary Company w.e.f April 01, 2024. At present, following employee share-based payment scheme is in operation, details of which are given below:

### A) Details of ESAR grants are summarised below -

Sl. No.	Description	Year ended March 31, 2024	Year ended March 31, 2023
1	Date of shareholders' approval	January 27, 2022	January 27, 2022
2	Total number of options approved under ESARs scheme	42,00,000	42,00,000
3	Vesting requirements	Vesting period of one year but not later than 4 years from the date of grant	Vesting period of one year but not later than 4 years from the date of grant
4	Exercise price or pricing formula	The Exercise Price per ESAR shall be the Market Price of the Shares of the Company discounted by such percentage not exceeding 50% to be determined by the Committee from time to time has context menu	The Exercise Price per ESAR shall be the Market Price of the Shares of the Company discounted by such percentage not exceeding 50% to be determined by the Committee from time to time has context menu
5	Maximum term of options granted	9 years from the date of Grant	9 years from the date of Grant
6	Source of shares (primary, secondary or combination)	Primary	Primary
7	Variation of terms of options	No Variations	No Variations
8	Method used to account for ESOS - Intrinsic or fair value	Fair Value Method	Fair Value Method

Sl. No.	Description	Year ended March 31, 2024	Year ended March 31, 2023
1	Number of options outstanding at the beginning of the year	28,80,000	-
2	Number of options granted during the year	9,50,000	31,05,000
3	Number of options forfeited/lapsed during the year	8,07,500	2,25,000
4	Number of options vested during the year	8,64,000	-
5	Number of options exercised during the year	2,85,000	-
6	Number of shares arising as a result of exercise of options	1,21,910	NA
7	Amount realized by exercise of options (₹)	2,43,820	-
8	Number of options outstanding at the end of the year (out of total number of options approved under scheme)	27,37,500	28,80,000
9	Number of options exercisable at the end of the year (out of total number of options approved under scheme)	27,37,500	28,80,000

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

## 58. Employee share-based payment: (contd)

- 10 Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information
- The Black Scholes option-pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option-pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.

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

	Grant-4	Grant-3	Grant-2	Grant-1
Stock Options granted on	July 31, 2023	June 1, 2023	April 1, 2023	April 1, 2022
Weighted average exercise price (in ₹)	85.00	85.00	85.00	85.00
Weighted average Fair value (in ₹)	95.27	70.75	58.93	114.56
Volatility (%)	53.98%	53.18%	53.64%	54.80%
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Life of Options granted (Years)	4.51	5.01	5.01	5.01
Risk free interest rate (%)	7.04%	6.82%	7.14%	6.15%

- 12 The volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the options and is based on the daily volatility of the Company's stock price on NSE.

- 13 There are no market conditions attached to the grant and vest.

59. The Holding Company and Gati Express and Supply Chain Private Limited financial (subsidiary) has used six accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same was enabled throughout the year except in case of the following three accounting softwares wherein this feature was enabled from specific date and in case of one software audit trail is not enabled for direct changes to data when using certain access rights as mentioned below:

Application	Audit trail enablement date
GEMS	Audit trail at application layer is enabled from May 17, 2023, Database level effective throughout the year.
Oracle	Audit trail at application layer is enabled from April 28, 2023, Database level effective throughout the year.
Fuel Plus	Audit trail at application layer is enabled from December 13, 2023. Audit trail at Database layer was not enabled.

There is no instance of audit trail feature being tampered with was noted in respect of above accounting softwares

The Company's other four subsidiaries, has used accounting software for maintaining its books of account which does not have the feature of recording audit trail (edit log) facility, which are not material to the Group

### As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/  
E300004

Per Aniket A Sohani  
Partner  
Membership no: 117142

Place: Mumbai  
Date: May 16, 2024

### For and on behalf of the Board of Directors of Allcargo Gati Limited (formerly known as Gati Limited)

CIN: L63011MH1995PLC420155

Shashi Kiran Shetty  
Chairman & Managing Director  
DIN: 00012754

Anish T Mathew  
Chief Financial Officer  
M. No. 211965

Place: Hyderabad  
Date: May 16, 2024

Pirojshaw Sarkari  
Director  
DIN: 00820860

T S Maharani  
Company Secretary  
M No. F8069

Place: Hyderabad  
Date: May 16, 2024





**Allcargo Gati Limited**

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4th Floor, B Wing, Allcargo House, CST Road,  
Kalina Santacruz (East), Mumbai – 400098,  
Maharashtra, India  
Tel: 022 66798100

Corporate Office:  
Western Pearl, 4th Floor, Survey No. 13(p),  
Kondapur. Hyderabad, Rangareddi –  
500084, Telangana, India  
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CIN: L63011MH1995PLC420155

