

INDEPENDENT AUDITOR'S REPORT

To the Members of TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited)

Report on the Audit of the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of TVS Supply Chain Solutions Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and joint venture comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2020, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2A of the Consolidated Financial Statements which describes the impact of Covid-19 pandemic, and its possible consequential implications, on the Group's operations and financial metrics. Our opinion is not modified in respect of the matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors' report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.



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

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

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture 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 and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture 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 and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

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

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

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



- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of six subsidiaries (which included the financial statements of step-down subsidiaries), whose Ind AS financial statements include total assets of Rs 401,607.30 lakhs as at March 31, 2020, and total revenues of Rs 4,57,424.35 lakhs and net cash inflows of Rs 44,050.45 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included



in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

- (b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of a subsidiary, whose financial statements and other financial information reflect total assets of Rs. 621.19 lakhs and net liability of Rs. 299.24 lakhs as at March 31, 2020, and total revenues of Rs. 1,571.28 lakhs and net cash outflows of Rs. 38.80 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 218.98 lakhs for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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, associate and joint venture, 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 Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate and joint venture, none of the directors of the Group's companies, its associate and joint venture incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate and joint venture incorporated in India, 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, associate and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiaries, associate and joint venture 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, associate and joint venture, as noted in the 'Other matter' paragraph:
- The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and joint venture in its consolidated Ind AS financial statements – Refer Note 37 to the consolidated Ind AS financial statements;
 - Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 to the consolidated Ind AS financial statements.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associate and joint venture incorporated in India during the year ended March 31, 2020.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Bharath N S

Partner

Membership Number: 210934

UDIN: 20210934AAAACP6533

Place of Signature: Chennai

Date: August 31, 2020



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TVS SUPPLY CHAIN SOLUTIONS 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 TVS Supply Chain Solutions Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of TVS Supply Chain Solutions Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.



Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Bharath N S

Partner

Membership Number: 210934

UDIN: 20210934AAAACP6533

Place of Signature: Chennai

Date: August 31, 2020



TVS SUPPLY CHAIN SOLUTIONS LIMITED

Consolidated Financial Statements

Financial year 2019-20

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Consolidated Balance Sheet as at 31 March 2020
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	15	36,485.44	43,205.00
Capital work-in-progress		820.64	1,265.22
Goodwill	16	45,442.40	42,953.66
Other intangible assets	16	23,881.62	26,755.63
Right-of-use assets	16B	97,589.11	89,616.20
Equity accounted investees	17	3,715.96	3,491.07
Financial assets			
Investments	19	261.51	1,053.78
Deposits and other receivables	20	4,361.96	3,736.38
Other financial assets	21	748.46	752.17
Deferred tax assets (net)	14	7,316.19	6,700.63
Non-current tax assets (net)		8,270.46	5,798.88
Other non-current assets	22	719.92	288.55
Total non-current assets		2,29,613.67	2,25,617.17
Current Assets			
Inventories	23	16,982.18	16,616.22
Financial assets			
Investments	19	1,061.29	1,408.24
Trade receivables	24	1,30,727.96	1,20,850.53
Cash and cash equivalents	25	88,461.28	47,485.17
Other bank balances	26	26,216.52	2,410.27
Loans	27	-	-
Deposits and other receivables	20	5,334.80	5,076.46
Other financial assets	21	24,856.04	23,282.39
Current tax assets (net)		1,118.23	881.99
Other current assets	28	14,292.01	14,288.66
Assets classified as held for disposal	45	6,348.89	8,148.97
Total current assets		3,15,399.20	2,40,448.90
Total assets		5,45,012.87	4,66,066.07
EQUITY AND LIABILITIES			
Equity			
Share capital	29A	3,176.21	3,166.71
Other equity	29B	47,903.46	58,787.44
Equity attributable to owners of the Company		51,079.67	61,954.15
Non-controlling interests	18	7,982.42	4,039.38
Total equity		59,062.09	65,993.53



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Consolidated Balance Sheet as at 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	30	95,923.94	90,433.75
Lease liability	16B	91,757.66	68,678.57
Other financial liabilities	32	3,629.92	1,144.99
Provisions	33	1,836.74	1,816.65
Deferred tax liabilities (net)	14	9,151.01	10,575.31
Other non current liabilities	34	155.16	241.00
Total non-current liabilities		2,02,454.43	1,72,890.27
Current liabilities			
Financial Liabilities			
Borrowings	30	1,16,265.21	52,811.67
Lease liability	16B	26,485.98	30,295.15
Trade payables	31	1,01,258.21	96,760.50
Other financial liabilities	32	20,973.09	26,873.15
Provisions	33	2,464.92	2,929.84
Current tax liabilities (net)		146.58	520.12
Other current liabilities	35	10,997.75	11,203.19
Liabilities directly associated with assets classified as held for sale	45	4,904.61	5,788.65
Total current liabilities		2,83,496.35	2,27,182.27
Total liabilities		4,85,950.78	4,00,072.54
Total equity and liabilities		5,45,012.87	4,66,066.07

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants

for and on behalf of the board of directors of

TVS Supply Chain Solutions Limited



Bharath N S

Partner

Membership No. 210934



Suresh Krishna

Chairman

DIN: 00046919



R Dinesh

Managing Director

DIN: 00363300




Ravi Viswanathan

Joint Managing Director

DIN: 08713910



S Ravichandran

Deputy Managing Director

DIN: 01485845



Ravi Prakash Bhagavathula

Group Chief Financial Officer



P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

Place : Chennai

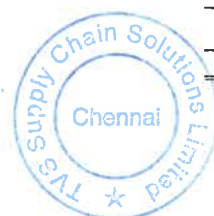
Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Consolidated statement of profit and loss for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Continuing operations			
Revenue from operations	5	6,60,454.94	6,77,991.41
Other income	6	18,821.40	5,383.99
Total income		6,79,276.34	6,83,375.40
Expenses			
Cost of materials consumed	7	2,872.09	946.24
Purchase of stock-in-trade	8	87,956.60	93,871.84
Changes in inventory of stock-in-trade	9	160.90	(5,451.36)
Employee benefits expense	10	1,80,416.05	1,60,971.73
Finance costs	11	23,118.91	14,045.26
Depreciation and amortisation expense	12	44,450.15	41,757.01
Other expenses	13	3,64,700.80	3,75,619.66
Total expenses		7,03,675.50	6,81,760.38
Profit / (loss) before exceptional items, share of profit / (loss) of equity accounted investees and income tax from continuing operations		(24,399.16)	1,615.02
Exceptional items (refer note 39)		-	690.86
Share of profit/(loss) of equity accounted investees (net of	17	218.98	225.01
Profit / (loss) before tax from continuing operations		(24,180.18)	2,530.89
Tax expenses			
Current tax		2,635.75	3,312.24
Deferred tax		(2,013.10)	761.76
Total tax expenses	14	622.65	4,074.00
Profit / (loss) for the year from continuing operations		(24,802.83)	(1,543.11)
Discontinued operations			
Profit / (loss) from discontinued operations before tax expenses		4.35	(1,686.68)
Tax expense of discontinued operations			
Current tax		1.62	-
Adjustments of tax relating to prior years		-	25.70
Profit / (loss) after tax from discontinued operations		2.73	(1,712.38)
Profit / (loss) for the year		(24,800.10)	(3,255.49)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Re-measurement gain / (loss) on defined benefit plans		146.41	(174.43)
Income tax relating to above		(61.40)	58.63
Net other comprehensive income not to be reclassified		85.01	(115.80)
<i>Items that will be reclassified subsequently to profit or loss</i>			
Exchange gain / (loss) in translating financial statements of foreign operations		(1,327.89)	(281.86)
Income tax relating to above		-	-
		(1,327.89)	(281.86)
Effective portion of cash flow hedge		-	(537.32)
Income tax relating to above		-	96.90
		-	(440.42)
<i>Items reclassified subsequently to profit or loss</i>			
Effective portion of cash flow hedge		537.32	-
Income tax relating to above		(96.90)	-
		440.42	-
Net other comprehensive income to be reclassified		(887.47)	(722.28)
Other comprehensive income for the year, net of tax		(802.46)	(838.08)
Total comprehensive income for the year		(25,602.56)	(4,093.57)



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Consolidated statement of profit and loss for the year ended 31 March 2020
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Profit / (loss) attributable to:			
Owners of the Company		(19,233.67)	(1,349.78)
Non-controlling interests	18	(5,566.43)	(1,905.72)
Profit/(loss) for the year		(24,800.10)	(3,255.50)
Other comprehensive income attributable to :			
Owners of the Company		(634.34)	(817.57)
Non-controlling interests	18	(168.12)	(20.51)
Other comprehensive income for the year		(802.46)	(838.08)
Total comprehensive income attributable to :			
Owners of the Company		(19,868.01)	(2,167.35)
Non-controlling interests	18	(5,734.56)	(1,926.23)
Total comprehensive income for the year		(25,602.57)	(4,093.58)
Earnings / (loss) per share (INR) for continuing operations			
Basic	29E	(60.14)	1.14
Diluted		(60.14)	1.14
Earnings / (loss) per share (INR) for discontinued operations			
Basic	29E	0.01	(5.39)
Diluted		0.01	(5.39)
Earnings / (loss) per share (INR) for continuing and discontinued operations			
Basic	29E	(60.13)	(4.25)
Diluted		(60.13)	(4.25)

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited



Bharath N S
Partner
Membership No. 210934



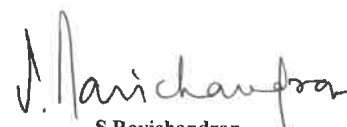
Suresh Krishna
Chairman
DIN: 00046919



R Dinesh
Managing Director
DIN: 00363300




Ravi Viswanathan
Joint Managing Director
DIN: 08713910



S Ravichandran
Deputy Managing Director
DIN: 01485845



Ravi Prakash Bhagavathula
Group Chief Financial Officer



P D Krishna Prasad
Company Secretary

Place : Chennai
Date :31 August 2020

Place : Chennai
Date :31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Consolidated Statement Of Changes In Equity For The Year Ended 31 March 2020
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A	Equity Share Capital	Note	Amount
Balance as at 31 March 2018			3,166.71
Changes in equity share capital during the year 2018-19	29A		-
Balance as at 31 March 2019			3,166.71
Changes in equity share capital during the year 2019-20	29A		9.50
Balance as at 31 March 2020			3,176.21

B Other equity	Attributable to owners of the Company												Attributable to Non-controlling interest	Total	
	Reserves and surplus					Items of OCI				Total attributable to owners of the Company					
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings	Reserves of a disposal group held for sale	Share warrants	Compulsorily convertible preference shares	Share options		Exchange differences on translation of foreign operations	Effective portion of cash flow hedge			Other items of OCI
Balance at 01 April 2018	69,275.88	0.82	0.46	259.09	(10,365.55)	-	-	-	-	50.35	-	2.77	59,223.82	6,126.82	65,350.64
Transition impact on first time adoption of Ind AS 116	-	-	-	-	(2,349.23)	-	-	-	-	(60.07)	-	-	(2,409.30)	54.60	(2,354.70)
Total comprehensive income for the year ended 31 March 2019	-	-	-	-	362.60	-	-	-	-	-	-	-	362.60	(1,905.72)	(1,543.12)
Profit / (loss) for the year from continuing operations	-	-	-	-	(1,712.38)	-	-	-	-	-	-	-	(1,712.38)	-	(1,712.38)
Profit / (loss) for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	(262.38)	(440.42)	(115.80)	(818.60)	(19.48)	(838.08)
Total comprehensive income	-	-	-	-	(1,349.78)	-	-	-	-	(262.38)	(440.42)	(115.80)	(2,168.38)	(1,925.20)	(4,093.58)
Distribution of dividends to owners of equity	-	-	-	-	(398.60)	-	-	-	-	-	-	-	(398.60)	-	(398.60)
Dividend distribution tax	-	-	-	-	(81.93)	-	-	-	-	-	-	-	(81.93)	-	(81.93)
Exercise of share options in subsidiary	-	-	-	-	1,315.54	-	-	-	-	-	-	-	1,315.54	(1,315.54)	-
Share based payments	-	-	-	-	-	-	-	-	276.41	-	-	-	276.41	-	276.41
Issue of share warrants during the year	-	-	-	-	-	-	225.63	-	-	-	-	-	225.63	-	225.63
Issue of compulsorily convertible preference shares during the year	366.60	-	-	-	-	-	-	3.90	-	-	-	-	370.50	-	370.50
Bonus issue of compulsorily convertible preference shares during the year	(15.10)	-	-	-	-	-	-	15.10	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	2,433.75	-	-	-	-	-	-	-	2,433.75	(1,951.30)	482.45
Reclassified as held for sale	-	-	-	-	(2,146.60)	2,146.60	-	-	-	-	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	3,050.00	3,050.00
Balance at 31 March 2019	69,627.38	0.82	0.46	259.09	(12,942.40)	2,146.60	225.63	19.00	276.41	(272.10)	(440.42)	(113.03)	58,787.44	4,039.38	62,826.82



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Consolidated Statement Of Changes In Equity For The Year Ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

B Other equity (Continued)

Balance at 01 April 2019	69,627.38	0.82	0.46	259.09	(12,942.40)	2,146.60	225.63	19.00	276.41	(272.10)	(440.42)	(113.03)	58,787.44	4,039.38	62,826.82
Total comprehensive income for the year ended															
Profit / (loss) for the year from continuing operations	-	-	-	-	(19,236.40)	-	-	-	-	-	-	-	(19,236.40)	(5,566.43)	(24,802.83)
Profit / (loss) for the year from discontinued operations	-	-	-	-	-	2.73	-	-	-	-	-	-	2.73	-	2.73
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	(1,159.77)	440.42	113.26	(606.09)	(168.12)	(774.21)
Total comprehensive income	-	-	-	-	(19,236.40)	2.73	-	-	-	(1,159.77)	440.42	113.26	(19,839.76)	(5,734.55)	(25,574.31)
Distribution of dividends to non-controlling interest													-	(18.00)	(18.00)
Dividend distribution tax	-	-	-	-	(20.97)	-	-	-	-	-	-	-	(20.97)	(3.70)	(24.67)
Share based payments	-	-	-	-	-	-	-	-	865.34	-	-	-	865.34	-	865.34
Exercise of share warrants during the year	893.01	-	-	-	-	-	(225.63)	-	-	-	-	-	667.38	-	667.38
Issue of compulsorily convertible preference shares during the year (net off share issue expense)	16,476.65	-	-	-	-	-	-	666.65	-	-	-	-	17,143.30	-	17,143.30
Acquisition of non-controlling interests	-	-	-	-	(9,699.29)	-	-	-	-	-	-	-	(9,699.29)	9,699.29	-
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	86,997.04	0.82	0.46	259.09	(41,899.06)	2,149.33	-	685.65	1,141.75	(1,431.87)	-	0.23	47,903.46	7,982.42	55,885.88

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached

for S.R. Badliboi & Associates LLP

Firm Registration Number : 101049W / E300004

Chartered Accountants

Bharath N S

Bharath N S

Partner

Membership No. 210934



for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

Suresh Krishna

Suresh Krishna

Chairman

DIN: 00046919

R. Dinesh

R Dinesh

Managing Director

DIN: 00363300

S Ravichandran

S Ravichandran

Deputy Managing Director

DIN: 01485845

Ravi Viswanathan

Ravi Viswanathan

Joint Managing Director

DIN: 08513910

Ravi Prakash Bhatavathula

Ravi Prakash Bhatavathula

Group Chief Financial Officer

P D Krishna Prasad

P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

Place : Chennai

Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Consolidated Statement of cashflows for the year ended 31st March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from / (used in) operating activities		
Profit / (loss) before tax from continuing operations	(24,180.18)	2,530.89
Profit / (loss) before tax from discontinued operations	4.35	(1,686.68)
Adjustments for:		
Interest income	(1,156.57)	(1,194.60)
Provision no longer required written back	(4,643.46)	(1,930.20)
Income from mutual funds and net gain on sale of investments	-	(142.25)
Exceptional item	-	(690.86)
Finance costs	23,120.03	14,016.31
Depreciation and amortisation	44,465.99	41,760.66
Gain on termination of lease contract	(1,010.13)	(466.15)
Loss on changes in fair value of financial assets measured at	1,209.76	-
Foreign exchange differences (Gain)/Loss	461.53	(358.84)
Bad debts written off	1,763.59	236.36
Provision for doubtful financial assets and litigations	4,163.85	3,222.25
Hedge accounting loss	-	-
Share of profit of equity accounted investees	(218.98)	(225.01)
Share based payment expenses	860.61	276.41
Other non-operating income	-	(16.18)
Change in fair value of forward purchase obligation	-	1,664.13
(Profit)/loss on sale of property plant and equipment, net	621.87	(34.23)
Gain on sale and lease back	(6,717.55)	-
Operating profit / (loss) before changes in operating assets	38,744.71	56,962.03
Change in operating assets and liabilities		
(Increase) / decrease in inventories	146.74	(3,339.10)
(Increase) / decrease in trade receivables	(9,818.12)	14,754.29
(Increase) / decrease in other current and non-current, financial and non-financial assets	(1,682.21)	(16,823.16)
Increase / (decrease) in trade payables	736.36	(9,476.62)
Increase / (decrease) in provisions	(432.53)	128.91
Increase / (decrease) in other current and non-current financial and non-financial liabilities	(3,073.39)	627.88
Cash generated from operations	24,621.56	42,834.23
Income taxes paid, net of refunds	(5,591.30)	(5,610.77)
Net cash from/(used in) operating activities	19,030.26	37,223.46
Cash flows from / (used in) investing activities		
Investment in bank deposits having an original maturity of more than three months	(22,978.92)	67.81
Payments for property, plant and equipment and other intangible assets	(12,439.81)	(14,178.14)
Proceeds from sale of property, plant and equipment	464.25	332.11
Redemption/(Investment) in mutual funds	1,170.32	(1,167.50)
Acquisition of subsidiaries, net of cash and cash equivalents	-	(3,611.61)
Redemption of debentures carried at amortised cost	-	348.11
Payment of consideration payable and deferred consideration	(3,282.24)	(5,947.42)
Interest income received	753.68	586.77
Income from mutual funds	-	25.19
Net cash from / (used in) investing activities	(36,312.72)	(23,544.68)



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Consolidated Statement of cashflows for the year ended 31st March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flows from / (used in) financing activities		
Finance lease payments	(37,203.98)	(32,729.67)
Proceeds from sale and lease back transaction (refer note 16B(e))	28,075.81	-
Proceeds from compulsorily convertible preference shares, (net)	17,143.30	370.50
Proceeds from issue/exercise of share warrants	676.88	225.63
Dividends paid to non-controlling interests by subsidiaries including Dividend Distribution Tax	(42.67)	-
Dividends paid by the Company to its shareholders	-	(480.53)
(Repayment of) / proceeds from short term borrowings, net	63,478.83	14,932.38
Proceeds from long term borrowings, net	95,173.29	23,719.39
Payment of transaction costs related to borrowings	(2,893.53)	-
Repayment of long term borrowings	(96,110.68)	-
Interest paid	(12,644.35)	(7,727.33)
Net cash from / (used in) financing activities	55,652.90	(1,689.63)
Net increase / (decrease) in cash and cash equivalents	38,370.44	11,989.15
Cash and cash equivalents at the beginning of the financial	47,936.80	35,981.50
Effects of exchange rate changes on cash and cash equivalents	2,661.06	(33.85)
Cash and cash equivalents at the end of the financial year	88,968.30	47,936.80
Less: Cash and cash equivalents of discontinued operations	507.02	451.63
Cash and cash equivalents at the end of the financial year from continuing operations#	88,461.28	47,485.17

For details of restricted cash, refer note 25.

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants

for and on behalf of the board of directors of

TVS Supply Chain Solutions Limited



Bharath N S

Partner

Membership No. 210934



Suresh Krishna

Chairman

DIN: 00046919



R Dinesh

Managing Director

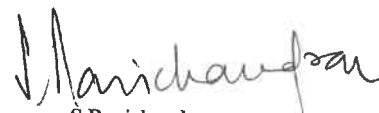
DIN: 00363300




Ravi Viswanathan

Joint Managing Director

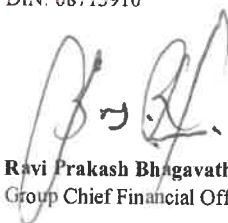
DIN: 08713910



S Ravichandran

Deputy Managing Director

DIN: 01485845



Ravi Prakash Bhagavathula

Group Chief Financial Officer



P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

Place : Chennai

Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

1 Reporting entity

TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited) ("the Company") is a Company domiciled in India and was incorporated on 16 November 2004. These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint ventures. Refer note 46 for the list of subsidiaries and note 17 for the list of associates and joint ventures. The Group is primarily involved in providing the entire basket of logistics services including outsourced supply chain management services, lastmile fulfilment delivery services, intercontinental movement and other related services.

2 Basis of preparation

A Statement of compliance and going concern assessment

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

In view of the matters as mentioned in Note 2.F, the Group has assessed the impact of the Novel Coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligations as and when they are due.

With the gradual relaxation of lockdown rules, as well as resumption of commercial activities in a majority of geographies in which the Group operates, management is confident that business will resume albeit likely at a lower level in the initial period but will be more robust from the second half of the financial year 2020-21. The Group believes the pandemic is not expected to have any material medium to long term impact to its business prospects

The Group has made a detailed assessment of its liquidity position and has considered the possible impact of Covid 19 on the financial projections and commitments using available information, estimates and judgements. In borrowing arrangements, the Group has not defaulted and there is no breach of any of the debt covenants as at March 31, 2020 (Refer note 30A (ii)). In addition, the Group has received an in-principle approval for waiver of compliance with certain key financial covenants till March 31, 2021 and has restructured certain key financial covenants of the existing facility agreements upto March 31, 2023 which would enable it to continue servicing the loans as per the existing repayment plan and the Group is confident that it would meet the revised commitments with the lenders for periods subsequent to March 31, 2021.

Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Group will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 31 August 2020. Details of the Group's accounting policies are included in Note 3.

B Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

C Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 3 (K) & 5 - Recognition of revenue
- Note 3 (D), (E) & (G), 15 and 16 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (C), 24 & 43 - Allowances for credit losses for trade receivables
- Note 3 (G) (ii) & 16A - Impairment testing for goodwill
- Note 3 (H), 36 - Assets and obligations relating to employee benefits
- Note 3 (L), 38 - Lease classification, termination and renewal option of leases

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 is included in the following notes:

- Note 14 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 16A - Impairment testing for goodwill
- Note 36 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 39 – Business combinations; fair value of consideration transferred and fair value of assets acquired and liabilities assumed; and
- Note 43 – impairment of financial assets.



2 Basis of preparation (continued)

E Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) 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).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 39A - Business combinations
- Note 43 - financial instruments

F Estimation of uncertainties relating to the global health pandemic from COVID-19

COVID-19 pandemic (declared as such by the World Health Organisation on March 11, 2020), has contributed to widespread volatility and decrease in economic activity in, global and Indian markets. This has led to significant disruptions and dislocations for individuals and businesses, including in respect of the Group, while some subsidiaries were operational subject to local government's rules and regulations. However, various Governments have continued to impose lock downs over a period of time depending on the outbreak and there exists an uncertainty on the Group's ability to return to full capacity in its operations.

A detail assessment has been carried out by the Group for each business segment with regards to impact on revenue and costs. Impact due to any extended credit terms, cancelled orders, change in contractual terms, price concession request, onerous obligations etc. were comprehensively evaluated for any risk due to Covid-19 on revenue recognized and collectability thereof and no material impact has been noted.

In assessing the recoverability of its assets including receivables, property plant and equipment, intangibles, investments, goodwill etc., the Group has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions and make any necessary adjustments in the relevant financial period.

3 Significant accounting policies

A Basis of consolidation

i. Business combinations

Business combinations (other than common control business combinations) on or after 1 January 2011

The Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, retrospectively to those business combinations that occurred on or after 01 January 2011. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.



3 Significant accounting policies (continued)

A Basis of consolidation (continued)

Business combinations prior to 1 January 2011

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Indian GAAP.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established, for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets. In respect of business combinations effected so far, the Group has elected one of the two approaches on a combination by combination basis.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence or joint control ceases.

vi. Obtaining control over existing investment

The difference between the fair value of the initial interest as the date of obtaining control and its book value has been recognised in the statement of profit and loss.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

3 Significant accounting policies (continued)

C Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- 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 assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

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 profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as 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 profit or loss. 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial 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 all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises 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 profit or loss.

iv. 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 realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, interest rate/cross currency swaps etc to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability (refer note 30A(iii) & 43(v))



3 Significant accounting policies (continued)

C Financial instruments (continued)

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

(iii) Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedge

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, such amount is recognised in OCI and accumulated as a separate component of equity under cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss or when the hedged item is a non-financial asset or non-financial liability, the amounts recognised in cost of hedging reserve are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).



3 Significant accounting policies (continued)

D Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Buildings	30 to 60
Plant and Machinery	02 to 30
Furniture and fixtures	01 to 10
Vehicles	03 to 10
Office equipment	03 to 10
Computer equipment	03 to 10
Leasehold improvements	*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

E Goodwill and other intangibles

i. Goodwill

For measurement of goodwill that arises on a business combination see note 39A. Subsequent measurement is at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to 1 January 2011, goodwill is included on the basis of its deemed cost, which represents the amounts recorded under previous GAAP.

ii. Other intangible assets

Other intangible assets including those acquired by the Group in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Patents and trademarks	03 to 10
Customer relationship and others	03 to 10
Brands	05 to 10
Computer software	03 to 10

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.



3 Significant accounting policies (continued)

F Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

G Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on

- financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward - looking information

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.



3 Significant accounting policies (continued)

G Impairment (continued)

ii. Impairment of non-financial assets (continued)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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.

(ii) Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

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 and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan 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 recognised 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 OCI. 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 recognised in profit or 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 profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



3 Significant accounting policies (continued)

H Employee benefits (continued)

(v) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

I Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

i. Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made

In respect of contingent assets for which inflow of economic benefits are probable, the Group discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

- (1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
- (2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
- (3) Such contract contains specific payment terms in relation to the Transfer;
- (4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
- (5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

a) Supply chain management

The Company's supply chain management segment generates revenue from services to its customers such as providing freight and other transportation services, warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

In the case of transportation services, performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred. Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis, and remit payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.



3 Significant accounting policies (continued)

K Revenue (continued)

b) Telecommunication:

Telecommunication contract revenue arises from construction/ erection of towers for some of the Company's customers in the Telecommunications segment. These towers are constructed based on specifically negotiated contracts with customers by outsourcing the activities to sub-contractors. Transaction price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. If the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss over the period in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed (output method). Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

c) Integrated logistics:

In respect of contracts where the Company provides a significant service of integrating two or more goods or services into a combined output (that is the specified good or service for which the customer contracted) and the inputs to the combined output is controlled by the Company, the Company controls that specified good or service before it is transferred to the customer. Revenues from such contracts are recognized upon substantial fulfilment of obligations under the contract.

d) Sale of goods

Revenue from sale of traded goods including telecommunication goods is recognised when the control of the same is transferred to the customer, generally on delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

e) Commission:

When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of revenue earned by the Company.

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

L Leases

Group as lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment.



3 Significant accounting policies (continued)

(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 insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Date of commencement of leases acquired under business combinations

The Group measures the lease liability at the present value of the remaining lease payments as at the acquisition date as if the acquired lease were a new lease as at that date. The Right-of-use asset is measured at the same amount as the lease liability plus or minus any asset or liability previously recognised in the original business combination accounting for the favourable or unfavourable lease terms.

(v) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Group as lessee

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as “lock-in” period in the lease contract. Generally, the lease contracts are cancellable once the “lock-in” period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Group has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Group to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Group concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Group as lessee

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the group believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



3 Significant accounting policies (continued)

N Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Amendments issued by MCA to existing standards

The Company adopted following amendment issued by MCA effective from financial year beginning April 1, 2019

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

This amendment relates to tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:

1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In viceversa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions. The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

O 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 capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

P Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.



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3 Significant accounting policies (continued)

Q Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated.

R Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Group, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

S Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

T Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

U Changes in accounting policies and disclosures

New and amended standards and interpretations:

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending 31 March 2020, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

The Group has adopted Ind AS 116, Leases under full retrospective approach to each prior reporting period presented with effect from 1st April, 2019. Ind AS 116 primarily requires the Group, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost, subject to certain remeasurement adjustments.

The Group has elected to use the recognition exemptions for short term leases as well as low value assets. On transition to Ind AS 116, the Group elected to apply the following practical expedients:

- Grandfathering the assessment of which transactions are leases. The Group applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2018.
- To exclude initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.



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4 Segment information

A. Basis for segmentation

The Group is primarily involved in providing the entire basket of logistics services. The information relating to this operating segment is reviewed regularly by the Group's Key managerial personnel ('KMP') (Chief Operating Decision Maker) to make decisions about resources to be allocated and to assess its performance. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in the segment, and are as set out in the significant accounting policies.

The Group has four reportable segments (identified on the geographical basis), as described below. These business units offer different services, and are managed separately. For each of the reportable segments, the Group's KMP reviews internal management reports on a periodic basis.

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 Group's KMP. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Year ended 31 March 2020

	Reportable segments				Eliminations	Total
	India	Europe #	USA	Asia*		
					Total reportable segments	
Segment revenue						
- External revenue	1,60,864.68	2,77,228.90	48,556.56	1,73,804.80	6,60,454.94	6,60,454.94
- Inter-segment revenue	641.93	76.16	359.05	2,828.45	3,905.59	(3,905.59)
Total segment revenue	1,61,506.61	2,77,305.06	48,915.61	1,76,633.25	6,64,360.53	6,60,454.94
Segment profit/ (loss) before income tax						-
<i>Segment profit/ (loss) before income tax includes:</i>						
Interest income**	3,648.15	3,716.69	218.51	1,699.74	9,283.09	(8,480.62)
Interest expenses	7,942.28	12,127.93	2,944.98	7,235.19	30,250.38	(7,131.46)
Depreciation and amortisation	12,675.80	13,707.36	4,775.02	13,149.77	44,307.95	142.20
Share of profit (loss) of equity accounted investees	218.98	-	-	-	218.98	-
Segment assets	2,36,719.57	2,82,901.07	31,618.30	1,13,488.69	6,64,727.63	(1,19,714.76)
<i>Segment assets include</i>						
Discontinued operations	6,348.89	-	-	-	6,348.89	-
Investments accounted for using equity method	3,566.98	148.98	-	-	3,715.96	-
Capital expenditure during the year	4,159.38	5,714.21	4,112.89	1,879.30	15,865.78	-
Segment liabilities	1,48,917.06	2,46,160.35	37,191.67	1,27,902.45	5,60,171.53	(74,220.75)
<i>Segment liabilities include</i>						
Discontinued operations	(4,904.61)	-	-	-	(4,904.61)	-

Year ended 31 March 2019

	Reportable segments				Eliminations	Total
	India	Europe #	USA	Asia*		
					Total reportable segments	
Segment revenue						
- External revenue	1,50,409.28	2,70,459.21	54,641.47	2,02,481.45	6,77,991.41	-
- Inter-segment revenue	435.02	69.33	446.69	673.12	1,624.16	(1,624.16)
Total segment revenue	1,50,844.30	2,70,528.54	55,088.16	2,03,154.57	6,79,615.57	(1,624.16)
Segment profit/ (loss) before income tax	570.64	7,103.10	1,094.03	(6,982.00)	1,785.77	441.45
<i>Segment profit/ (loss) before income tax includes:</i>						
Interest income**	1,337.71	1,839.40	52.31	66.30	3,295.72	(2,101.12)
Interest expenses	(3,853.12)	(6,877.25)	(1,304.83)	(5,862.26)	(17,897.46)	3,852.20
Depreciation and amortisation	(11,981.98)	(13,257.46)	(3,812.12)	(12,609.88)	(41,661.44)	(95.57)
Share of profit (loss) of equity accounted investees	225.01	-	-	-	225.01	-
Segment assets	1,66,081.00	2,07,906.71	31,310.39	1,21,516.66	5,26,814.76	(60,748.72)
<i>Segment assets include</i>						
Discontinued operations	8,148.97	-	-	-	8,148.97	-
Investments accounted for using equity method	3,491.07	-	-	-	3,491.07	-
Capital expenditure during the year	4,037.58	5,312.75	1,438.10	1,841.36	12,629.79	-
Segment liabilities	96,436.39	1,76,973.35	30,355.63	1,31,295.99	4,35,061.36	(34,988.82)
<i>Segment liabilities include</i>						
Discontinued operations	(5,788.65)	-	-	-	(5,788.65)	-

* Includes results of TVS Dynamic Global Freight Solutions Limited, India which is considered as part of Asia in the results reviewed by the CODM.

Includes results of SPC International India Private Limited, India, SPC International Inc., USA, Linfox TVS Solutions Pty Ltd and Rico Logistics Limited, Australia which is considered as part of Europe in the results reviewed by the CODM

** Interest income includes all interest income recorded under effective interest rate method.



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

4 Segment information (continued)

C. Geographical information

The geographical information analyses the Group's revenues and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting

Revenue	31 March 2020	31 March 2019
India	1,86,802.64	1,77,097.99
UK	2,19,405.53	2,04,800.51
USA	52,516.85	58,955.96
Thailand	12,268.72	10,422.22
Australia	35,887.21	40,831.71
China	9,715.52	16,836.83
Spain	62,935.59	62,997.34
Singapore	36,019.78	25,260.34
New Zealand	4,185.94	6,415.87
Rest of world	40,717.16	74,372.64
	6,60,454.94	6,77,991.41
Non-current assets	31 March 2020	31 March 2019
India	53,889.24	53,347.53
UK	27,281.72	39,997.67
USA	16,821.87	14,165.25
Singapore	43,583.83	52,683.62
Australia	6,502.88	6,144.44
Spain	51,926.25	34,947.47
Thailand	6,580.96	5,514.75
Rest of world	2,068.34	774.58
	2,08,655.09	2,07,575.31

Non-current assets exclude financial instruments, deferred tax assets, non-current tax assets and post-employment benefit assets.

D. Information about services rendered by the Group

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	31 March 2020	31 March 2019
Lastmile fulfilment	1,52,467.88	1,45,792.19
Outsourced supply chain management	3,34,182.27	3,29,718.10
Inter-continental movement	1,72,233.53	2,00,286.34
Others	1,571.26	2,194.78
	6,60,454.94	6,77,991.41

Lastmile fulfilment: Relates to time bound last mile delivery including technology spare parts logistics, express delivery, etc.

Outsourced supply chain management: Relates to integrated supply chain solutions including transportation, management, warehousing and material management.

Inter-continental movement: Relates to integrated ocean/ air freight services.

Others: Relates to services rendered other than those mentioned above.

E. Major customer

The Group does not have any customer that individually accounted for more than 10% of the revenues in the year ended March 31, 2020 and March 31, 2019.



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Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)
5 Revenue from operations

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products	1,10,570.72	91,458.15
Sale of services (refer note 40)		
Income from supply chain management services	5,10,159.56	5,38,066.21
Income from clearing and forwarding services	28,953.42	26,750.48
Income from telecom services	10,520.43	13,285.28
Others	-	7,652.19
	5,49,633.41	5,85,754.16
Other operating revenue		
Scrap sales	75.14	112.01
Others	175.67	667.09
	250.81	779.10
	6,60,454.94	6,77,991.41

6 Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income under the effective interest method on:		
Cash and cash equivalents	511.62	231.76
Security deposits carried at amortised cost	253.00	295.60
Investments in debentures carried at amortised cost	30.82	667.24
Other items in finance income	7.04	-
Income from finance lease	112.04	16.18
Interest income on income tax refund	220.96	36.77
Gain on sale of property, plant and equipments, net	-	43.53
Gain on sale and lease back (refer note 16B(c))	6,717.55	-
Gain on termination of lease contracts	1,010.13	466.15
Net gain on sale of investments	85.04	117.06
Income from mutual funds	-	25.19
Provision no longer required written back	4,532.59	1,915.20
Exchange difference gain net	3,998.19	309.61
Other non operating income	1,342.42	1,259.70

18,821.40
5,383.99
7 Cost of materials consumed

	Year ended 31 March 2020	Year ended 31 March 2019
Inventory of packing materials at the beginning of the year	41.46	61.59
Add : Purchases	3,112.09	926.11
Less : Inventory of packing materials at the end of the year	(281.46)	(41.46)
	2,872.09	946.24

8 Purchase of stock-in-trade

	Year ended 31 March 2020	Year ended 31 March 2019
Purchase of stock-in-trade	87,956.60	93,871.84
	87,956.60	93,871.84

9 Changes in inventory of stock-in-trade

	Year ended 31 March 2020	Year ended 31 March 2019
Inventories at the beginning of the year		
Stock-in-trade	16,205.30	10,917.46
Inventories at the end of the year		
Stock-in-trade	(16,531.48)	(16,205.26)
Exchange differences on translation of foreign operations	487.08	(163.56)
	160.90	(5,451.36)



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Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

10 Employee benefits expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	1,49,396.17	1,36,421.66
Contribution to provident and other funds	17,809.98	16,354.01
Expenses related to post-employment defined benefit plans	558.25	474.76
Expenses related to compensated absences	300.96	301.02
Share based payments (refer note 36)	860.61	276.41
Staff welfare expense	11,490.08	7,143.87
	1,80,416.05	1,60,971.73

11 Finance costs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expenses	11,246.01	7,705.73
Finance cost relating to finance lease obligations	7,297.05	6,284.56
Costs incurred relating to settlement of erstwhile consortium loan (refer note 30A(i))	4,353.72	-
Other borrowing costs	222.13	54.97
	23,118.91	14,045.26

12 Depreciation and amortisation expense

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	8,867.89	9,059.11
Amortisation of Right of use asset	31,063.23	28,539.06
Amortisation of intangible assets	4,519.03	4,158.85
	44,450.15	41,757.01

13 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Freight, clearing, forwarding and handling charges	1,89,179.82	2,11,712.33
Sub-contracting costs^	74,112.81	72,488.61
Material handling charges	1,555.53	1,448.42
Casual labour charges	24,604.22	23,122.03
Consumption of stores and spares	3,501.94	2,437.62
Staff transportation charges	1,436.66	1,778.33
Power and fuel	7,502.67	7,353.49
Rent, leasing and hiring charges	6,321.09	5,526.99
Rates and taxes	3,966.12	3,472.40
Insurance	2,205.22	4,453.11
Repairs and maintenance	8,958.68	9,673.70
Advertisement and business promotion	988.73	820.53
Travelling and conveyance	4,177.41	4,140.14
Communication costs	2,796.87	2,355.79
Printing & stationery	1,304.95	1,479.35
Bank charges	552.81	587.48
Factoring charges	686.94	569.83
Payment to auditors #	193.70	200.59
Legal and professional fees	9,098.03	10,861.52
Security expenses	3,621.72	3,616.73
Sales commission expenses	304.37	195.36
Loss on foreign currency transactions and translations	4,373.12	1,804.37
Bad debts written off (net of adjustment against provision for doubtful debts ₹ 4,980.40 (31 March 2019: ₹ Nil))	1,763.59	236.36
Provision for doubtful financial assets and litigations	3,553.54	1,354.91
Loss on sale of property, plant and equipments, net	621.87	9.30
Loss on changes in fair value of financial instruments measured at FVTPL	1,209.76	-
Costs incurred relating to settlement of erstwhile consortium loan (refer note 30A(i))	2,864.21	-
Miscellaneous expenses	3,244.42	3,920.37
	3,64,700.80	3,75,619.66

^ Includes cost of sub-contracting in respect of services relating to installation and commissioning of telecom towers.



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Details of payment to auditors

As auditor

Audit of standalone & subsidiaries' financial statements
Audit of consolidated financial statements
Tax audit
Review of interim periods
Other audit services (including certifications etc.)
Re-imbursement of expenses

Year ended 31 March 2020	Year ended 31 March 2019
-----------------------------	-----------------------------

56.70	51.50
108.00	81.00
5.75	5.75
-	15.00
7.25	1.00
1.00	18.79

In other capacities

Other services
Re-imbursement of expenses

15.00	27.50
-	0.05

193.70	200.59
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A. Amounts recognised in profit or loss	Year ended 31 March 2020	Year ended 31 March 2019
Current tax (a)		
Current tax on profits for the year from continuing operations	2,635.75	3,312.24
Deferred tax (b)	2,635.75	3,312.24
Attributable to origination and reversal of temporary differences	(2,013.10)	271.55
MAT credit utilisation/ (entitlement)		490.21
	(2,013.10)	761.76
Tax expense (a+b)	622.65	4,074.00

Current tax on profits from discontinued operations

	Year ended 31 March 2020		Year ended 31 March 2019	
	Before tax	Tax expense / (benefit)	Before tax	Tax expense / (benefit)
		Net of tax		Net of tax
Remeasurement of defined benefit liability / (asset)	146.41	(61.40)	174.43	(58.63)
Effective portion of cash flow hedge	-	-	537.32	(96.90)
	146.41	(61.40)	711.75	(155.53)
				556.22

	Year ended 31 March 2020	Year ended 31 March 2019
Profit / (loss) before exceptional items, share of profit of equity accounted investee and income tax	(24,399.16)	1,615.02
Income tax expense at tax rates applicable to individual entities	(4,524.34)	389.94
<i>Effect of:</i>		
Impact of change in tax rates	(19.00)	14.50
Permanent disallowances	22.79	60.83
Income not subject to tax/ taxable at different rates	293.79	(67.22)
Change in previously unrecognised tax losses / temporary differences	2,485.55	389.79
Items / current year losses for which no deferred tax asset was recognised	1,152.54	1,474.03
Expenses not deductible for tax purposes	913.39	405.67
Tax incentive	(303.58)	(167.45)
Deferred tax on undistributed reserves	770.81	934.79
Others	(169.30)	639.12
Income tax expense as per statement of profit and loss	622.65	4,074.00

Profit / (loss) before exceptional items, share of profit of equity accounted investee and income tax

Income tax expense at tax rates applicable to individual entities

Effect of:

Impact of change in tax rates

Permanent disallowances

Income not subject to tax/ taxable at different rates

Change in previously unrecognised tax losses / temporary differences

items / current year losses for which no deferred tax asset was recognised

Expenses not deductible for tax purposes

Tax incentive

Deferred tax on undistributed reserves

Others

Income tax expense as per statement of profit and loss

14 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

	31 March 2020	31 March 2019
Deferred tax liabilities (net)		
Provision for employee benefits	283.87	150.79
Provision for doubtful trade receivables / advances	58.73	7.60
Provision - others	749.85	544.72
Intangible asset	1.41	1.38
Deferred revenue	36.03	35.30
Deferred rent	84.39	84.39
Other timing differences	1,142.10	-
Deferred tax assets	2,356.38	824.18
Property, plant and equipment	619.68	586.08
Prepaid expenses	78.42	114.61
Intangibles	3,607.39	4,419.71
Undistributed profits of subsidiaries and joint ventures	7,201.90	6,279.09
Deferred tax liabilities	11,507.39	11,399.49
Net Deferred tax liabilities	9,151.01	10,575.31
Deferred tax assets (net)		
Property, plant and equipment	871.20	599.75
Provision for employee benefits	1,591.16	1,414.25
Provision for diminution in financial assets	2,489.92	2,603.12
Provision for others	-	-
Carried forward tax losses	511.18	98.52
MAT credit	(0.00)	11.85
Tax incentives	3.07	5.10
Deferred revenue	213.67	220.63
Right of use asset and liability	1,068.37	1,078.88
Others	567.62	668.53
Deferred tax assets	7,316.19	6,700.63
Deferred tax liabilities	-	-
Net Deferred tax assets	7,316.19	6,700.63



14 Income tax expense (continued)

E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

Particulars	31 March 2020		31 March 2019	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences*	7,827.23	1,969.96	7,394.05	1,903.97
Tax losses	15,580.03	2,716.21	9,439.51	1,581.57
	23,407.26	4,686.17	16,833.56	3,485.54
* Deductible temporary differences entirely pertains to the discontinued operations.				
F. Tax losses carried forward				
Tax losses for which no deferred tax asset was recognised expire as follows:				
	31 March 2020		31 March 2019	
Expiry within 5 years	1,130.62		779.34	
Expiry within 5-10 years	14,447.25		881.93	
Never expire	2.16		7,778.24	
	15,580.03		9,439.51	



14 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities (continued)

b. Movement in deferred tax assets and liabilities

	Balance as at 1 April 2018	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Acquired in business combination	Balance as at 31 March 2019	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Acquired in business combination	Balance as at 31 March 2020
Deferred tax liabilities (net)											
Provision for employee benefits	110.57	33.55	-	6.67	-	150.79	125.66	-	7.42	-	283.87
Provision for doubtful trade receivables / advances	3.25	4.19	-	0.16	-	7.60	49.48	-	1.65	-	58.73
Provision others	-	555.77	-	(11.05)	-	544.72	183.05	-	22.08	-	749.85
Intangible asset	3.90	(2.80)	-	0.28	-	1.38	-	-	0.03	-	1.41
Deferred revenue	44.23	(17.47)	-	8.54	-	35.30	-	-	0.73	-	36.03
Deferred rent	105.38	(27.96)	-	6.97	-	84.39	-	-	-	-	84.39
Other timing differences	47.48	(51.02)	-	3.54	-	-	1,113.01	-	29.09	-	1,142.10
Deferred tax assets	314.81	494.26	-	15.11	-	824.18	1,471.20	-	61.00	-	2,356.38
Property, plant and equipment	977.97	(321.21)	-	29.22	(99.90)	586.08	9.35	-	24.25	-	619.68
Prepaid expenses	37.73	76.88	-	-	-	114.61	(38.58)	-	2.39	-	78.42
Intangibles	2,784.43	(226.91)	-	28.37	1,833.82	4,419.71	(561.46)	-	(250.86)	-	3,607.39
Undistributed profits of subsidiaries and joint ventures	4,959.54	901.72	-	417.83	-	6,279.09	770.81	-	152.00	-	7,201.90
Deferred tax liabilities	8,759.67	430.48	-	475.42	1,733.92	11,399.49	180.12	-	(72.22)	-	11,507.39
Net Deferred tax liabilities	8,444.86	(63.78)	-	460.31	1,733.92	10,575.31	(1,291.08)	-	(133.22)	-	9,151.01
Deferred tax assets (net)											
Property, plant and equipment	431.30	168.34	-	0.11	-	599.75	271.15	-	0.30	-	871.20
Provision for employee benefits	1,285.00	55.62	58.63	-	15.00	1,414.25	223.00	(61.14)	15.05	-	1,591.16
Provision for diminution in financial assets	2,714.35	(111.23)	-	-	-	2,603.12	(131.92)	-	18.72	-	2,489.92
Provision for others	568.47	(568.47)	-	-	-	-	-	-	-	-	-
Carried forward tax losses	36.13	62.39	-	-	-	98.52	400.77	-	11.89	-	511.18
MAT Credit	503.69	(491.84)	-	-	-	11.85	(11.85)	-	-	-	(0.00)
Tax incentives	81.51	(76.41)	-	-	-	5.10	(2.03)	-	-	-	3.07
Deferred revenue	224.42	(3.79)	-	-	-	220.63	(21.53)	-	14.57	-	213.67
Right of use asset and liability	968.14	110.74	-	-	-	1,078.88	(10.51)	-	-	-	1,068.37
Others	-	29.11	96.90	518.88	23.63	668.52	4.94	(96.90)	(8.94)	-	567.62
Deferred tax assets	6,813.01	(825.54)	155.53	518.99	38.63	6,700.62	722.02	(158.04)	51.59	-	7,316.19
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-
Net Deferred tax assets	6,813.01	(825.54)	155.53	518.99	38.63	6,700.62	722.02	(158.04)	51.59	-	7,316.19
Net amount recognised in statement of profit and loss / other comprehensive income		761.76	(155.53)				(2,013.10)	158.04			

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15 Property, plant and equipment

A Reconciliation of carrying amount

	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Leasehold improvements	Total
Gross carrying amount									
Balance as at 01 April 2018	5,606.30	12,251.32	16,728.15	15,373.28	726.53	835.84	2,897.46	2,152.68	56,571.56
Additions on account of business combinations *	-	-	130.28	36.70	27.85	19.36	214.94	404.54	833.67
Other additions	-	39.81	3,265.97	1,675.66	1,917.80	276.71	1,089.76	991.40	9,257.11
Reclassifications to assets held for sale	-	-	-	(0.10)	-	-	(12.11)	-	(12.21)
Disposals/adjustment**	-	(28.41)	(781.67)	(2,142.36)	(99.18)	(130.90)	(83.98)	(184.93)	(3,451.43)
Exchange differences on translation of foreign operations	(68.99)	(185.17)	381.53	(178.02)	(32.25)	7.50	60.92	72.73	58.25
Balance at 31 March 2019	5,537.31	12,077.55	19,724.26	14,765.16	2,540.75	1,008.51	4,166.99	3,436.42	63,256.95
Balance as at 01 April 2019	5,537.31	12,077.55	19,724.26	14,765.16	2,540.75	1,008.51	4,166.99	3,436.42	63,256.95
Other additions	-	-	5,143.47	3,311.31	894.79	299.66	1,075.38	2,612.13	13,356.73
Disposals**	(3,437.75)	(8,929.83)	(2,746.42)	(686.52)	(454.03)	(26.46)	(193.03)	(296.95)	(16,770.97)
Adjustment	-	-	1,332.23	2,350.92	644.50	12.52	1,869.06	1,737.56	7,946.78
Exchange differences on translation of foreign operations	(12.49)	(23.76)	953.56	435.40	125.68	2.76	270.14	360.24	2,111.53
Balance at 31 March 2020	2,087.07	3,123.96	24,407.10	20,176.27	3,751.69	1,296.99	7,188.54	7,849.40	69,881.02
Accumulated depreciation									
Balance at 01 April 2018	-	1,006.28	4,486.76	4,428.12	242.26	356.88	1,352.68	789.59	12,662.57
Depreciation for the year [^]	-	495.83	4,442.77	1,469.43	258.67	188.13	1,414.98	789.30	9,059.11
Reclassifications to assets held for sale	-	-	-	(0.10)	-	-	(9.01)	-	(9.11)
Disposals/adjustment**	-	(28.41)	(457.60)	(831.92)	(48.88)	(84.15)	(66.23)	(181.06)	(1,698.23)
Exchange differences on translation of foreign operations	-	(23.49)	67.90	(62.10)	(59.67)	6.49	24.47	84.03	37.63
Balance at 31 March 2019	-	1,450.21	8,539.83	5,003.43	392.38	467.35	2,716.89	1,481.86	20,051.95
Balance at 01 April 2019	-	1,450.21	8,539.83	5,003.43	392.38	467.35	2,716.89	1,481.86	20,051.95
Depreciation for the year	-	245.86	3,226.35	2,274.99	937.86	268.14	1,124.84	789.85	8,867.89
Disposals**	-	(1,415.09)	(2,187.24)	(205.40)	(382.12)	(19.75)	(175.78)	(97.75)	(4,483.13)
Adjustment	-	-	1,629.87	1,997.01	662.56	10.11	1,850.13	1,676.29	7,825.97
Exchange differences on translation of foreign operations	-	(2.46)	460.43	208.35	55.47	3.93	220.48	186.70	1,132.90
Balance at 31 March 2020	-	278.52	11,669.24	9,278.38	1,666.15	729.78	5,736.56	4,036.95	33,395.58
Carrying amounts (net)									
At 31 March 2019	5,537.31	10,627.34	11,184.43	9,761.73	2,148.37	541.16	1,450.10	1,954.56	43,205.00
At 31 March 2020	2,087.07	2,845.44	12,737.86	10,897.89	2,085.54	567.21	1,451.98	3,812.45	36,485.44

* Refer note 39 for further details.

** Includes certain assets procured exclusively for customers (net carrying amount of ₹ 291.25 lakhs (Previous year 1,481.69 lakhs), which have been assessed to be finance lease in which the company is a lessor and accordingly reclassified.



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15 Property, plant and equipment (continued)

B Plant and equipment and vehicles held under finance lease

The Group has acquired certain plant and equipment and vehicles under finance lease arrangements. The gross and net carrying amounts of such assets acquired under leases included in the above reconciliation are as follows:

	31 March 2020	31 March 2019
Cost/ deemed cost	206.07	188.99
Accumulated depreciation	(163.83)	(150.39)
Net carrying amount	42.24	38.60

C Security

For details of property, plant and equipment pledged as security against borrowings, refer note 30.



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16 Intangible assets

A Reconciliation of carrying amount

	Goodwill #	Patents and trademarks	Customer relationship & Others	Brand	Computer software	Total (excluding goodwill)
Gross carrying amount						
Balance at 01 April 2018	30,623.24	5.87	16,700.79	3,694.34	2,270.45	22,671.45
Additions on account of business combinations *	10,095.54	-	6,298.83	955.45	1,047.93	8,302.21
Other additions	1,875.59	-	1,062.46	-	2,310.23	3,372.69
Reclassifications to assets held for sale	-	-	(431.31)	-	-	(431.31)
Disposals	-	-	-	-	(3.83)	(3.83)
Exchange differences on translation of foreign operations	359.29	(0.34)	152.10	(72.31)	126.13	205.58
Balance at 31 March 2019	42,953.66	5.53	23,782.87	4,577.48	5,750.91	34,116.79
Balance at 01 April 2019	42,953.66	5.53	23,782.87	4,577.48	5,750.91	34,116.79
Other additions/revisions (refer note 39A)	1,137.83	-	(1,332.35)	(178.04)	2,529.03	1,018.64
Disposals	-	-	-	-	(142.90)	(142.90)
Adjustments	-	-	455.65	-	422.56	878.21
Exchange differences on translation of foreign operations	1,350.91	(0.48)	1,109.41	106.33	284.01	1,499.27
Balance at 31 March 2020	45,442.40	5.05	24,015.58	4,505.77	8,843.61	37,370.01
Accumulated amortisation						
Balance at 01 April 2018	-	-	1,696.66	346.08	1,209.96	3,252.70
Amortisation for the year	-	-	2,809.36	234.42	1,115.07	4,158.85
Reclassifications to assets held for sale	-	-	(212.39)	-	-	(212.39)
Disposals	-	-	-	-	(11.74)	(11.74)
Exchange differences on translation of foreign operations	-	-	132.28	(1.90)	43.36	173.74
Balance at 31 March 2019	-	-	4,425.91	578.60	2,356.65	7,361.16
Balance at 01 April 2019	-	-	4,425.91	578.60	2,356.65	7,361.16
Amortisation for the year	-	-	2,627.08	267.69	1,624.26	4,519.03
Disposals	-	-	-	-	(57.60)	(57.60)
Adjustments	-	-	301.88	-	576.75	878.63
Exchange differences on translation of foreign operations	-	-	657.24	7.14	122.79	787.17
Balance at 31 March 2020	-	-	8,012.11	853.43	4,622.85	13,488.39
Carrying amounts (net)						
At 31 March 2019	42,953.66	5.53	19,356.96	3,998.88	3,394.26	26,755.63
Balance at 31 March 2020	45,442.40	5.05	16,003.47	3,652.34	4,220.76	23,881.62

* Refer note 39 for further details.

16 Intangible assets (continued)

The Group has performed impairment tests of goodwill at the end of the financial year March 2020 and March 2019. For the purpose of impairment testing, goodwill is allocated to the cash generating units which are expected to benefit from the synergies of the corresponding business combinations. The goodwill impairment test is performed at the level of cash generating unit or a group of cash generating units represented by a common business segment. Cash flows beyond the five year period are extrapolated by using the estimated long term growth rates. The growth rates do not exceed the long term average growth rate for the logistics/supply chain industry in which the cash generating unit operates. Future cash flows are discounted based on the weighted average cost of capital (WACC), taking into account the risks that are specific to the cash generating units.

Key assumptions used for calculating the value in use:

Cash generating unit

	TVS Asianics	RICO Group	SCS UK Group	SCS North America	SCS India Group
Carrying amount of goodwill March 2020	19,580	9,290	1,102	6,762	7,174
Carrying amount of goodwill March 2019	19,101	7,889	1,071	6,205	7,174
Basis of recoverable amount	Value in use	Value in use	Value in use	Value in use	Value in use
Pre-tax discount rate March 2020	6.80%	8.00%	8.00%	5.50%	12%
Pre-tax discount rate March 2019	6.20%	7.50%	7.50%	5.30%	12%
Projection period	5 Years	5 Years	5 Years	5 Years	5 Years
Terminal growth rate March 2020	3.50%	1.00%	1.0%	1.0%	3.50%

Key assumptions have not changed compared to the previous year with the exception of discount rates used. For March 2020 and March 2019, the recoverable amounts exceeded their carrying amounts and consequently no impairment of goodwill was recognised for the years March 2020 and March 2019.

Management considers that it is not likely for the assumptions used to change so significantly, as to eliminate the excess of recoverable amounts.



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16B Right of use assets

a The leases primarily consists of leasing of warehouses, office premises & material handling equipments with the lease term of more than 12 months.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the period

	Building	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Net carrying amount						
Balance as at 1st April 2018 (Restated)	83,076.88	3,049.03	-	99.55	388.48	87,513.94
Additions	24,028.54	8,487.80	36.48	277.62	264.78	33,095.22
Reversals (less)	(2,247.39)	(134.90)	-	-	-	(2,382.29)
Amortisation (less)	(24,840.73)	(3,414.66)	(3.52)	(55.76)	(224.39)	(28,539.06)
Currency translation and others	(54.82)	(8.08)	-	0.28	(8.99)	(71.61)
Balance as at 31st March 2019 (Restated)	79,962.48	8,879.19	32.96	321.69	419.88	89,616.20
Additions	37,307.32	3,433.47	-	83.30	197.64	41,021.73
Reversals (less)	(4,614.43)	-	-	-	-	(4,614.43)
Amortisation (less)	(26,203.74)	(4,443.86)	(6.12)	(114.18)	(250.33)	(31,063.23)
Currency translation and others	2,113.43	472.18	-	19.02	24.16	2,628.84
Balance as at 31st March 2020	88,530.11	8,340.98	26.84	309.83	391.35	97,589.11

c Set out below are the carrying amounts of lease liabilities and the movement during the period

	31 March 2020	31 March 2019
Balance at the beginning of the year	98,973.72	95,233.07
Additions	51,495.17	32,850.03
Accretion of interest	7,297.05	6,284.56
Payments	(37,190.10)	(32,709.06)
Reversals	(5,624.57)	(2,848.45)
Currency translation and others	3,292.37	163.57
Balance at the end of the year	1,18,243.64	98,973.72
Current	26,485.98	30,295.15
Non - Current	91,757.66	68,678.57

d The following are recognised in the statement of profit and loss

	31 March 2020	31 March 2019
Amortisation expenses of right of use assets	31,063.23	28,539.06
Interest expenses on lease liabilities	7,297.05	6,284.56
Expenses relating to short term leases and leases of low value assets	6,321.09	5,526.99
Total amount recognised in profit or loss	44,681.37	40,350.61

e Sale & lease back during the year

During the year the Group had sold a property located in Chorley, UK and took back the same property on lease for a period of 15 years. The UK real estate market provided an opportunity to realise significant gain on Chorley property. There were many interested long term investors who were ready to buy the property with a dependable yield. Using the opportunity, the Group realised ₹ 28,075.81 for the property that had a book value of ₹ 10,452.95 by selling it to the local council. By taking back the same property on lease, there was no disruption to the normal operations of the business.

Key terms of the sale and lease back is as follows

	31 March 2020	31 March 2019
Net sale proceeds from sale and lease back	28,075.81	-
Net book value of property sold and leased back	10,452.95	-
Present value of lease liability	17,938.06	-
Rights transferred to the buyer	38%	-
Gain on sale and lease back recognised	6,717.55	-
Right of use assets recognised	6,678.55	-



16B Right of use assets

f Transition impact

Impact on consolidated balance sheet (increase / (decrease)):

	31 March 2020	31 March 2019	1st April 2018
Assets			
Right-of-use assets	97,589.09	89,616.19	87,513.94
Property, Plant and equipment and other intangibles	(8,367.01)	3,059.33	3,849.44
Cash and cash equivalents	28,987.72	-	-
Prepayments	(786.07)	(814.47)	(869.53)
Deferred tax assets	1,068.37	1,078.88	968.14
Total assets	1,18,492.10	92,935.93	91,461.99
Equity			
Retained earnings	4,476.82	(2,070.17)	(2,409.30)
Non-controlling interest	-	130.21	54.60
Total equity	4,476.82	(1,939.96)	(2,354.70)
Liabilities			
Finance lease obligation	1,18,243.64	98,973.72	95,233.07
Deferred tax liabilities	(4,238.36)	(4,093.83)	(1,416.38)
Trade and other payables	-	-	-
Total liabilities	1,14,015.28	94,879.89	93,816.69
Impact on statement of profit and loss (increase/(decrease) in profit)			
Depreciation and amortisation	(31,063.23)	(28,539.07)	(28,539.07)
Other expenses	37,190.10	35,443.96	35,443.96
Finance cost	(7,297.05)	6,284.56	6,284.56
Gain on termination of lease contract	1,010.13	466.15	466.15
Income tax expense	(10.51)	111.10	111.10
Profit/(loss) for the period	(170.56)	13,766.70	13,766.70
Impact on consolidated statement of cash flows (increase/(decrease))			
Operating lease payments	37,203.98	32,729.67	32,729.67
Net cash flows from / (used) operating activities	(29,906.93)	(26,445.11)	(26,445.11)
Payment of principal portion of lease liabilities	(7,297.05)	(6,284.56)	(6,284.56)
Net cash flows from / (used) financing activities	(37,203.98)	(32,729.67)	(32,729.67)



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17 Equity accounted investees

The Group's interest in equity accounted investees comprises of the following.

	Note	31 March 2020	31 March 2019
Interest in joint ventures*	A	3,566.98	3,347.99
Interest in associate #		148.98	143.08
		3,715.96	3,491.07

The Group's share of profit / (loss) in equity accounted investees are as follows.

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Share of profit / (loss) in joint ventures/associate*	A	218.98	225.01
		218.98	225.01

The investment in Montara Verpacken mit System GmbH is not material and hence the disclosures with respect to summarised financial information has not been disclosed in the financial statements.

A. Joint ventures

The financial information of the joint ventures and the carrying amount of the Group's interest in joint ventures is as follows :

31 March 2020	TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Private Limited)	Total
	50%	
Non-current assets	57,300.89	57,300.89
Current assets	5,084.64	5,084.64
Non-current liabilities	(42,290.64)	(42,290.64)
Current liabilities	(13,130.75)	(13,130.75)
Net assets	6,964.14	6,964.14
Group's share of net assets	3,482.07	3,482.07
Add : Assumed goodwill	84.90	84.90
Carrying amount of interest in joint ventures as at 31 March 2020	3,566.97	3,566.97
For the year ended 31 March 2020		
Revenue	5,544.28	5,544.28
Profit	437.96	437.96
Total comprehensive income	437.96	437.96
Group's share of Profit	218.98	218.98
Group's share of OCI	-	-
Group's share of total comprehensive income	218.98	218.98
31 March 2019	TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Private Limited)	Total
	50%	
Non-current assets	38,858.49	38,858.49
Current assets	2,568.95	2,568.95
Non-current liabilities	(28,381.85)	(28,381.85)
Current liabilities	(6,519.42)	(6,519.42)
Net assets	6,526.17	6,526.17
Group's share of net assets	3,263.09	3,263.09
Add : Assumed goodwill	84.90	84.90
Carrying amount of interest in joint venture as at 31 March 2019	3,347.99	3,347.99
A. Joint ventures (continued)	TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Private Limited)	Total
For the year ended 31 March 2019		
Revenue	4,256.20	4,256.20
Profit	450.46	450.46
Other comprehensive income	(0.44)	(0.44)
Total comprehensive income	450.02	450.02
Group's share of Profit	225.23	225.23
Group's share of OCI	(0.22)	(0.22)
Group's share of total comprehensive income	225.01	225.01



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
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18 A. Non-controlling interests

	31-Mar-20	31-Mar-19
TVS Dynamic Global Freight Services Limited	655.97	565.03
FLEXOL Packaging (India) Limited	131.29	245.29
White Data Systems India Pvt. Ltd.	2,206.71	2,328.79
TVS Toyota Tsusho Supply Chain Solutions Ltd.	847.86	758.83
TVS-Asianics Supply Chain Solutions Limited	(1,237.47)	(4,845.71)
Rico Logistics Limited	603.78	719.94
SPC International Limited	3,189.69	2,602.76
Other NCI in subsidiaries of TVS Logistics Investment UK Limited	1,584.59	1,664.45
	7,982.42	4,039.38

B. Profit attributable to non-controlling interests

	Year ended 31 March 2020	Year ended 31 March 2019
TVS Dynamic Global Freight Services Limited	110.54	130.98
FLEXOL Packaging (India) Limited	(113.21)	2.50
White Data Systems India Pvt. Ltd.	(113.48)	(33.93)
TVS Toyota Tsusho Supply Chain Solutions Ltd.	89.41	61.40
TVS-Asianics Supply Chain Solutions Limited	(5,783.57)	(2,429.77)
Rico Logistics Limited	(68.26)	2.35
SPC International Limited	394.88	188.73
Other subsidiaries of TVS Logistics Investment UK Limited	(82.74)	172.02
	(5,566.43)	(1,905.72)

C. Other comprehensive income attributable to non-controlling interests

TVS Dynamic Global Freight Services Limited	(1.93)	(0.57)
FLEXOL Packaging (India) Limited	(0.91)	(0.52)
White Data Systems India Pvt. Ltd.	(8.60)	(1.67)
TVS-Asianics Supply Chain Solutions Limited	(119.07)	(24.25)
T.I.F Holdings Pty. Ltd.	-	-
Rico Logistics Limited	(47.89)	(9.48)
SPC International Limited	(0.99)	(50.82)
TVS Toyota Tsusho Supply Chain Solutions Ltd.	(0.38)	-
TVS Supply Chain Solutions North America Inc., USA and its subsidiaries	-	-
Other subsidiaries of TVS Logistics Investment UK Limited	11.65	67.83
	(168.12)	(19.48)



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18 Non-controlling interests (continued)

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations:

31 March 2020	White Data Systems India Pvt. Ltd.	TVS Toyota Tsusho Supply Chain Solutions Ltd.	TVS Dynamic Global Freight Services Limited	FLEXOL Packaging (India) Limited	TVS-Asiansics Supply Chain Solutions Limited	Rico Logistics Limited	SPC International Limited
NCI %	49.00%	40.00%	15.00%	32.50%	6.69%	2.50%	37.00%
Non-current assets	1,928.88	5,258.82	382.25	683.24	57,157.61	48,767.83	3,063.86
Current assets	5,248.93	1,663.96	6,755.30	803.68	47,865.56	55,547.35	6,585.10
Non-current liabilities	(84.38)	(3,106.18)	(177.64)	(48.80)	(75,886.55)	(24,569.27)	-
Current liabilities	(2,589.95)	(1,696.96)	(2,586.77)	(1,034.15)	(47,624.28)	(55,594.63)	(1,028.18)
Net assets	4,503.48	2,119.64	4,373.14	403.97	(18,487.66)	24,151.28	8,620.78
Net assets attributable to NCI	2,206.71	847.86	655.97	131.29	(1,237.47)	603.78	3,189.69
Revenue	4,922.10	5,057.31	29,888.53	2,137.09	1,45,173.49	1,50,088.37	14,505.67
Profit	(231.59)	223.52	736.91	(348.33)	(18,467.15)	(2,730.25)	1,067.23
Other comprehensive income	(17.55)	(0.95)	(12.86)	(2.79)	(316.55)	(2,571.35)	(232.84)
Total comprehensive income	(249.14)	222.57	724.05	(351.12)	(18,783.70)	(5,301.60)	834.39
Profit allocated to NCI	(113.48)	89.41	110.54	(113.21)	(5,783.57)	(68.26)	394.88
OCI allocated to NCI	(8.60)	(0.38)	(1.93)	(0.91)	(21.19)	(64.28)	(86.15)
Exchange differences on translation of foreign operations	-	-	-	-	(97.88)	16.39	85.16
Total comprehensive income allocated to NCI	(122.08)	89.03	108.61	(114.12)	(5,902.64)	(116.15)	393.89
31 March 2019	White Data Systems India Pvt. Ltd.	TVS Toyota Tsusho Supply Chain Solutions Ltd.	TVS Dynamic Global Freight Services Limited	FLEXOL Packaging (India) Limited	TVS-Asiansics Supply Chain Solutions Limited	Rico Logistics Limited	SPC International Limited
NCI %	49.00%	40.00%	15.00%	32.50%	33.56%	2.50%	37.00%
Non-current assets	1,521.41	4,790.67	354.75	709.40	66,199.25	47,392.31	2,956.64
Current assets	4,507.68	1,152.44	5,185.46	755.73	47,949.06	51,430.74	6,328.22
Non-current liabilities	(83.55)	(2,654.55)	(361.76)	(60.99)	(76,342.57)	(21,338.73)	-
Current liabilities	(1,192.91)	(1,391.49)	(1,411.55)	(649.42)	(52,246.09)	(48,686.73)	(2,250.37)
Net assets	4,752.63	1,897.07	3,766.90	754.72	(14,440.35)	28,797.59	7,034.49
Net assets attributable to NCI	2,328.79	758.83	565.03	245.29	(4,845.71)	719.94	2,602.76
Revenue	1,793.98	4,391.53	27,060.04	2,112.89	1,73,899.42	1,43,645.81	15,953.10
Profit	(69.25)	153.49	873.22	7.69	(8,899.01)	93.80	510.07
Other comprehensive income	(3.40)	-	(3.80)	(1.61)	266.65	317.79	-
Impact on Retrospective adoption of Ind AS 116	(1.56)	(61.96)	(13.80)	(16.68)	222.96	451.30	-
Total comprehensive income	(74.21)	91.53	855.62	(10.60)	(8,409.40)	862.89	510.07
Profit allocated to NCI	(33.93)	61.40	130.98	2.50	(2,429.77)	2.35	188.73
OCI allocated to NCI	(1.67)	-	(0.57)	(0.52)	72.81	7.94	-
Impact to NCI on Retrospective adoption of Ind AS 116	(0.77)	(13.23)	(2.07)	(4.15)	74.82	11.28	-
Exchange differences on translation of foreign operations	-	-	-	-	(97.06)	(17.43)	(50.82)
Total comprehensive income allocated to NCI	(36.37)	48.17	128.34	(2.17)	(2,379.20)	4.14	137.91

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19 Investments

A. Non-current investments

	31 March 2020	31 March 2019
Unquoted investment in debentures carried at amortised cost		
Prasanna Purple Mobility Solutions Private Limited***	154.30	100.72
2,300 (31 March 2019: 11,900) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited***	107.21	153.06
4,500 (31 March 2019: 20,700) Series II NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited^^^	-	800.00
80,000 (31 March 2019: 80,000) Optionally Convertible Debentures of ₹ 1000 each		
	261.51	1,053.78
Unquoted investment in preference shares carried at amortised cost		
Cargowings Logistics Limited	2,500.00	2,500.00
25,000,000 (31 March 2019 : 25,000,000) redeemable preference shares ("RPS") of ₹ 10 each fully paid up		
	2,500.00	2,500.00
Provision for decline in fair value of investments		
Unquoted investments in preference shares		
Cargowings Logistics Limited	(2,500.00)	(2,500.00)
	(2,500.00)	(2,500.00)
Total non-current investments	261.51	1,053.78
Aggregate amount of unquoted investments	2,761.51	3,553.78
Aggregate amount of impairment in the value of investments	2,500.00	2,500.00

B. Current investments

	31 March 2020	31 March 2019
Quoted investment in mutual funds at fair value through profit and loss (FVTPL)		
31 March 2020: Nil (31 March 2019: 17,034.78) units of Axis Liquid Direct Growth Fund	-	353.22
31 March 2020: Nil (31 March 2019: 10,506.3) units of Tata Direct Growth Plan Fund	-	316.79
31 March 2020: Nil (31 March 2019: 50,00,000) units of Tata Ultra TATA Ultra Short Term Direct Growth Plan Fund	-	500.31
Others at fair value through profit and loss (FVTPL)	-	3.02
	-	1,173.34
Unquoted investment in debentures carried at amortised cost		
Prasanna Purple Mobility Solutions Private Limited***	99.29	135.00
9,600 (31 March 2019: 13,500) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited***	162.00	99.90
16,200 (31 March 2019: 9,900) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited^^^	800.00	-
80,000 (31 March 2019: 80,000) Optionally Convertible Debentures of ₹ 1000 each		
	1,061.29	234.90
Unquoted debt securities at FVTPL	-	-
	-	-
Total current investments	1,061.29	1,408.24
Aggregate value of quoted investments & market value	-	1,173.34
Aggregate value of unquoted investments	1,061.29	234.90

*** Series I NCD, 0.1% Unsecured Non-Convertible Debentures and Series II NCD, 0.1% Unsecured Non-Convertible Debentures carries Interest at 0.1% p.a and redeemable over a period commencing from July 31, 2016 as stated below :

Series I NCD	Amount	Series II NCD	Amount
31 July 2020	96.00	30 November 2020	162.00
31 July 2021	23.00	30 November 2021	45.00
	119.00		207.00

^^^ The Optionally Convertible Debentures ("OCD") which carries minimum 20% IRR, is either redeemable or convertible into equity shares of Prasanna Purple Mobility Solutions Private Limited as per the terms and conditions set out in the shareholder's agreement between TVS Commutation Solutions Limited and Prasanna Purple Mobility Solutions Private Limited. The redemption/ conversion shall be done in two years from 01 March 2016 (date of issuance). The redemption / conversion has been extended till December 2020.



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20 Deposits and other receivables

	Non-current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Security deposits				
Unsecured, considered good	2,833.65	2,352.53	3,947.92	2,581.40
Unsecured, considered doubtful	-	-	96.92	117.00
Provision for doubtful security deposits	-	-	(96.92)	(117.00)
Unsecured considered doubtful				
Provision for doubtful security deposits				
	2,833.65	2,352.53	3,947.92	2,581.40
Security deposit to related parties				
Unsecured, considered good	336.11	305.76	145.94	136.38
	336.11	305.76	145.94	136.38
Other receivables				
Loans and advances to employees	-	-	423.20	365.64
Finance lease receivables (refer note 15)	1,192.20	1,078.09	275.57	609.60
Receivable from others				
Unsecured, considered good	-	-	542.17	1,383.44
Unsecured, considered doubtful	-	-	180.74	180.74
Provision for doubtful receivables	-	-	(180.74)	(180.74)
	1,192.20	1,078.09	1,240.94	2,358.68
Loans to others	-	-	-	-
	-	-	-	-
	4,361.96	3,736.38	5,334.80	5,076.46

21 Other financial assets

	Non-current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Advances recoverable in cash or kind				
Unsecured considered good	-	-	185.71	-
	-	-	185.71	-
Unbilled revenue	-	-	24,376.58	23,031.84
Margin money deposited with banks	132.52	123.69	-	-
Cross currency interest rate swap	-	-	-	174.72
Deposits with banks with more than 12 months maturity	10.50	-	-	-
Interest accrued on investments	605.44	605.44	-	-
Others	-	23.04	293.75	75.83
	748.46	752.17	24,856.04	23,282.39

22 Other non current assets

	31 March 2020	31 March 2019
Prepaid expenses	1.14	1.33
Advance for supply of goods and services		
Unsecured, considered good	156.80	175.00
	156.80	175.00
Capital advances		
Unsecured, considered good	561.98	112.22
Unsecured, considered doubtful	4.20	-
Provision for doubtful receivables	(4.20)	-
	561.98	112.22
	719.92	288.55

23 Inventories

	31 March 2020	31 March 2019
(valued at lower of cost or net realizable value)		
Packing materials	281.46	41.46
Stock-in-trade	16,531.48	16,205.26
Stores and spares	169.24	369.50
	16,982.18	16,616.22



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24 Trade receivables

	31 March 2020	31 March 2019
Gross trade receivables		
Secured, considered good	1,30,727.96	1,20,850.53
Unsecured, considered good	7,473.38	9,605.46
Doubtful	1,38,201.34	1,30,455.99
Loss allowance		
Doubtful	(7,473.38)	(9,605.46)
	(7,473.38)	(9,605.46)
Net trade receivables	1,30,727.96	1,20,850.53

25 Cash and cash equivalents (refer note below)

	31 March 2020	31 March 2019
Cash on hand	74.58	102.09
Cheques on hand	14.50	1.27
	89.08	103.36
Balance with banks		
On current accounts	87,878.41	46,376.61
Deposits with original maturity of less than three months	493.79	1,005.20
	88,372.20	47,381.81
	88,461.28	47,485.17

Note:

As per the facility agreement under the refinancing arrangement (refer note 30A(ii)), the Group is required to maintain minimum cash and cash equivalents balance of USD 20 Million.

26 Other bank balances

	31 March 2020	31 March 2019
Deposits with original maturity of more than 3 months less than 12 months	26,216.52	2,410.27
	26,216.52	2,410.27

27 Loans

	Current	
	31 March 2020	31 March 2019
Loan to others		
Unsecured, considered good	-	-
Unsecured, considered doubtful	1,004.63	1,004.63
Provision for doubtful loans	(1,004.63)	(1,004.63)
	-	-

28 Other current assets

	31 March 2020	31 March 2019
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	2,419.76	2,736.29
Unsecured, considered doubtful	1,710.46	1,684.64
Provision for doubtful receivables	(1,710.46)	(1,684.64)
	2,419.76	2,736.29
Balances with statutory authorities		
Unsecured, considered good	3,292.95	3,281.37
	3,292.95	3,281.37
Other current assets		
Prepaid expenses	8,511.40	8,225.14
Fixed assets held for sale	-	4.88
Others	67.90	40.98
	14,292.01	14,288.66



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29A Share capital

	31 March 2020	31 March 2019
Authorised share capital		
34,800,000 (31 March 2019: 34,800,000) equity shares of ₹ 10 each	3,480.00	3,480.00
1,200,000 (31 March 2019: 1,200,000) preference shares of ₹ 10 each #	120.00	120.00
1,100,000 (31 March 2019: Nil) preference shares of ₹ 100 each	1,100.00	-
Issued		
<i>Equity shares</i>		
13,810,401 (31 March 2019: 13,810,401) equity shares of ₹ 10 each at par	1,381.04	1,381.04
5,066,800 (31 March 2019: 5,066,800) equity shares of ₹ 10 each at a premium of ₹ 185.72 per share	506.68	506.68
3,223,194 (31 March 2019: 3,223,194) equity shares of ₹ 10 each at a premium of ₹ 185 per share	322.32	322.32
275,800 (31 March 2019: 275,800) equity shares of ₹ 10 each at a premium of ₹ 65 per share	27.58	27.58
4,456,816 (31 March 2019: 4,456,816) equity shares of ₹ 10 each at a premium of ₹ 424.92 per share	445.68	445.68
1,798,607 (31 March 2019: 1,798,607) equity shares of ₹ 10 each at a premium of ₹ 685 per share	179.86	179.86
3,163,515 (31 March 2019: 3,163,515) equity shares of ₹ 10 each at a premium of ₹ 940 per share	316.35	316.35
95,000 (31 March 2019: Nil) equity shares of ₹ 10 each at a premium of ₹ 940 per share	9.50	-
Total issued capital	3,189.01	3,179.51
Called, Subscribed and Paid up		
<i>Equity shares</i>		
31,730,133 (31 March 2019: 31,635,133) equity shares of ₹ 10 each	3,173.01	3,163.51
Add: Amount paid up on 160,000 (31 March 2019: 160,000) equity shares forfeited at ₹ 2 each	3.20	3.20
	3,176.21	3,166.71

15,351 (31 March 2019: 15,351) 0.0001% cumulative, redeemable, non-convertible, participating preference shares have been classified as a financial liability (see note 30).

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2020		31 March 2019	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Equity shares				
At the beginning of the year	3,16,35,133	3,166.71	3,16,35,133	3,166.71
Movement during the year	95,000	-	-	-
Outstanding at the end of the year	3,17,30,133	3,166.71	3,16,35,133	3,166.71

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting ("AGM").

c. Terms/rights attached to preference shares#

The preference shares shall be cumulative, redeemable, non-convertible, participating preference shares ('preference shares'). The preference shares shall carry a preferential right to dividends over the Equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. In addition to the fixed rate of dividend, the preference shareholders shall, at their discretion, be entitled to additional preferential dividend and carry a preferential right to dividends over the equity shares. The preference shares shall be redeemed, from time to time as may be required by the preference shareholders at face value plus the redemption premium payable thereon no later than 20 years from the date of allotment or longer period as may be prescribed by law.

The holder of preference shares have a right to vote only on resolutions placed before the company which directly affect the rights attached to preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and voting right on a poll shall be in proportion to the share in the paid-up preference share capital of the company. On winding up or repayment of capital, the preference shareholders shall carry a preferential right of repayment.



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29A Share capital (continued)

d. Details of shareholders holding more than 5% shares of a class of shares

	31 March 2020		31 March 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each, fully paid up				
T V Sundram Iyengar & Sons Private Limited	1,07,27,343	33.81%	1,07,27,343	33.91%
CDPQ Private Equity Asia Pte Ltd	1,21,36,892	38.25%	1,21,36,892	38.37%
Dinram Logistics Services LLP	29,82,464	9.40%	29,82,464	9.43%
Omega Tc Holdings Pte Ltd, Singapore	23,68,865	7.47%	23,68,865	7.49%
0.0001% Cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each, fully paid up				
Tata International Limited	7,677	50.01%	7,677	50.01%
Tata Industries Limited	7,674	49.99%	7,674	49.99%
0.0001% Non- cumulative, participating, compulsorily convertible preference shares of ₹ 100 each, fully paid up (Series A)				
Mahogany Singapore Company Pte. Ltd	10,23,350	100.00%	-	-
0.0001% Non- Cumulative, Non-Participating, Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid up				
David Robbins	39,998	21.05%	39,998	21.05%
MS Krishnan	9,992	5.26%	9,992	5.26%
Suehow Pty Ltd	12,004	6.32%	12,004	6.32%
R Dinesh	2,996	1.58%	2,996	1.58%
Sanjive Sharma	40,002	21.05%	40,002	21.05%
Tarun Khanna	45,006	23.69%	45,006	23.69%
Andrew Jones	40,002	21.05%	40,002	21.05%

29B Other equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions for the Companies Act, 2013.

Capital reserve

During prior years, the Company had reissued the shares forfeited. The profit on reissue of such forfeited shares has been transferred to capital reserve.

Capital redemption reserve

The Company has redeemed preference shares issued to Tata International Limited and Tata Industries Limited, out of profits of the Company. A sum equivalent to the nominal amount of the shares redeemed has been transferred to capital redemption reserve in accordance with the provisions of the Companies Act, 2013.

Share warrants

On June 8, 2018 and August 22, 2018, the Company issued 30,000 and 65,000 share warrants respectively, at a price of Rs. 950 per share warrant to identified persons on a preferential basis for an aggregate consideration of Rs. 902.50 lakhs with a right to apply and get allotment of equity shares of the Company ranking pari-passu with the existing equity shares, in the ratio of 1:1 within a period of 18 months from the date of issue of share warrants or earlier at the option of the Board. During the previous year, the Company had received Rs. 225.63 lakhs (25% of the issue price as at balance sheet date). During the year, the company has received Rs. 676.87 Lakhs (balance 75% of the issue price) and accordingly the company has allotted 95,000 equity shares at a face value of Rs. 10 per share at Rs. 940 per share premium.

Share options

The Company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.



Other equity (continued)

Compulsorily convertible preference shares

On June 8, 2018 and August 22, 2018, the Company has allotted 13,340 and 25,660 Non-Cumulative, Non-Participating, Compulsorily Convertible Preference Shares ("CCPS") of Rs.10 each respectively, at a premium of Rs.940 each to identified persons on a preferential basis for a consideration of Rs.126.73 lakhs and Rs.243.77 lakhs respectively. CCPS carry a dividend of 0.001% per annum and the dividend rights are non-cumulative. On November 20, 2018, the Company has issued bonus shares of 151,000 to the shareholders of CCPS in the ratio of 1:3.87 and the securities premium account was utilised to the extent of Rs.15.10 lakhs for the issue of said bonus shares. The preference shares to be converted into equal number of equity shares ranking pari-passu with the existing equity shares, after the end of four years from the date of issue or earlier at the option of the Board. In the event of liquidation of the Company before conversion of preference shares, the holders of preference shares will have priority over equity shares in the repayment of capital.

On February 7, 2020, the Company has allotted 10,23,350 Series A Compulsorily Convertible Preference Shares ("CCPS") of Rs.100 each, at a premium of Rs.1610.07 each to Mahogany Singapore Company Pte. Ltd ("CCPS Holder") on a preferential basis, for a consideration of approx. Rs. 175 Crore. Each CCPS carries a minimum preferential dividend rate of 0.0001% and in addition to and after payment of such preferential dividend, the CCPS Holder would be entitled to participate pari-passu in any dividends paid to the holders of shares of any other class (including equity shares) or series on a pro rata, as-if-converted basis. Each CCPS would be converted into fully paid-up equity shares ranking pari-passu with the existing equity shares, in the ratio of 1:1 (subject to such adjustments as contemplated in the subscription agreement dated January 22, 2020 executed by and amongst inter alia the Company and the CCPS Holder ("SSA")), on the earlier of (i) expiry of a period of 18 (eighteen) months from the closing date (as defined under the SSA) (February 7, 2020); and (ii) the date when a prospective shareholder (as defined under the SSA) (including such prospective shareholder's affiliates) acquires equity shares or equity securities convertible into equity shares representing, in the aggregate, at least 7% (Seven percent) of the then share capital of the Company (on a fully diluted basis) (in one or more transactions).

29C Other items of OCI

Remeasurements of defined benefit liability/(asset)

	31 March 2020	31 March 2019
Opening balance	(113.03)	2.77
Remeasurements of defined benefit liability/(asset) (net of taxes)	85.01	(115.80)
Closing balance	(28.02)	(113.03)

Remeasurements of defined benefit liability/(asset)

Remeasurements of defined benefit liability/(asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

29D Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.

The Group monitors capital using a ratio of 'debt' to 'equity'. For this purpose, debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases. Equity comprises all components of equity.

The Group's debt to equity ratio is as follows:

	31 March 2020	31 March 2019
Total current and non-current borrowings	2,12,189.15	1,43,245.42
Current maturities of long-term borrowings	6,382.44	8,430.18
Debt	2,18,571.59	1,51,675.60
Total equity	59,062.09	67,933.48
Debt to equity ratio	3.70	2.23

29E Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit (loss) attributable to equity shareholders

	31 March 2020	31 March 2019
Profit (loss) for the year, attributable to the equity holders from continuing operations	(19,236.40)	362.60
Profit (loss) for the year, attributable to the equity holders from discontinuing operations	2.73	(1,712.38)

(ii) Weighted average number of equity shares

	31 March 2020	31 March 2019
Weighted average number of equity shares outstanding during the year	3,16,47,311	3,16,35,133
Add - Number of shares relating to compulsorily convertible preference shares	3,38,190	1,28,395
Weighted average number of equity shares used in the calculation of basic earnings per share	3,19,85,501	3,17,63,528
Adjustments for dilutive effect		
- Number of shares relating to Management Incentive Plan	60,728	10,996
- Number of shares relating to share warrants	1,203	925
Weighted average number of equity shares used in the calculation of diluted earnings per share	3,20,47,432	3,17,75,449



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30 Borrowings

	31 March 2020	31 March 2019
(a) Non-current borrowings		
Secured term loans from banks	94,038.76	85,878.13
Unsecured term loans from banks	-	2,100.00
Secured term loans from financial institutions	2.28	636.59
Secured long term obligations under finance leases	1,882.90	1,819.03
Total non-current borrowings	95,923.94	90,433.75
(b) Current borrowings		
Term loan from financial institution		
Secured	7,020.00	4,220.00
Unsecured	5,080.00	-
Term loan from banks		
Unsecured	1,200.00	-
Cash credit from banks		
Secured	5,261.96	5,400.90
Unsecured	23.65	1,771.27
Bills discounting		
Unsecured	4,353.56	-
Revolving credit facility		
Secured	45,165.16	30,474.90
Loans repayable on demand		
Secured	10,308.22	2,915.55
Unsecured	35,333.63	6,750.00
Commercial Paper		
Unsecured	-	47.45
Redeemable preference shares (unsecured)	891.60	891.60
Other short term loans		
Secured	1,287.43	-
Unsecured, related party	340.00	340.00
	1,16,265.21	52,811.67
Current portion of long term borrowings		
Secured term loans from banks	5,069.23	6,632.90
Secured term loans from financial institutions	636.35	863.53
Secured finance lease obligations	676.86	933.75
	6,382.44	8,430.18
	1,22,647.65	61,241.85
Less: Amount included under 'Other financial liabilities'	(6,382.44)	(8,430.18)
Total current borrowings	1,16,265.21	52,811.67

Information about Group's exposure to interest rate and liquidity risks is included in note 43.

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

In lakhs of INR	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at	
				31 March 2020	31 March 2019
Secured term loan from banks					
Consortium loan arrangement (refer note (i) below)	USD / GBP	2.15% + 3 months LIBOR	2022	-	92,427.76
DBS Bank, Axis Bank Limited & Standard Chartered Bank (refer note (ii) & (iii) below)	USD / GBP	2.1% + 1 month LIBOR	2022 - 2025	93,874.69	-
HDFC Bank	INR	8.80%	Nov 2021	-	15.99
HDFC Bank	INR	8.50% - 9.35% p.a.	2023	233.30	67.30
				94,107.99	92,511.05



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

30 Borrowings (continued)

A. Terms and repayment schedule (continued)

In lakhs of INR	Carrying amount as at				
	Currency	Nominal Interest rate	Year of maturity	31 March 2020	31 March 2019
Unsecured term loan from banks					
Axis Bank Limited	INR	9.10%	2020	5,000.00	2,100.00
HDFC Bank Limited	INR	7.50%-8.35%	2020	1,200.00	-
				6,200.00	2,100.00
Secured term loan from financial institutions					
Tata Capital Financial Services Limited	INR	10.25%	2021	625.01	1,458.33
Tata Capital Financial Services Limited	INR	11.50%	2020	7,020.00	-
Tata Capital Financial Services Limited	INR	9.80%	2019	-	4,220.00
Sundaram Finance Limited	INR	9.75% - 10.96%	2021	13.63	41.78
				7,658.64	5,720.11
Unsecured term loan from Financial institutions					
Tata Capital Financial Services Limited	INR	11.50%	2021	5,080.00	-
				5,080.00	-
Secured finance lease obligations					
Sundaram Finance Limited	INR	10.20%	2021	4.39	8.37
Asset Alliance Limited	GBP	6.6% to 14%	2021	2,047.33	2,484.75
Other banks				508.04	259.65
				2,559.76	2,752.77
Secured cash credit facilities from banks					
Indian Overseas Bank	INR	7.60%		37.58	-
Yes Bank	INR	MCLR + 2.25% p.a.	2020	197.99	-
ANZ Loan	AUD	4.04%		5,026.39	5,400.90
				5,261.96	5,400.90
Unsecured cash credit facilities from banks					
Axis Bank Limited	INR	7.5% - 7.8%		23.65	-
Sabadell	EURO	0.40%		-	1,058.23
BBVA	EURO	0.29%		-	247.96
B.Popular	EURO	0.25%		-	206.85
HDFC Bank	INR	9.90% - 9.25%		-	202.78
Other bank	THB			-	55.45
				23.65	1,771.27
Bill discounting					
Axis Bank limited	INR	7.95%		3,257.76	-
Other Bank	SGD	2.00%		1,095.80	-
				4,353.56	-
Secured revolving credit facility					
Consortium loan arrangement (refer note (i) below)	USD / GBP	2% + 3 month LIBOR		-	30,474.90
DBS Bank, Axis Bank Limited & Standard Chartered Bank (refer note (ii) & (iii) below)	USD / GBP	1.80% + 1 month LIBOR		45,165.16	-
				45,165.16	30,474.90
Secured loans repayable on demand					
IDFC First Bank Limited	INR	10.50%		100.00	100.00
Bankia	EUR	3.10%		1,181.83	1,188.79
State Bank of India	INR	7.48%-8.73%		3,000.00	-
DBS bank	INR	7.50%-9.00%		1,000.00	-
Banco Sant.ander	EUR	2.00%		309.01	-
Banc Sabadell	EUR	2.00%		83.77	-
La Caixa	EUR	2.00%		80.05	-
Bankinter	EUR	2.00%		626.59	-
Ibercaja	EUR	2.00%		188.01	-
Others	GBP			-	1,626.76
				6,569.26	2,915.55
Unsecured loans repayable on demand					
Standard Chartered Bank	INR	7.11%-8.20%		14,000.00	-
Axis Bank Limited	INR	7.78%-8.06%		9,850.00	6,750.00
DBS Bank	INR	7.50%-9.00%		4,000.00	-
HDFC Bank Limited	INR	7.50%-8.35%		12,500.00	-
Others	INR	7.80%		10.02	-
				40,360.02	6,750.00
Unsecured commercial paper					
	EURO			-	47.45
				-	47.45

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Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

30 Borrowings (continued)

A. Terms and repayment schedule (continued)

In lakhs of INR	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at	
				31 March 2020	31 March 2019
Redeemable preference shares					
Unsecured	INR			891.60	891.60
				891.60	891.60
Other short term loans (Unsecured)					
Cholamandalam Investment and Finance Company Limited	INR	8.10%		340.00	340.00
				340.00	340.00
				2,18,571.60	1,51,675.59

Note:

i) Under facility arrangement ("FA") as amended on June 29, 2018 arranged by DBS Bank Ltd and Standard Chartered Bank, the subsidiaries outside India have borrowed term loans / revolving credit (working capital) facilities from consortium of banks/financial institutions. The agreement was closed on March 26, 2020.

ii) On March 26, 2020, the Group has refinanced the existing bank term loan of USD 1,001.61 lakhs & GBP 204.60 lakhs (from a Consortium of Banks/financial institutions) with a fresh term loan of USD 300 lakhs and GBP 783.92 lakhs and revolving credit facility of GBP 495.11 lakhs, from DBS, SCB & Axis Bank. The term loan is repayable between March 2022 and March 2025.

iii) On refinancing of the existing bank term loan, the Group has closed their hedging contracts, consequent to which hedge accounting has been discontinued and no outstanding hedges exist as at March 31, 2020 (refer note 43(v) also).

B. Secured loans

Secured term loan from banks

USD / GBP term loan from DBS Bank, Axis Bank Limited & Standard Chartered Bank availed by TVS-Asianics Supply Chain Solutions Pte. Limited and its subsidiaries is secured by guarantee provided by TVS Supply Chain Solutions Limited.

USD / GBP term loan from DBS Bank, Axis Bank Limited & Standard Chartered Bank availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its shares, its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited.

USD / GBP term loan from the consortium loan arrangement availed by TVS-Asianics Supply Chain Solutions Pte. Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited. In addition to that TLM Logistics share is also secured by way of pledge.

USD / GBP term loan from the consortium loan arrangement availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited.

Working capital loan from Yes bank is secured against the present & future current assets of Flexol Packaging (India) Private Limited.

Secured term loan from financial institutions

1. Term Loan at 10.25% interest rate from Tata Capital Financial Services Limited is secured by an exclusive mortgage of immovable property located at Mumbai and first and exclusive charge by way of hypothecation on identified movable fixed assets.

2. Term loan at 9.80% from Tata Capital Financial Services Limited is secured by an exclusive charge on specific movable fixed assets and hypothecation of receivables arising out of redemption amount of NCD of Prasanna Purple Mobility Solutions Private Limited

3. Term loans from Sundaram Finance Limited are secured by hypothecation of vehicles and equipments acquired out of the loan.

4. The Term loan of 11.50% is from Tata Capital Financial Services Limited. The total facility is for Rs.200 crore of which Rs.80 crore is secured against the company's plant and machinery, furniture and fixtures, computer equipments and office equipments.

Finance lease obligations

Finance lease obligations are secured against the respective assets taken on finance lease.

Cash credit facility from banks

Term loans from HDFC Bank Limited are secured by hypothecation of vehicles acquired out of the loan.

Cash credit from ANZ bank availed by TVS Asianics Australia Pty. Limited is secured by fixed and floating charges over all present and future assets, undertaking (including goodwill) and unpaid or uncalled capital of T.I.F Holdings Pty. Limited, corporate guarantee and indemnity unlimited by TVS Asianics Australia Pty. Limited.

Cash credit from Indian Overseas bank is obtained by SPC International India Private Limited and it's secured against the fixed deposits

Revolving credit facility

GBP revolving credit facility from DBS Bank, Axis Bank Limited & Standard Chartered Bank availed by TVS-Asianics Supply Chain Solutions Pte. Limited and its subsidiaries is secured by guarantee provided by TVS Supply Chain Solutions Limited.

GBP revolving credit facility from DBS Bank, Axis Bank Limited & Standard Chartered Bank availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its shares, its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited.

GBP revolving credit facility from the consortium loan arrangement availed by TVS-Asianics Supply Chain Solutions Pte. Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited. In addition to that TLM Logistics share is also secured by way of pledge.

GBP revolving credit facility from the consortium loan arrangement availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited.



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Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

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Loans repayable on demand from banks

The term loan from IDFC First Bank Limited is secured by hypothecation charge on entire current assets of TVS Toyota Tsusho Supply Chains Solution Pvt Ltd.

The overdraft facility from Bankia is availed by Eltec IT Services S.L.U and is secured by the letter of comfort provided by RICO Logistics Limited, UK.

Working capital loan from State Bank of India is secured against the debtors of the company.

Working capital loan from DBS Bank is secured upto Rs.10 crore against the debtors of the company.

Loan from Banco Santander, Banc Sabadell, La Caixa, Bankinter, Ibercaja are availed against the security of current assets of TVS Logistics Iberia S.L.

*During the previous year, there were certain breaches of the consortium arrangement which in the opinion of the management did not constitute a major breach, accordingly had no impact on the classification and presentation of such loans on March 31, 2019.

C. Redeemable Preference Shares

The Company has cumulative, redeemable, non-convertible, participating preference shares. These preference shares have been classified as a liability. For rights, preferences and restrictions attached to preference shares attached to these preference shares refer note 29.

31 Trade payables

	31 March 2020	31 March 2019
Trade payables to related parties	119.96	310.14
Other trade payables	1,01,138.25	96,450.36
	1,01,258.21	96,760.50

Note.

Trade payables includes bill discounting from Axis Bank Limited amounting to Nil (31 March 2019: ₹ 7,995.33 lakhs) and is generally payable within 90 days.

32 Other financial liabilities

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Interest rate/Cross currency interest rate swap	-	1,123.27	-	-
Derivatives - Forward contract payables	-	-	1,205.60	-
Written put option/ forward obligation liability	-	-	3,854.41	3,157.60
Amount due to employees	-	-	5,027.96	5,293.78
Current maturities of long term borrowings	-	-	5,705.58	7,496.43
Current maturities of finance lease obligations	-	-	676.86	933.75
Interest accrued but not due on borrowings	-	-	492.45	84.86
Payable to factor	-	-	864.47	995.51
Security deposits payable	1,057.09	-	-	1,179.71
Deferred consideration*	975.57	-	1,250.94	7,040.65
Capital creditors	1,597.26	-	1,465.94	248.66
Contractually reimbursable liability	-	-	-	-
Others	-	21.72	428.88	442.20
	3,629.92	1,144.99	20,973.09	26,873.15

* Deferred consideration includes payable towards acquisition of shares in Triage Holdings Limited amounting ₹ Nil lakhs (31 March 2019 ₹452.38 lakhs), in TLM Logistics Management Co. Ltd. 'Amounting to ₹ 975.57 lakhs (31 March 2019 ₹ 495.57 lakhs), in Pan Asia Logistics Singapore Pte. Ltd. amounting to ₹ Nil lakhs (31 March 2019 ₹ 4,069.14),in T.I.F Holdings Pty. Ltd., Australia amounting to ₹ 281.72 (31 March 2019: ₹ 297.20) and Nadal Forwarding S.L, Spain amounting to ₹ 969.22 lakhs (31 March 2019: ₹ 1,726.36).

33 Provisions (refer note 37)

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provisions for employee benefits				
Liability for retirement benefit obligations	804.31	561.07	523.72	895.85
Liability for compensated absences	596.19	487.57	1,662.73	1,104.21
Other provisions				
Provision for dilapidation	436.24	536.88	-	-
Provision for warranties	-	-	19.94	-
Provision for onerous contracts	-	-	-	446.42
Provision for litigations	-	231.13	258.53	483.36
	1,836.74	1,816.65	2,464.92	2,929.84



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

Movement in other provisions	Dilapidation	Onerous contracts	Others	Total
Balance as at 31 March 2018	650.61	1,002.29	279.50	1,932.40
Assumed in a business combination	0.54	-	-	0.54
Provisions made during the period	1.77	-	445.67	447.44
Provisions utilised during the period	(122.88)	(583.08)	(10.68)	(716.64)
Foreign exchange adjustments	6.84	27.21	-	34.05
Balance as at 31 March 2019	536.88	446.42	714.49	1,697.79
Provisions made during the period	108.18	-	0.88	109.06
Provisions utilised during the period	(220.59)	(452.17)	(442.23)	(1,114.99)
Foreign exchange adjustments	11.77	5.75	5.33	22.85
Balance as at 31 March 2020	436.24	0.00	278.47	714.71

34 Other non-current liabilities

31 March 2020 31 March 2019

Deferred rent

155.16 241.00

155.16 241.00

35 Other current liabilities

31 March 2020 31 March 2019

Deferred revenue

1,974.65 2,778.75

Statutory dues

6,217.14 6,018.26

Advances from customers

1,152.76 786.77

Others

1,306.70 1,619.41

10,997.75 11,203.19



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***36 Employee benefits****Defined contribution plans**

The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective country which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards such defined contribution plans for the year aggregated to ₹ 17,809.98 lakhs (31 March 2019: ₹ 16,354.01 lakhs)

Defined benefit plans

	Non-current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provisions for retirement benefit obligations	804.31	561.07	523.72	895.85

For details about the related employee benefit expenses, see note 10.

Details of retirement benefit obligations

The Company and its subsidiaries in India have a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles employees, who have rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Further, certain entities of the Group in Korea, Thailand and Indonesia have retirement benefit plans in accordance with the requirements of their respective local laws.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plans of the Company and certain subsidiaries in India is a funded plan with the Company making periodic contributions to a fund managed by certain insurance companies. The retirement benefit plans of the overseas subsidiaries noted above are unfunded.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Reconciliation of present value of defined benefit obligation

	31 March 2020	31 March 2019
Balance at the beginning of the year	2,739.17	2,146.39
Benefits paid	(385.49)	(164.58)
Current service cost	476.47	449.74
Interest cost	135.50	110.54
Past service cost	32.03	-
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	(56.40)	37.67
- changes in financial assumptions	(27.74)	114.79
- experience adjustments	(61.31)	48.48
Exchange differences	185.42	(3.86)
Balance at the end of the year	3,037.66	2,739.17

Reconciliation of the fair value of plan assets

	31 March 2020	31 March 2019
Balance at the beginning of the year	1,282.24	1,232.98
Contributions paid	726.17	101.80
Benefits paid	(385.49)	(164.58)
Interest income	85.75	85.52
Actuarial gains / (losses) recognised in other comprehensive income	0.96	26.52
Balance at the end of the year	1,709.63	1,282.24
Net defined benefit (asset) / liability	1,328.03	1,456.93



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Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
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36 Employee benefits (continued)
Defined benefit plans (continued)

	31 March 2020	31 March 2019
C. Expense recognised in profit or loss		
Current service cost	476.47	449.74
Interest cost	135.50	110.54
Past service cost	32.03	-
Interest income	(85.75)	(85.52)
	558.25	474.76
Expenses relating to discontinued operations	-	-
Expenses relating to continuing operations	558.25	474.76

D. Remeasurements recognised in other comprehensive income

Actuarial gain / (loss) on defined benefit obligation	(145.45)	200.95
Actuarial (gain) / loss on plan assets	(0.96)	(26.52)
	(146.41)	174.43

E. Plan assets

Plan assets comprise of the following:
Insurer managed funds

	31 March 2020	31 March 2019
	1,709.63	1,282.24
	1,709.63	1,282.24

F. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date were:

	31 March 2020	31 March 2019
Discount rate	5.00%-7.50%	2.55% - 7.79%
Future salary growth	2%-10%	7% - 10%
Attrition rate	3%-58%	5% - 53%
Expected return on plan assets	5.33%-19%	6.5% to 6.7%

ii. 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 obligation by the amounts shown below.

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(128.87)	140.72	(87.03)	103.55
Future salary growth (1% movement)	125.20	(117.25)	91.19	(77.42)
Attrition rate (1% movement)	(24.08)	31.32	(48.88)	18.81

Although the analysis does not take account of the full distribution of cashflows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Share based payments

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

The following share based payment arrangements were in existence during the current year:

Option series (Refer note below)	Number	Grant date	Exercise price	Fair value at grant date
MIP I	11,69,791	20-Nov-18	950.00	964.00
MIP II - Pool A & Pool B	8,97,008	20-Nov-18	950.00	964.00
MIP I	1,75,000	14-Feb-20	950.00	1,531.50
MIP II - Pool A & Pool B	1,11,984	16-May-19	950.00	1,193.80
MIP II - Pool A & Pool B	14,768	01-Jul-19	950.00	1,193.80

Note:

Under MIP I, the vesting of options granted is linked to time.

Under MIP II - Pool A & Pool B, shares vest on varying dates with an option life of 5 years after vesting.



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Fair value of share options granted during the year

The weighted average fair value of the stock options granted during the financial year is ₹ 650.9 (MIP I) & ₹ 276.0 (MIP II) (Previous year: ₹ 80.2 (MIP I) & ₹ 107.36 (MIP II)). Options were priced using a Black Scholes option valuation model & Monte Carlo simulation model for MIP I and II respectively. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility of guideline companies in developed and developing countries.

Inputs in to the model:

	MIP I	MIP I	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B
Grant date share price *	964.00	1,531.50	964.00	1,193.80	1,193.80
Grant date	20-Nov-18	14-Feb-20	20-Nov-18	16-May-19	01-Jul-19
Exercise price	950.00	950.00	950.00	950.00	950.00
Expected volatility	32%	35.90%	33.10%	36.23%	36.23%
Option life	2.36 years	1.13 years	3.61 years	3.13 years	3 years
Dividend yield	0.15%	0.00%	0.15%	0.00%	0.00%
Risk free interest rate	7.28%	5.10%	7.50%	6.44%	6.44%

* Before adjustment for lack of marketability

Movements in share options during the year

MIP I	Year ended March 31, 2020 Number of options	Weighted average exercise price	Year ended March 31, 2019 Number of options	Weighted average exercise price
Opening at the beginning of the year	11,69,791	950	-	-
Granted during the year	1,75,000	950	11,69,791	950
Exercised during the year	-	-	-	-
Forfeited and expired during the year	9,908	950	-	-
Balance at the end of the year	13,34,883	950	11,69,791	950

MIP II	Year ended March 31, 2020 Number of options	Weighted average exercise price	Year ended March 31, 2019 Number of options	Weighted average exercise price
Opening at the beginning of the year	9,39,838	950	-	-
Granted during the year	1,29,828	950	9,39,838	950
Exercised during the year	-	-	-	-
Forfeited and expired during the year	45,906	950	-	-
Balance at the end of the year	10,23,760	950	9,39,838	950

Share options vested but not exercised during the year - Nil

Share options outstanding at the end of the year - MIP I - 13,34,883 & MIP II - 10,23,760

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 950 and a weighted average remaining contractual life of 1.55 years

37 Capital commitments and contingent liabilities

	31 March 2020		31 March 2019	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	883.64	-	1,045.04	-
Contingent liabilities:				
Employee related matters (refer note (ii) below)	2,204.91	17.58	2,183.59	17.58
Income tax related matters	12.51	-	0.14	-
Bank guarantees issued	68.52	97.72	248.48	357.64
Service tax related matters	815.46	10,160.87	1,618.06	10,160.87
Sales tax related matters	112.15	1,840.16	1.95	2,588.83
GST related matters	285.37	-	-	-
Claims not acknowledged as debt *	406.44	13.62	323.39	13.62



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Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

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37 Capital commitments and contingent liabilities (continued)

Note:

From time to time, the Group is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Group.

(i) In respect of certain contingent liabilities of Drive India Enterprise Solutions Limited (discontinuing operations), DIESL is entitled to be compensated by its erstwhile shareholders in the event of an unfavourable outcome as per the terms of the share purchase agreement.

(ii) The Company has challenged the demand orders from Provident Fund authorities amounting to Rs 2,183.59 Lakhs for the periods April 2011 to February 2015 on the grounds that provident fund on certain allowances need not be included for calculation of the Provident Fund contribution, as the same is not universally paid to all the employees of the Company.

The Hon'ble Supreme Court of India by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion for the purposes of computation of the Provident Fund contribution. Consequently, the Company has filed a review petition to Regional Provident Fund Commissioner to review the demand order in the light of the Supreme Court decision. The Company has also obtained an interim injunction from Honourable High Court of Madras pending disposal of the Company's petition. Based on legal advice obtained, the Company is of the view that no provision is required for the dispute in the financials as at March 31, 2020.

(iii) Disputes with minority shareholders

(a) Arbitration with erstwhile Chief Executive officer and minority shareholder of TVS Asianics Supply Chain Solutions Pte Limited

TVS Asianics Supply Chain Solutions Pte Limited ("TVS Asianics") and the Company are part of an ongoing arbitration at Singapore International Arbitration Centre (SIAC) with a former CEO of TVS Asianics who is also a minority shareholder in relation to amounts payable and other benefits due under the employment and other related contracts. The Company had terminated the services of the CEO for cause in 2019 and has accrued for appropriate costs till the date of termination based on internal review and legal advice and believes no further adjustments are considered necessary to these financial statements pending resolution of the proceedings at SIAC.

(b) T.I.F Holdings Pty. Limited ("Transtar group")

TVS Asianics Group is part of an ongoing litigation with the erstwhile shareholders of the Transtar group with respect to amounts payable for the acquisition of the balance minority shareholding (45%) computed as per the terms of the share purchase agreement (second completion amounts). The Company believes that the amounts paid together with the liability accrued in the books fairly represents the amounts payable to the erstwhile shareholders under the terms of the shareholders' agreement and no further material adjustments to these amounts would be required. The dispute is pending with the Supreme Court of Victoria.

(iv) TVS Supply Chain Solutions North America Inc

TVS Supply Chain NA, is part of an ongoing litigation with an employee of the Company which is currently in its discovery stage. The Company believes that the liability accrued in the books fairly represents the amounts payable, if any, to the employee and believes no further adjustments are considered necessary to these financial statements.

*** Claims against TVS Industrial & Logistics Park Pvt. Limited not acknowledged as debts (refer note 17):**

(i) Maharashtra Industrial Development Corporation (MIDC) has served a notice of claim dated November 6, 2011 for development charges of ₹94.08 lakhs against 640 hectares land belonging to the company. The Company has contested the claim as the said land does not fall in purview of MIDC and has filed a suit no. RCS 26/2007 in the City Civil & Sessions Court at Khed in Pune against MIDC. The Hon'ble court has granted a stay against the said claim vide its order dated June 11, 2007. Final Disposal of the case is pending. The company has received letter dated July 6, 2010 from MIDC increasing the claim amount to ₹117.44 lakhs. The company has filed appropriate reply to the said letter and is in the process of modifying the suit already filed to this extent (Claims against the Company not acknowledged as debt in P.Y. ₹117.44 lakhs)

(ii) A demand of ₹368.50 lakhs was raised by the Income Tax Department u/s 143(3) during assessment proceedings of the AY 2014-15 against which Company had preferred an appeal before CIT(A), Mumbai. After giving effect of CIT(A) order dated February 28, 2018, demand was reduced to ₹327.24 lakhs vide order dated October 24, 2018. The said demand was further reduced to ₹209.14 lakhs after considering rectification of apparent errors and payment of tax under protest of ₹55 lakhs. The Company further paid ₹46 lakhs under protest after which demand reduced to ₹163.14 lakhs. Further, refund of AY 2017-18 and AY 2018-19 of ₹13.31 lakhs and ₹72.49 lakhs respectively, has been determined u/s 143(1) and adjusted u/s 245 of the Income-tax Act by Income Tax Department - CPC. Therefore, net demand as on March 31, 2020 stands to ₹77.34 lakhs which has also been adjusted by the Income Tax Department - CPC u/s 245 from the refund due in AY 2019-20 by Intimation dated June 6, 2020 and net tax payable at the time of resending the financials is Nil. The Company has preferred an appeal before The Income Tax Tribunal (ITAT), Mumbai and is pending.



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38 Leases

Finance leases as lessor

The reconciliation between the gross investment in the lease at the end of the reporting period, and the present value of minimum lease payments receivable at the end of the reporting period are as follows: (also refer note 15)

	31 March 2020	31 March 2019
Gross investment in the lease	1,962.79	1,732.06
Unearned finance income	(495.02)	(44.37)
Net investment in the lease	<u>1,467.77</u>	<u>1,687.69</u>

As at 31 March, the gross investment in the lease and the present value of the minimum lease payments receivables under non-cancellable finance leases are as follows:

	31 March 2020	31 March 2019
Gross investment in the lease		
Receivable within one year	422.96	623.49
Receivable between one and five years	1,399.73	990.65
Receivable after five years	140.10	117.92
Total	<u>1,962.79</u>	<u>1,732.06</u>

Present value of minimum lease payments receivable

Receivable within one year	275.57	609.60
Receivable between one and five years	1,139.38	960.64
Receivable after five years	52.82	117.45
Total	<u>1,467.77</u>	<u>1,687.69</u>



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

39 Business combinations

A. Business combinations during the current year ended 31 March 2020

There is no business combination during the year ended 31 March 2020. The Group had revised the Purchase price allocation (PPA) for Eltec and Triage which was acquired during the previous financial year.

i. Acquisition of Eltec - Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition based on revised Purchase price allocation:

<i>In lakhs of INR</i>	Revised PPA	Original PPA
Net Property, plant & equipment	149.44	149.44
Intangible assets - Others	121.42	121.42
Intangible assets - Client relationship	2,346.73	3,593.65
Intangible assets - Trade name	614.90	793.92
Inventories	113.64	113.64
Trade receivables	2,527.31	2,527.31
Cash and cash equivalents	241.29	241.29
Borrowings	(3,967.26)	(3,967.26)
Trade payables	(4,749.50)	(4,749.50)
Deferred tax liabilities	(740.21)	(1,096.70)
Other current liabilities	(156.45)	(156.45)
Total net identifiable assets acquired	(3,498.69)	(2,429.24)

Goodwill

<i>In lakhs of INR</i>	Revised PPA	Original PPA
Consideration transferred	-	-
Fair value of net identifiable assets	3,498.69	2,429.24
Goodwill	3,498.69	2,429.24

ii. Acquisition of Triage - Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition based on revised Purchase price allocation:

<i>In lakhs of INR</i>	Revised PPA	Original PPA
Net Property, plant & equipment	18.10	18.10
Intangible assets - Client relationship	908.38	998.85
Intangible assets - Trade name	148.38	148.38
Other non-current assets	462.33	462.33
Inventories	123.95	123.95
Trade receivables	517.52	517.52
Cash and cash equivalents	19.00	19.00
Other current assets	659.57	659.57
Trade payables	(283.19)	(283.19)
Deferred tax liabilities	(277.76)	(294.95)
Other current liabilities	(403.52)	(403.52)
Total net identifiable assets acquired	1,892.76	1,966.04

Goodwill

<i>In lakhs of INR</i>	Revised PPA	Original PPA
Consideration transferred	2,860.84	2,860.84
Fair value of net identifiable assets	(1,892.76)	(1,966.04)
Goodwill	968.08	894.80



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
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B. Business combinations during the previous year ended 31 March 2019

i. Acquisition of TVS Toyota Tsusho Supply Chain Solutions Limited ("TVSTT")

On 1 April 2018, the Company gained control in TVSTT. TVSTT was a joint venture between the Company (60%) and Toyota Tsusho India Private Limited (TTIPL) (40%). the Company through change in shareholders agreement took over the management control in TVSTT. Accordingly, the change in control has been classified as business combination.

The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of TVSTT being allocated to identifiable assets and liabilities at fair value.

The excess of fair value over the carrying value of the investments in TVS Toyota Tsusho Supply Chain Solutions Private Limited as on 1 April 2018 amounting to ₹ 690.86 lakhs has been recognised as income under exceptional items being significant and non-routine in nature, in the consolidated financial statements.

A. Consideration transferred

Considering there is no actual purchase consideration in the transaction, the Company estimated the fair value of previous held equity interest (60%) and the fair value of non-controlling interest to estimate the total allocable value.

<i>In lakhs of INR</i>	Amount
Value of 60% stake held by the Company	1,065.00
Value of 40% non-controlling stake held by TTIPL	711.00
Total consideration for business combination	1,776.00

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

<i>In lakhs of INR</i>	Amount
Property, plant and equipment	29.00
Intangible assets - Customer relationship	440.00
Inventories	46.45
Trade receivables	698.38
Other current & non-current assets	227.63
Trade payable	(308.07)
Other current & non-current liabilities	(197.39)
Cash and cash equivalents	109.00
Other net assets/(liabilities)	23.00
Deferred tax liability on intangibles identified	(152.27)
Less: Fair value of non-controlling interests	(711.00)
Total net identifiable assets acquired	204.73

C. Goodwill

<i>In lakhs of INR</i>	Amount
Consideration transferred	1,065.00
Fair value of net identifiable assets	(204.73)
Goodwill	860.27



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***ii. Acquisition of White Data Systems India Private Limited ("WDS")**

On 20 September 2018, the Company entered into an Investment Agreement to subscribe to fresh issue of 21,07,810 shares of WDS. The cash infusion in WDS in the form of subscription to shares resulted in the Company holding 51% stake in WDS. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of WDS being allocated to identifiable assets and liabilities at fair value. WDS is engaged in the business of providing freight data solutions encompassing technology, certification and financial offering. The date of acquisition is 01 October 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

	Amount
<i>In lakhs of INR</i>	
Cash infusion in the form of subscription of shares	4,219.85
Total consideration for business combination	4,219.85

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

	Amount
<i>In lakhs of INR</i>	
Net Property, plant & equipment	120.00
Intangible assets - Client relationship	53.00
Intangible assets - iLoads software platform	845.00
Intangible assets - Non-compete agreement	22.00
Cash infused by the Company	4,219.85
Trade receivable	1,510.22
Inventories	4.92
Other non-current & current assets	229.91
Trade payable	(1,992.20)
Other current liabilities	(85.86)
Cash & cash equivalents	76.00
Borrowing	(228.00)
Deferred tax liabilities	(318.39)
Less: Proportionate share of non-controlling interests	(2,339.00)
Total net identifiable assets acquired	2,117.45

C. Goodwill

	Amount
<i>In lakhs of INR</i>	
Consideration transferred	4,219.85
Fair value of net identifiable assets	(2,117.45)
Goodwill	2,102.40



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iii. Acquisition of Eltec

On 8th November 2018, the Group, through its step-down subsidiary Ricochet Spain SL, Spain acquired 100% interest in the equity share capital of Eltec IT Services SLU, for a consideration of GBP 1. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of Eltec IT Services SLU being allocated to identifiable assets and liabilities at fair value. Eltec IT Services SLU is engaged in the business of delivery of technological services for the management, installation, deployment, support, and maintenance of ICT infrastructure and hardware. The date of acquisition is 08 November 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

<i>In lakhs of INR</i>	Amount
Cash	-
Deferred Consideration	-
Total consideration for business combination	-

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

<i>In lakhs of INR</i>	Amount
Net Property, plant & equipment	149.44
Intangible assets - Others	121.42
Intangible assets - Client relationship	3,593.65
Intangible assets - Trade name	793.92
Inventories	113.64
Trade receivables	2,527.31
Cash and cash equivalents	241.29
Borrowings	(3,967.26)
Trade payables	(4,749.50)
Deferred tax liabilities	(1,096.70)
Other current liabilities	(156.45)
Total net identifiable assets acquired	(2,429.24)

C. Goodwill

<i>In lakhs of INR</i>	Amount
Consideration transferred	-
Fair value of net identifiable assets	2,429.24
Goodwill	2,429.24



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***iv. Acquisition of Triage**

On 09 April 2018, the Group, through its step-down subsidiary RICO Logistics Limited, UK acquired 100% interest in share capital of Triage Holdings Limited. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of Triage Holdings Limited being allocated to identifiable assets and liabilities at fair value. Triage Holdings Limited is engaged in the business of providing IT/ATM equipment life-cycle solutions to OEMs, IT service organisations and end-users comprising repairs, inventory management, logistics, outsourcing, brokerage and implementation services. The date of acquisition is 09 April 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

<i>In lakhs of INR</i>	Amount
Cash	2,408.46
Deferred Consideration	452.38
Total consideration for business combination	2,860.84

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

<i>In lakhs of INR</i>	Amount
Net Property, plant & equipment	18.10
Intangible assets - Client relationship	998.85
Intangible assets - Trade name	148.38
Other non-current assets	462.33
Inventories	123.95
Trade receivables	517.52
Cash and cash equivalents	19.00
Other current assets	659.57
Trade payables	(283.19)
Deferred tax liabilities	(294.95)
Other current liabilities	(403.52)
Total net identifiable assets acquired	1,966.04

C. Goodwill

<i>In lakhs of INR</i>	Amount
Consideration transferred	2,860.84
Fair value of net identifiable assets	(1,966.04)
Goodwill	894.80



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***v. Acquisition of TLM Logistics Management Co. Ltd.**

On 8 May 2018, the Group through its step-down subsidiary TVS Asianics (Thailand) Limited, Thailand acquired 100% of the voting shares of TLM Logistics Management Co Ltd, a warehousing and distribution solutions provider. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of TLM Logistics Management Co. Ltd being allocated to identifiable assets and liabilities at fair value. TLM Logistics Management Co. Ltd are engaged in the business of provision of logistics management services, which include, amongst others land transport, goods storage etc. The date of acquisition is 08 May 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

	Amount
<i>In lakhs of INR</i>	
Cash	1,764.92
Deferred Consideration	495.30
Total consideration for business combination	2,260.20

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

	Amount
<i>In lakhs of INR</i>	
Net Property, plant & equipment	517.13
Intangible assets - Others	1,285.98
Other non-current assets	9.18
Trade receivables	1,089.69
Cash and cash equivalents	116.47
Other current assets	375.70
Borrowings	(2,472.91)
Trade payables	(1,154.86)
Deferred tax liabilities	(187.45)
Other non-current liabilities	(90.61)
Other current liabilities	(1,036.96)
Total net identifiable assets acquired	(1,548.62)

C. Goodwill

	Amount
<i>In lakhs of INR</i>	
Consideration transferred	2,260.20
Fair value of net identifiable assets	1,548.62
Goodwill	3,808.82



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40 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

A. Disaggregated revenue information

Segment	31 March 2020			31 March 2019		
	India	Outside India	Total	India	Outside India	Total
Type of goods or service						
Revenue from supply chain management services	1,60,864.68	4,99,590.25	6,60,454.93	1,50,409.28	5,27,582.13	6,77,991.41
Total revenue from contracts with customers	1,60,864.68	4,99,590.25	6,60,454.93	1,50,409.28	5,27,582.13	6,77,991.41

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	31 March 2020	31 March 2019
Lastmile fulfilment	1,52,467.88	1,45,792.19
Outsourced supply chain management	3,34,182.27	3,29,718.10
Inter-continental movement	1,72,233.53	2,00,286.34
Others	1,571.26	2,194.78
	6,60,454.94	6,77,991.41

C. Summary of contract balances

Particulars	31-Mar-20	31-Mar-19
Trade Receivables	1,38,201.34	1,30,455.99
Contract assets (Refer note (a) below)	24,376.58	23,031.84
Advance from Customers	1,152.76	786.77

Note:

a. Contract assets are initially recognised for revenue earned from supply chain management services as receipt of consideration is conditional on successful completion. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

D. Reconciliation of Revenue from sale of products/services with the contracted price

Particulars	31-Mar-20	31-Mar-19
Revenue as per contracted price	6,61,318.52	6,78,971.82
Less: Trade discounts, volume rebates etc.	863.58	980.41
Revenue as per statement of profit and loss	6,60,454.94	6,77,991.41



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41 Transfer pricing

The Company and its subsidiaries each have international and domestic transactions with related parties. The management confirms that it maintains documents as prescribed by the respective laws and regulations of the various jurisdictions in which the Group operates to prove that the international and domestic transactions are at arm's length and the aforesaid laws and regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

42 Related party disclosures

A. Enterprise having significant influence	T V Sundram Iyengar & Sons Private Limited CDPQ Private Equity Asia PTE. LTD.
B. Subsidiaries of T V Sundram Iyengar & Sons Private Limited	TVS Motor Company Limited Sundaram Clayton Limited Lucas-TVS Limited Sundaram Industries Private Limited Lucas Indian Service Limited Sundaram Auto Components Limited TVS Automobile Solutions Private Limited Sundram Fasteners Limited TVS Electronics Limited Sundram Precision Components Limited TVS Training and Services Limited TVS Distribution & Services Middle East FZE
C. Joint Ventures	TVS Infrastructure Private Limited TVS Toyota Tsusho Supply Chain Solutions Limited (upto 31 March 2018) (Subsidiary from 1 April 2018) <i>Subsidiaries of T&T One Asia Limited</i> China Network Logistics Limited, China Shanghai Hurrytop Warehouse and Delivery Co., Ltd. Shanghai Feipeng Logistics Co., Ltd., China Shanghai Hurrytop E-commerce Delivery Co. Limited. Shanghai Hurrytop Supply Chain Management Co. Limited. Linfox TVS Solutions Pty Limited, Australia
D. Associates	Montara Verpacken mit System GmbH, Germany <i>Subsidiaries of Montara Verpacken mit System GmbH, Germany</i> Montara North America Corporation, USA



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

42 Related party disclosures (continued)
E. Joint ventures of A

SI Airsprings Private Limited (formerly known as Firestone TVS Private Limited)

F. Key management personnel (KMP)

Mr. R. Dinesh, Managing director
Mr. Ravi Viswanathan, Joint Managing Director
Mr. S. Ravichandran, Deputy managing director

G. Entities controlled by KMP / relatives of KMP of the Company

Dinram Logistics Services LLP
DRSR Advisory Services LLP
TVS Srichakra Limited

Transactions during the year

	Year ended 31 March 2020	Year ended 31 March 2019
Income from logistics services		
Lucas-TVS Limited	1,394.34	1,847.04
Sundaram Auto Components Limited	-	2.25
Sundaram Clayton Limited	221.12	433.45
Sundaram Industries Private Limited	140.76	150.96
Sundram Fasteners Limited	127.94	117.62
T V Sundram Iyengar & Sons Private Limited	961.80	56.39
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	1.82	-
TVS Motor Company Limited	7,442.65	9,485.34
TVS Srichakra Limited	6,091.55	2,009.15
TVS Training And Services Limited	42.59	42.54
SI Airsprings Private Limited (formerly known as Firestone TVS Private Limited)	54.33	102.97
Lucas Indian Service Limited	62.95	47.56
Other income		
TVS Training and Services Limited	-	0.55
TVS Srichakra Limited	-	25.00
Lucas TVS Limited	-	14.46
Sundaram Industries Private Limited	-	0.35
Reimbursement of expenses from		
T V Sundram Iyengar & Sons Private Limited	3.10	26.48
Sundaram Industries Private Limited	-	0.12
Purchase of spares, fuel, others		
T V Sundram Iyengar & Sons Private Limited	3.69	37.58
Sundaram Industries Private Limited	45.19	50.63
Lucas Indian Service Limited	-	6.33
Sundram Fasteners Limited	0.11	7.83
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	0.22	20.38
Freight, packing and forwarding expenses		
TVS Motor Company Limited	2.43	6.51
TVS Electronics Limited	0.69	1.74



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***42 Related party disclosures (continued)****Transactions during the year (continued)**

	Year ended 31 March 2020	Year ended 31 March 2019
Rent		
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	893.14	701.17
T V Sundram Iyengar & Sons Private Limited	176.45	150.53
Lucas-TVS Limited	1.80	1.80
Repairs and maintenance		
T V Sundram Iyengar & Sons Private Limited	4.93	1.50
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	6.25	9.70
Expenses incurred by and reimbursed to		
T V Sundram Iyengar & Sons Private Limited	246.02	16.60
Other expenses		
Montara India Private Limited	-	8.36
T V Sundram Iyengar & Sons Private Limited	73.22	231.00
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	32.70	-
Purchase of fixed assets		
T V Sundram Iyengar & Sons Private Limited	-	297.34
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	-
TVS Motor Company Limited	14.82	12.09
Sundaram Fasteners Limited	7.57	-
Lucas India Service Limited	6.27	-
Purchase of Leasehold Improvement		
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	40.58	169.92
Remuneration to Key Managerial Personnel		
Salaries, wages and bonus to deputy managing director (including contribution to provident and other funds)	565.26	481.40
Salaries, wages and bonus to joint managing director (including contribution to provident and other funds) (w.e.f. 14th Feb 2020)	348.05	-
Remuneration to managing director	463.34	426.13

As the future liabilities of gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the KMP is not ascertainable separately and therefore not included above.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

42 Related party disclosures (continued)

Year end balances:

Receivables

	31 March 2020	31 March 2019
Lucas Indian Service Limited	21.89	10.86
Lucas-TVS Limited	122.93	384.99
Sundaram Clayton Limited	30.84	63.11
Sundaram Industries Private Limited	82.05	90.56
Sundram Fasteners Limited	28.71	91.48
T V Sundram Iyengar & Sons Private Limited	370.01	33.27
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	42.79
TVS Motor Company Limited	833.08	621.99
TVS Srichakra Limited	750.94	606.97
TVS Training And Services Limited	29.37	33.19
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	30.72
SI Airsprings Private Limited (formerly known as Firestone TVS Private Limited)	6.90	30.71
Sundaram Fasteners Limited	26.09	-

Other receivables - Unbilled revenue

Lucas TVS Limited	23.43	5.86
Lucas Indian Service Limited	3.81	4.53
Sundaram Clayton Limited	8.00	5.17
Sundaram Fasteners Limited	2.55	2.23
T V Sundram Iyengar & Sons Private Limited	118.56	34.22
TVS Motor Company Limited	19.76	416.30
TVS Srichakra Limited	131.60	733.48

Security deposits (based on transaction value, not discounted)

TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	762.83	735.65
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Advance for Supply of Goods & Services

TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	28.45	-
T V Sundram Iyengar & Sons Private Limited	21.23	42.79

Payables

Lucas-TVS Limited	0.16	0.34
Lucas Indian Service Limited	1.06	-
Montara India Pvt Limited	-	-
Sundaram Industries Private Limited	14.03	0.77
Sundram Fasteners Limited	2.19	1.11
T V Sundram Iyengar & Sons Private Limited	35.21	281.24
TVS Motor Company Limited	-	7.68
TVS Srichakra Ltd	56.97	-
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	10.34	19.00

Payable to Key Managerial Personnel

Salaries, wages and bonus to Deputy managing director	250.00	250.00
Salaries, wages and bonus to Joint managing director	180.00	-
Commission to Managing director	400.00	200.00



43 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

	Note	Carrying amount					
		31-Mar-20			31-Mar-19		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets measured at fair value							
Quoted debt securities	19	-	-	-	1,173.34	-	-
Other financial assets	21	-	-	-	174.72	-	-
Total		-	-	-	1,348.06	-	-
Financial assets not measured at fair value							
Investments	19	-	-	1,322.80	-	-	1,288.68
Deposits and other receivables	20	-	-	9,696.76	-	-	8,812.84
Trade receivables	24	-	-	1,30,727.96	-	-	1,20,850.53
Cash and cash equivalents	25	-	-	88,461.28	-	-	47,485.17
Other bank balances	26	-	-	26,216.52	-	-	2,410.27
Other financial assets	21	-	-	25,604.51	-	-	23,859.84
Total		-	-	2,82,029.83	-	-	2,04,707.33
Financial liabilities measured at fair value							
Derivatives - Forward contract payables	32	1,205.60	-	-	1,123.27	-	-
Written put option/ forward obligation liability	32	3,854.41	-	-	3,157.60	-	-
Total		5,060.01	-	-	4,280.87	-	-
Financial liabilities not measured at fair value							
Borrowings	30	-	-	2,12,189.15	-	-	1,43,245.42
Lease liability	16B	-	-	1,18,243.64	-	-	98,973.72
Trade payables	31	-	-	1,01,258.21	-	-	99,180.94
Other financial liabilities	32	-	-	19,542.99	-	-	23,737.27
Total		-	-	4,51,233.99	-	-	3,65,137.35



43 Financial instruments - Fair values and risk management (continued)

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value:

(a) Financial assets and liabilities valued at fair value

Particulars	As at 31 March 2020			As at 31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:						
Investments - Quoted debt securities	-	-	-	1,173.34	-	-
Other financial assets	-	-	-	-	174.72	-
Liabilities:						
Derivatives - Forward contract payables	-	1,205.60	-	-	1,123.27	-
Written put option/ forward obligation liability	-	-	3,854.41	-	-	3,157.60

The Group has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Group has also not disclosed fair values of investments carried at cost.

C. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. The contingent consideration has been settled in the previous year ended 31 March 2020 and hence doesn't pose any sensitivity risk in the equity.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivatives - Forward contract payables	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies	Not applicable	Not applicable
Written put option/ forward obligation liability	Discounted cash flows: The written put option/ forward obligation liability is calculated at fair value using a level 3 (unobservable input). This reflects the best estimate of the fair value of this contract at the balance sheet date.	Forecast EBITDA, Risk adjusted interest rate	The estimated fair value would increase (decrease) if: - the forecast EBITDA were higher (lower); - the risk adjusted interest rate were lower (higher).



43 Financial instruments - Fair values and risk management (Continued)

Sensitivity analysis

For the fair values of written put option/ forward obligation liability, reasonable possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

	31-Mar-20		31-Mar-19	
	Profit or (loss)		Profit or (loss)	
	Increase	Decrease	Increase	Decrease
Written put option/ forward obligation liability				
EBITDA (1% movement)	(38.54)	38.54	(31.58)	31.58
Risk adjusted interest rate (1% movement)	-	-	-	-



43 Financial instruments - Fair values and risk management (continued)

D. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. 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; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2020	31 March 2019
Trade receivables	1,30,727.96	1,20,850.53
Investments	1,322.80	2,462.02
Cash and cash equivalents	88,461.28	47,485.17
Other bank balances	26,216.52	2,410.27
Deposits and other receivables	9,696.76	8,816.98
Other financial assets	25,604.51	24,034.56
Total	2,82,029.83	2,06,059.53

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.



43 Financial instruments - Fair values and risk management (continued)

D. Financial risk management (continued)

Cash and cash equivalents and other bank balances

The Group holds cash and bank balances of INR 1,14,677.79 lakhs as at 31 March 2020 (31 March 2019: INR 49,895.44 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets

The Group holds deposits and other receivables, investments and other financial assets of INR 36,624.04 lakhs as at 31 March 2020 (31 March 2019: INR 35,309.43 lakhs). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

D. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

			Contractual cash flows		
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
31 March 2020					
Non derivative financial liabilities					
Current and non-current borrowings					
Secured term loans from banks (refer note 2A)	94,107.99	94,107.99	5,069.23	89,038.76	-
Unsecured term loans from banks	6,200.00	6,200.00	6,200.00	-	-
Secured term loans from financial institutions	7,658.64	7,691.75	7,687.88	3.59	0.28
Unsecured term loan from Financial institutions	5,080.00	5,080.00	5,080.00		
Secured long term obligations under finance leases	2,559.76	2,559.76	676.86	1,882.90	-
Secured cash credit from banks	5,261.96	5,261.96	5,261.96	-	-
Unsecured cash credit from banks	23.65	23.65	23.65	-	-
Secured revolving credit facility	45,165.16	45,165.16	45,165.16	-	-
Secured loans repayable on demand	6,569.26	6,569.26	6,569.26	-	-
Unsecured bills discounting	4,353.56	4,353.56	4,353.56	-	-
Unsecured loans repayable on demand	40,360.02	40,360.02	40,360.02	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-
Unsecured other short term loans	340.00	340.00	340.00	-	-
Others					
Trade payables	1,01,258.21	1,01,258.21	1,01,258.21	-	-
Lease liability	1,18,243.64	1,32,503.09	30,122.96	78,727.64	23,652.49
Other financial liabilities	18,220.56	18,220.56	14,590.64	3,629.92	-
	4,56,294.01	4,70,586.57	2,73,650.99	1,73,282.81	23,652.77

	Contractual cash flows				
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
31 March 2019					
Non derivative financial liabilities					
Current and non-current borrowings					
Secured term loans from banks	92,511.05	92,511.05	6,632.90	85,878.15	-
Unsecured term loans from banks	2,100.00	2,100.00	-	2,100.00	-
Secured term loans from financial institutions	5,720.11	5,720.11	5,083.53	636.58	-
Secured long term obligations under finance leases	2,752.77	2,752.77	933.75	1,819.02	-
Secured cash credit from banks	5,400.90	5,400.90	5,400.90	-	-
Unsecured cash credit from banks	1,771.27	1,771.27	1,771.27	-	-
Secured revolving credit facility	30,474.90	30,474.90	30,474.90	-	-
Secured loans repayable on demand	2,915.55	2,915.55	2,915.55	-	-
Unsecured bills discounting	-	-	-	-	-
Unsecured loans repayable on demand	6,750.00	6,750.00	6,750.00	-	-
Unsecured commercial paper	47.45	47.45	47.45	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-
Unsecured other short term loans	340.00	340.00	340.00	-	-
Others					
Trade payables	99,180.94	99,180.94	99,180.94	-	-
Lease liability	98,973.72	1,35,586.95	32,974.07	88,017.04	14,595.84
Other financial liabilities	19,587.96	19,587.96	18,442.97	1,144.99	-
	3,69,418.22	4,06,031.45	2,11,839.83	1,79,595.78	14,595.84



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43 Financial instruments - Fair values and risk management (continued)

iv. Market risk

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 and optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, payables, receivables, etc. are denominated in a currency other than the respective functional currency of each of the entities in the Group. The Group does not hedge its foreign currency risk in general except in case of certain payables and receivables denominated in foreign currency which are hedged through the use of foreign currency swaps and forwards. Refer note 43 (v) for further details on hedging activities and derivatives.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the ₹ against the respective currencies noted below at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Weakening	Strengthening
31 March 2020				
United States Dollar (1% movement)	(31.08)	31.08	-	-
Euro (1% movement)	11.45	(11.45)	-	-
Great Britain Pounds (1% movement)	(480.69)	480.69	-	-
Australian Dollar (1% movement)	37.31	(37.31)	-	-
Singapore Dollar (1% movement)	(9.39)	9.39	-	-
Thailand Bhat (1% movement)	(1.21)	1.21	-	-
Others (1% movement)*	466.43	(466.43)	-	-
31 March 2019				
United States Dollar (1% movement)	(432.10)	432.10	-	-
Euro (1% movement)	128.26	(128.26)	-	-
Great Britain Pounds (1% movement)	149.15	(149.15)	-	-
Australian Dollar (1% movement)	4.52	(4.52)	-	-
Singapore Dollar (1% movement)	9.82	(9.82)	-	-
Thailand Bhat (1% movement)	13.50	(13.50)	-	-
Others (1% movement)*	45.08	(45.08)	-	-

The above table also includes sensitivity analysis on inter group receivables/ payables which are denominated in a foreign currency. Such inter-group receivables and payables, though eliminated on consolidation give rise to currency risk and hence, the same has been disclosed.

*Others mainly include currencies such as Malaysian ringgit, Hong Kong dollar, Indonesian rupiah, South Korean won, New Taiwan dollar, Canadian dollar and New Zealand dollar.

Interest rate risk

The Group has only two types of variable rate instrument i.e. cash credit facility being used for cash management purposes and certain working capital demand loans.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	31 March 2020	31 March 2019
Variable rate instruments		
<i>Financial liabilities</i>		
- Term loans from banks	95,074.69	92,443.74
- Cash credit from banks	5,285.62	5,456.35
- Revolving credit facility	45,165.16	30,474.90
- Loans repayable on demand	39,350.00	-
- Bills discounting	4,353.56	-



43 Financial instruments - Fair values and risk management (continued)

Fixed rate instruments

<i>Financial assets</i>		
- Deposits with banks	26,853.32	3,539.15
<i>Financial liabilities</i>		
- Term loans from banks	5,233.30	2,167.30
- Term loans from financial institutions	12,738.64	5,720.11
- Finance lease obligations	2,559.76	2,752.77
- Cash credit from banks	-	1,715.82
- Loans repayable on demand	7,579.28	9,665.55
- Commercial Paper	-	47.45
- Redeemable preference shares	891.60	891.60
- Other short term loans	340.00	340.00

iv. Market risk (continued)

Interest rate risk (continued)

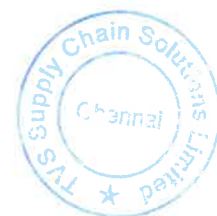
Fair value sensitivity analysis for fixed rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	(Profit) or loss		Equity	
	100 bp decrease	100 bp increase	100 bp decrease	100 bp increase
31 March 2020				
<i>Financial liabilities</i>				
- Term loans from banks	(950.75)	950.75	-	-
- Cash credit from banks	(52.86)	52.86	-	-
- Revolving credit facility	(451.65)	451.65	-	-
- Loans repayable on demand	(393.50)	393.50	-	-
- Bills discounting	(43.54)	43.54	-	-
Cash flow sensitivity (net)	(1,892.29)	1,892.29	-	-
31 March 2019				
<i>Financial liabilities</i>				
- Term loans from banks	(924.44)	924.44	-	-
- Cash credit from banks	(54.56)	54.56	-	-
- Revolving credit facility	(304.75)	304.75	-	-
Cash flow sensitivity (net)	(1,283.75)	1,283.75	-	-



43 Financial instruments - Fair values and risk management (continued)

v. Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

Derivatives not designated as hedging instruments

The company has entered into forward contracts with HDFC bank for the loans given by the company to its wholly owned subsidiary and these are not designated as hedges. The company has recognized a loss of Rs. 1205.60 as at March 31, 2020 and carries the same in the balance sheet as derivative liability under current portion of other financial liabilities. (Refer note :32)

Derivatives designated as hedging instruments

Cash flow hedges

The group is exposed to interest rate risks and foreign currency risks for its certain borrowing arrangement at LIBOR plus margin rates in foreign currencies.

Interest rate risk:

Variability in interest paid on the loan attributable to movements in floating interest rate. To hedge changes in the LIBOR interest rate while making interest payments on quarterly basis, the Group had entered into Interest rate swaps (IRS)/Cross currency Interest rate swaps (CCIRS) in the previous year ended 31 March 2019. The hedge results in fixed interest cash flows. These hedging instruments were fully settled on 24 March 2020 and no hedge exists as at 31 March 2020 (refer note 30A(iii)).

Foreign currency risk:

Variability in interest and principal paid on the loan attributable to movements in foreign currency exchange rate. To hedge changes in the foreign currency exchange rate while making interest on quarterly basis and principal repayments, the Company had entered into CCIRS in the previous year ended 31 March 2019. The hedge results in fixed cash flows. These hedging instruments were fully settled on 24 March 2020 and no hedge exists as at 31 March 2020 (refer note 30A(iii)).

There is an economic relationship between the hedged items and the hedging instruments as the critical terms of the hedged item are closely aligned with the hedging instrument from the inception of the hedge till termination. The Group has assessed hedge effectiveness and established an economic relationship at the inception of the hedge and across the tenor of the hedging relationship

The Group held the following foreign exchange forward contracts as at 31 March 2019 :

	1 to 6 Months	6 to 12 Months	More than 12 Months	Total
Interest rate swap				
Notional principal amount (In INR Lakhs)	-	1,428.39	18,977.15	20,405.54
Cross currency interest rate swap				
Notional principal amount (In INR Lakhs)	-	1,563.48	20,771.93	22,335.41
Average Forward Rate (SGD/USD)	-	1.38	1.38	1.38

The impact of hedging instruments on the balance sheet as at 31 March, 2019 was as follows:

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Interest rate swap	20,405.53	387.51	Other financial liabilities	387.51
Cross currency interest rate swap	22,335.41	735.75	Other financial liabilities	735.75

The impact of hedged item & cash flow hedge reserve on the balance sheet as at 31 March 2019 was as follows:

	Change in fair value used for measuring ineffectiveness	Cash flow hedge reserve
Interest rate swap	283.56	387.51
Cross currency interest rate swap	735.75	735.75

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income was, as follows:

	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Year ended 31 March 2019					
Interest rate swap	(421.10)	104.66	-	138.25	Finance costs
Cross currency interest rate swap	(664.19)	306.57	-	235.01	Finance costs



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

44 Additional information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries/ associates/ joint ventures

31-Mar-20	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Supply Chain Solutions Limited	139.78%	82,555.67	6.55%	(1,584.11)	15.72%	(121.69)	6.84%	(1,705.80)
Domestic Subsidiaries - (parent's share)								
Drive India Enterprise Solutions Limited	-0.76%	(449.53)	0.19%	(45.14)	0.25%	(1.94)	0.19%	(47.08)
TVS Dynamic Global Freight Services Limited	7.40%	4,373.14	-3.05%	736.91	1.66%	(12.87)	-2.90%	724.04
FLEXOL Packaging (India) Limited	0.68%	403.96	1.44%	(348.32)	-0.36%	2.79	1.38%	(345.53)
TVS Aviation Logistics Limited	0.00%	-	0.00%	-	0.00%	-	-	-
SPC International (India) Private Limited	1.63%	964.62	-0.41%	99.67	0.00%	-	-0.40%	99.67
TVS Toyota Tsusho Supply Chain Solutions Ltd.	1.75%	1,035.58	-1.06%	255.49	-0.12%	0.95	-1.03%	256.44
White Data Systems India Pvt. Ltd.	6.23%	3,679.61	0.69%	(165.98)	2.27%	(17.55)	0.74%	(183.53)
Foreign Subsidiaries - (parent's share)								
TVS Logistics SIAM Limited	-0.51%	(299.24)	0.45%	(108.48)	0.00%	-	0.43%	(108.48)
TVS Logistics Investment USA Inc., USA and its subsidiaries	-9.44%	(5,573.37)	24.62%	(5,952.45)	0.00%	-	23.85%	(5,952.45)
TVS Logistics Investment UK Limited and its subsidiaries	60.32%	35,627.12	-15.82%	3,824.68	35.25%	(272.92)	-14.23%	3,551.76
TVS-Asianics Supply Chain Solutions Limited, Singapore and its subsidiaries	-31.30%	(18,487.66)	76.37%	(18,467.15)	0.00%	-	74.00%	(18,467.15)
Non-controlling interests in all subsidiaries	13.52%	7,982.42	0.00%	(5,566.43)	21.72%	(168.12)	22.98%	(5,734.55)
Associates								
Montara Verpacken mit System GmbH	0.25%	148.98	0.00%	-	0.00%	-	0.00%	-
Joint venture								
TVS Infrastructure Private Limited	6.04%	3,564.83	-0.91%	218.98	0.00%	-	-0.88%	218.98
Eliminations	-95.60%	(56,464.04)	-12.08%	2,922.15	23.62%	(182.85)	-10.98%	2,739.30
As at 31 March 2020	100%	59,062.09	100%	(24,180.18)	100%	(774.21)	100%	(24,954.38)



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

31-Mar-19	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Supply Chain Solutions Limited	99.00%	65,332.26	3.56%	(115.96)	12.59%	(105.48)	5.41%	(221.44)
Domestic Subsidiaries - (parent's share)								
Drive India Enterprise Solutions Limited	1.28%	846.36	0.00%	(0.07)	-0.33%	2.81	-0.07%	2.74
TVS Dynamic Global Freight Services Limited	5.75%	3,793.46	-26.86%	874.50	0.45%	(3.80)	-21.27%	870.70
FLEXOL Packaging (India) Limited	1.16%	767.92	-0.19%	6.20	0.14%	(1.19)	-0.12%	5.01
SFC International (India) Private Limited	1.34%	883.94	-1.38%	44.83	0.00%	-	-1.10%	44.83
TVS Toyota Tsusho Supply Chain Solutions Ltd.	1.28%	847.18	-4.74%	154.32	0.23%	(1.92)	-3.72%	152.40
White Data Systems India Pvt. Ltd.	5.86%	3,866.27	1.24%	(40.30)	0.41%	(3.40)	1.07%	(43.70)
Foreign Subsidiaries - (parent's share)								
TVS Logistics SIAM Limited	-0.27%	(180.61)	2.84%	(92.50)	0.52%	(4.38)	2.37%	(96.88)
TVS Logistics Investment USA Inc., USA and its subsidiaries	1.97%	1,303.35	-23.35%	760.19	-6.65%	55.74	-19.93%	815.93
TVS Logistics Investment UK Limited and its subsidiaries	37.13%	24,505.63	-141.79%	4,615.87	40.22%	(337.04)	-104.53%	4,278.83
TVS-Asiatics Supply Chain Solutions Limited, Singapore and its subsidiaries	-22.56%	(14,886.25)	299.09%	(9,736.71)	45.07%	(377.71)	247.08%	(10,114.42)
Non-controlling interests in all subsidiaries								
	6.12%	4,039.38	58.54%	(1,905.72)	2.32%	(19.48)	47.03%	(1,925.20)
Associates								
Montara Verpacken mit System GmbH	0.22%	143.08	0.00%	-	0.00%	-	0.00%	-
Joint venture								
TVS Infrastructure Private Limited	5.07%	3,347.99	-6.92%	225.23	0.03%	(0.22)	-5.50%	225.01
Eliminations								
	-43.36%	(28,616.41)	-60.04%	1,954.64	5.01%	(42.00)	-46.72%	1,912.64
As at 31 March 2019	100%	65,993.55	100%	(3,255.49)	100%	(838.08)	100%	(4,093.57)



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

45 Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

A. The group has following non-current assets/disposal group recognised as held for sale as on 31 March 2020

Asset/Disposal group	Reportable segment
Drive India Enterprise Solutions Limited	India

B. The proposed sale is expected to be completed within 1 year from the respective reporting dates

C. Financial performance and cash flow information

The results of Drive India Enterprise Solutions Limited for the year are presented below:

	31 March 2020	31 March 2019
Total Revenues (includes other income)	1,515.89	3,086.30
Expense	1,559.40	4,772.98
Profit/(loss) before tax from a discontinued operation	(43.51)	(1,686.68)
Tax (expenses)/income:		
Tax relating to earlier periods	9.99	25.70
Profit/(loss) for the year from a discontinued operation	(53.50)	(1,712.38)
Earnings per share:		
Basic	(0.17)	(5.97)
Diluted	-	(5.97)

The net cash flows incurred by Drive India Enterprise Solutions Limited are, as follows:

Net cash inflow/(outflow) from operating activities	605.74	759.27
Net cash inflow/(outflow) from investing activities	(550.36)	194.92
Net cash inflow/(outflow) from financing activities	-	(592.75)
Net increase/(decrease) in cash generated from discontinued operation	55.38	361.44

D. The major classes of assets and liabilities of Drive India Enterprises Solutions Limited classified as held for sale as at 31 March 2020 are, as follows:

Group(s) of assets classified as held for sale:	31 March 2020	31 March 2019
Property, plant and equipment	2.18	3.10
Other intangible assets	218.90	218.92
Other financial assets - Non-current	466.57	25.59
Non-current tax assets (net)	87.08	293.96
Other non-current assets	692.76	538.95
Inventories	102.02	124.27
Trade receivables (Non-current & current)	3,485.81	3,881.87
Cash and cash equivalents	507.02	451.63
Other bank balances	-	3.99
Deposits & other receivables - current	1.17	-
Other financial assets - Current	342.47	838.77
Other current assets	442.91	1,767.92
	6,348.89	8,148.97
Liabilities associated with group(s) of assets classified as held for sale:		
Provisions - Non-current	2.63	4.71
Borrowings - Current	492.87	492.87
Trade payables (Non-current & current)	3,554.51	4,389.41
Other non-current liabilities	314.73	-
Other financial liabilities - Current	71.49	243.09
Provisions - current	1.15	1.72
Deferred tax liabilities	65.69	65.69
Other current liabilities	401.54	591.16
	4,904.61	5,788.65



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

46 List of subsidiaries

Name of direct subsidiaries of the Company	Country of incorporation	Ownership interest	
		31 March 2020	31 March 2019
TVS Dynamic Global Freight Services Limited	India	85.00%	85.00%
TVS Aviation Logistics Limited (Removed from Registrar of Companies)	India	0.00%	0.00%
Drive India Enterprises Solutions Limited	India	100.00%	100.00%
FLEXOL Packaging (India) Limited	India	67.55%	67.55%
TVS Packaging Solutions Private Limited	India	100.00%	100.00%
SPC International India Private Limited	India	100.00%	100.00%
TVS Logistics SIAM Limited	Thailand	100.00%	100.00%
TVS Logistics Investment UK Limited	United Kingdom	100.00%	100.00%
TVS Logistics Investments USA Inc.	USA	100.00%	100.00%
TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore	Singapore	93.31%	66.44%
TVS Toyota Tsusho Supply Chain Solutions Limited (from 01 April 2018)	India	60.00%	60.00%
White Data Systems India Pvt. Ltd (from 01 October 2018)	India	51.00%	51.00%
Name of step-down subsidiaries			
Subsidiaries of TVS Logistics Investment UK Limited			
TVS Supply Chain Solutions Limited, UK	United Kingdom	100.00%	100.00%
<i>Subsidiaries of TVS Supply Chain Solutions Limited, UK</i>			
MSys Software Solutions Limited, UK	United Kingdom	100.00%	100.00%
Multipart Limited, UK	United Kingdom	100.00%	100.00%
Linfox TVS Solutions Pty Limited	United Kingdom	100.00%	100.00%
Peter Thomas & Co (Refurbishing) Limited, UK	United Kingdom	100.00%	100.00%
TVS Logistics Iberia S.L., Spain	Spain	100.00%	100.00%
TVS Autoserv GmbH, Germany	Germany	51.00%	51.00%
TVS Supply Chain Solutions GmbH, Germany	Germany	100.00%	100.00%
Rico Logistics Limited, UK	United Kingdom	97.47%	97.47%
<i>Subsidiaries of Rico Logistics Limited, UK</i>			
Ricochet Spain S.L, Spain	Spain	100.00%	100.00%
<i>Subsidiaries of Ricochet Spain S.L., Spain</i>			
Eltec IT Services S.L.U		100.00%	100.00%
Rico Logistique, France	France	100.00%	100.00%
Rico Logistics Limited, Australia	Australia	100.00%	100.00%
Circle Express Limited, UK	United Kingdom	95.00%	85.00%
Tri - Tec Computer Support Limited, Northern Ireland	Northern Ireland	100.00%	100.00%
Tri - Tec Support Limited, Ireland	Ireland	100.00%	100.00%
TVS SCS Rico Italia SRL	Italy	100.00%	100.00%
Triage Holdings Limited	United Kingdom	80.00%	80.00%
<i>Subsidiaries of Triage Holdings Limited</i>			
Triage Service Limited	United Kingdom	100.00%	100.00%
OrderLogic Limited	United Kingdom	100.00%	100.00%
SPC International Limited, UK	United Kingdom	63.06%	63.06%
<i>Subsidiaries of SPC International Limited, UK</i>			
SPCINT Limited, UK	United Kingdom	100.00%	100.00%
SPC International (Engineering) Limited, UK	United Kingdom	100.00%	100.00%
Pitcomp 171 Limited, UK	United Kingdom	100.00%	100.00%
SPC EBT Trustees Limited, UK	United Kingdom	100.00%	100.00%
SPC International Inc., USA	USA	100.00%	100.00%
SPC International s.a.s, France	France	100.00%	100.00%
SPC International s.r.o., Slovakia	Slovakia	100.00%	100.00%
Subsidiaries of TVS Logistics Investments USA Inc.			
TVS America Inc., USA	USA	100.00%	100.00%
TVS Supply Chain Solutions North America Inc., USA	USA	100.00%	100.00%
<i>(formerly known as Wainwright Industries Inc. USA)</i>			
<i>Subsidiaries of TVS Supply Chain Solutions North America Inc., USA</i>			
Waintrans LLC, USA	USA	100.00%	100.00%
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	Mexico	99.00%	99.00%
TVS Packaging Solutions Inc. US	USA	100.00%	100.00%



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the consolidated financial statements for the year ended 31 March 2020 (continued)

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

46 List of subsidiaries (continued)

Subsidiaries of TVS Asianics Supply Chain Solutions Pte. Ltd

Nadal Forwarding S.L, Spain	Spain	100.00%	100.00%
<i>Subsidiaries of Nadal Forwarding S.L, Spain</i>			
Lineas Regulares XXI, S.L	Spain	99.75%	99.75%
Pan Asia Logistics International Pte. Ltd	Singapore	100.00%	100.00%
Pan Asia Logistics Singapore Pte. Ltd	Singapore	100.00%	100.00%
<i>Subsidiaries of Pan Asia Logistics Singapore Pte. Ltd</i>			
Pan Asia Logistics Limited, Shanghai	China	100.00%	100.00%
Pan Asia Logistics International (Korea) Ltd	Korea	100.00%	100.00%
Pan Asia Logistics (Thailand) Ltd	Thailand	49.00%	49.00%
Pan Asia Freight-Forwarding & Logistics Hong Kong Ltd	Hong Kong	100.00%	100.00%
Pan Asia Container Line Pte Ltd, Hong Kong	Hong Kong	100.00%	100.00%
Pan Asia Logistics Deutschland GmbH	Germany	100.00%	100.00%
Pan Asia Logistics Malaysia Sdn Bhd	Malaysia	100.00%	100.00%
Pan Asia Logistics Vietnam Company Ltd	Vietnam	95.00%	95.00%
PT Pan Asia Logistics Indonesia	Indonesia	90.00%	90.00%
Pan Asia Logistics Taiwan Ltd	Taiwan	100.00%	100.00%
Pan Asia Freight-Forwarding & Logistics India Pvt Ltd	India	99.99%	99.99%
TVS Asianics, Thailand (from April 2018)	Thailand	100.00%	100.00%
<i>Subsidiaries of TVS Asianics, Thailand</i>			
TLM Logistics Management Co., Ltd	Thailand	100.00%	100.00%
TVS-Asianics Australia Holdings Pty Ltd	Australia	100.00%	100.00%
<i>Subsidiaries of TVS-Asianics Australia Holdings Pty Ltd</i>			
T.I.F Holdings Pty. Ltd., Australia	Australia	100.00%	100.00%
<i>Subsidiaries of T.I.F Holdings Pty. Ltd., Australia</i>			
Transtar International Freight (Aust) Pty Ltd, Australia	Australia	100.00%	100.00%
Transtar International Freight Limited, New Zealand	New Zealand	100.00%	100.00%
KAHN Nominees Pty Ltd, Australia	Australia	100.00%	100.00%
Transtar International Freight Limited, Hong Kong	Hong Kong	100.00%	100.00%
Transtar International Freight (Singapore) Pte. Limited, Singapore	Singapore	100.00%	100.00%
Transtar International Freight (Shanghai) Limited, China	China	100.00%	100.00%
Transtar International Freight (Thailand) Limited, Thailand	Thailand	100.00%	100.00%
Transtar International Freight (Malaysia) SD Bhd, Malaysia	Malaysia	100.00%	100.00%
Transtar International Freight (USA) LLC, USA	USA	NA	NA
TIF Holdings (USA) LLC, USA	USA	NA	NA

47 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of these consolidated financial statements other than the below.

i) The Group has received an in-principle approval for waiver of compliance with certain key financial covenants till March 31, 2021 and has restructured certain key financial covenants of the existing facility agreements upto March 31, 2023 which would enable it to continue servicing the loans as per the existing repayment plan (refer note 2A).

ii) The Group had settlement of disputes with certain minority shareholders of TVS Asianics Supply Chain Solutions Pte Limited and the liability for the same is fully provided for in the financial statements.

48 Prior year comparatives

To conform to this year's classification, certain previous year figures have been reclassified/regrouped wherever necessary.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants



Bharath N S

Partner

Membership No. 210934

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited



Suresh Krishna

Chairman

DIN: 00046919



Ravi Viswanathan

Joint Managing Director

DIN: 08713910



Ravi Prakash Bhagavathula

Group Chief Financial Officer

R Dinesh

Managing Director

DIN: 00363300



S Ravichandran

Deputy Managing Director

DIN: 01485845



P D Krishna Prasad

Company Secretary

Place: Chennai

Date :31 August 2020

Place : Chennai

Date :31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED

Standalone Financial Statements

Financial year 2019-20

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Standalone Balance sheet as at 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	12	13,248.31	12,283.33
Capital work-in-progress		191.77	143.77
Goodwill	13A	5,287.90	5,287.90
Other intangible assets	13B	748.99	1,085.35
Right-of-use assets	13C	25,141.86	19,786.03
Financial assets			
Investments	14	41,457.00	26,854.11
Deposits and other receivables	16	3,502.08	7,213.06
Other financial assets	17	615.94	605.44
Deferred tax assets (net)	11	5,629.36	5,105.96
Non-current tax assets (net)		6,572.95	5,335.60
Other non-current assets	18	716.98	287.22
Total non-current assets		1,03,113.14	83,987.77
Current assets			
Inventories	19	130.51	129.51
Financial assets			
Investments	14	1,058.00	234.90
Trade receivables	20	39,582.86	27,771.38
Cash and cash equivalents	21	8,013.14	7,847.47
Other bank balances	22	249.40	266.73
Loans	15	44,596.27	7,188.16
Deposits and other receivables	16	15,461.26	15,205.56
Other financial assets	17	6,362.12	8,980.52
Other current assets	23	4,350.22	4,256.74
Assets held for sale	14A	-	-
Total current assets		1,19,803.78	71,880.97
Total assets		2,22,916.92	1,55,868.74
EQUITY AND LIABILITIES			
Equity			
Share capital	24A	3,176.21	3,166.71
Other equity	24B	79,379.15	62,165.55
Total equity		82,555.36	65,332.26



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Standalone Balance sheet as at 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	25	166.35	2,784.68
Lease liability	13C	20,761.85	13,444.41
Other financial liabilities	27	49.80	4,064.72
Provisions	28	431.62	620.41
Total non-current liabilities		21,409.62	20,914.22
Current liabilities			
Financial liabilities			
Borrowings	25	63,225.92	12,878.20
Lease liability	13C	6,249.30	8,780.25
Trade payables	26		
Dues to micro, small and medium enterprises		2,510.07	608.17
Dues to creditors other than micro, small and medium enterprises		31,162.85	35,864.96
Other financial liabilities	27	12,662.02	6,953.20
Provisions	28	946.76	1,203.63
Other current liabilities	29	2,195.02	3,333.85
Total current liabilities		1,18,951.94	69,622.26
Total liabilities		1,40,361.56	90,536.48
Total equity and liabilities		2,22,916.92	1,55,868.74

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants



Bharath N S
Partner
Membership No. 210934

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited




Suresh Krishna
Chairman
DIN: 00046919

R Dinesh
Managing Director
DIN: 00363300



Ravi Viswanathan
Joint Managing Director
DIN: 08713910



S Ravichandran
Deputy Managing Director
DIN: 01485845



Ravi Prakash Bhagavathula
Group Chief Financial Officer



P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 31 August 2020

Place : Chennai
Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Standalone statement of profit and loss for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations	5	1,49,400.09	1,42,546.24
Other income	6	12,529.05	8,378.19
Total income		1,61,929.14	1,50,924.43
Expenses			
Purchase of stock-in-trade		11,821.00	-
Employee benefits expense	7	40,004.96	37,803.93
Finance costs	8	7,571.97	3,741.87
Depreciation and amortisation expense	9	11,926.03	11,649.45
Other expenses	10	92,778.06	97,850.12
Total expenses		1,64,102.02	1,51,045.37
Profit before tax		(2,172.88)	(120.94)
Income tax expense	11		
Current tax		-	70.75
Deferred tax		(588.77)	(75.68)
Income tax expense		(588.77)	(4.93)
Profit/(loss) for the year		(1,584.11)	(116.01)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Re-measurement gains/ (losses) on defined benefit plans		187.06	(162.14)
Income tax relating to these items		(65.37)	56.66
Net other comprehensive income not to be reclassified subsequently to profit or loss		121.69	(105.48)
Other comprehensive income for the year, net of tax		121.69	(105.48)
Total comprehensive income for the year		(1,462.42)	(221.49)
Earnings per share (INR)	24E		
Basic		(4.95)	(0.37)
Diluted		(4.95)	(0.37)

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants

for and on behalf of the board of directors of

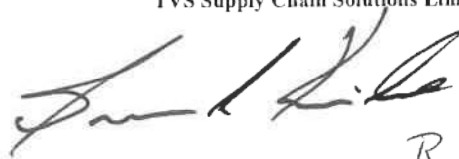
TVS Supply Chain Solutions Limited



Bharath N S

Partner

Membership No. 210934



Suresh Krishna

Chairman

DIN: 00046919



R Dinesh

Managing Director


DIN: 00363300



Ravi Viswanathan

Joint Managing Director

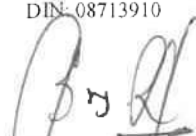
DIN: 08713910



S Ravichandran

Deputy Managing Director

DIN: 01485845



Ravi Prakash Bhagavathula

Group Chief Financial Officer



P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

Place : Chennai

Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
 Standalone statement of changes in equity for the year ended 31 March 2020
 (All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A Equity Share Capital	Note	Amount
Balance as at 31 March 2018		3,166.71
Changes in equity share capital during the year 2018-19	24A	-
Balance as at 31 March 2019		3,166.71
Changes in equity share capital during the year 2019-20	24A	9.50
Balance as at 31 March 2020		3,176.21

B Other equity

	Reserves and surplus						Items of OCI	Total
	Securities premium	Capital reserve	Capital redemption reserve	Share warrants	Share options	Compulsorily convertible preference shares	Retained earnings	
Balance at 01 April 2018	69,275.88	0.82	0.46	-	-	-	(5,504.64)	7.25
								63,779.77
Impact on first time adaption of Ind AS 116	-	-	-	-	-	-	(1,784.74)	-
								(1,784.74)
Total comprehensive income for the year ended 31 March 2019								
Profit/(loss) for the year	-	-	-	-	-	-	(116.01)	-
								(116.01)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(105.48)
								(105.48)
Total comprehensive income	-	-	-	-	-	-	(116.01)	(105.48)
								(221.49)
Transactions with owners recorded directly in equity								
Contributions by and distribution to owners								
Distribution of dividends to owners of equity	-	-	-	-	-	-	(398.60)	-
								(398.60)
Dividend distribution tax	-	-	-	-	-	-	(81.93)	-
								(81.93)
Recognition of share based payments	-	-	-	-	276.41	-	-	-
								276.41
Issue of share warrants during the year	-	-	-	225.63	-	-	-	-
								225.63
Issue of compulsorily convertible preference shares during the year	366.60	-	-	-	-	3.90	-	-
								370.50
Bonus issue of compulsorily convertible preference shares during the year	(15.10)	-	-	-	-	15.10	-	-
								-
Total contributions by and distributions to owners	351.50	-	-	225.63	276.41	19.00	(480.53)	-
								392.01
Balance at 31 March 2019	69,627.38	0.82	0.46	225.63	276.41	19.00	(7,885.92)	(98.23)
								62,165.55



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Standalone statement of changes in equity for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

B Other equity (continued)

Balance at 01 April 2019

Profit/(loss) for the year

Other comprehensive income (net of tax)

Total comprehensive income

Transactions with owners recorded directly in equity

Issue of convertible preference shares

Expense directly in relation to issue of convertible preference shares

Recognition of share based payments

Issue of equity shares pursuant to exercise of share warrants

Total contributions by and distributions to owners

Balance at 31 March 2020

	Reserves and surplus						Items of OCI	Total
	Securities premium	Capital reserve	Capital redemption reserve	Share warrants	Share options	Compulsorily convertible preference shares	Retained earnings	
Balance at 01 April 2019	69,627.38	0.82	0.46	225.63	276.41	19.00	(7,885.92)	62,165.55
Profit/(loss) for the year	-	-	-	-	-	-	(1,584.11)	(1,584.11)
Other comprehensive income (net of tax)	-	-	-	-	-	-	121.69	121.69
Total comprehensive income	-	-	-	-	-	-	(1,584.11)	(1,462.42)
Transactions with owners recorded directly in equity								
Issue of convertible preference shares	16,476.65	-	-	-	-	1,023.35	-	17,500.00
Expense directly in relation to issue of convertible preference shares	-	-	-	-	-	(356.70)	-	(356.70)
Recognition of share based payments	-	-	-	-	865.34	-	-	865.34
Issue of equity shares pursuant to exercise of share warrants	893.01	-	-	(225.63)	-	-	-	667.38
Total contributions by and distributions to owners	17,369.66	-	-	(225.63)	865.34	666.65	-	18,676.02
Balance at 31 March 2020	86,997.04	0.82	0.46	-	1,141.75	685.65	(9,470.03)	79,379.15

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants



Bharath N S

Partner

Membership No. 210934

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited



Suresh Krishna

Chairman

DIN: 00046919



Ravi Viswanathan

Joint Managing Director

DIN: 08713910



Ravi Prakash Bhagavathula

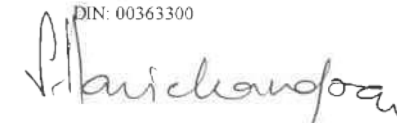
Group Chief Financial Officer



R Dinesh

Managing Director

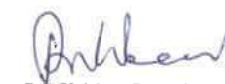
DIN: 00363300



S Ravichandran

Deputy Managing Director

DIN: 01485845



P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

Place : Chennai

Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Standalone statement of cash flows for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit for the year	(2,172.91)	(120.93)
Adjustments for:		
Interest income under the effective interest method on:		
Cash and cash equivalents	(113.83)	(41.35)
Security deposits carried at amortised cost	(241.71)	(288.86)
Investments in debentures carried at amortised cost	(30.82)	(667.24)
Loan to subsidiaries and joint ventures	(1,567.11)	(294.90)
Amortisation of financial guarantee liability	(1,744.48)	(1,629.18)
Provision no longer required written back	(640.31)	(2.00)
Provision for doubtful debts no longer required written back	-	(196.54)
Dividend income from subsidiaries	(102.00)	-
Income from mutual funds	-	(25.19)
Share based payments	641.43	183.12
Finance costs	7,571.97	3,741.87
Depreciation and amortisation expense	11,926.03	11,649.46
Gain on termination of lease contract	(914.46)	(460.45)
Interest income under income tax refund	(210.86)	-
Unrealised foreign exchange differences	(2,139.96)	(576.00)
Bad debts written off	10.10	86.84
Provision for doubtful debts	2,005.38	134.38
Loss on changes in fair value of financial assets measured at fair value through P&L	1,209.76	-
Provision for doubtful security deposits	-	(0.00)
Provision for doubtful loans and advances	-	6.89
(Gain)/Loss on sale of property, plant and equipment, net	16.45	(16.02)
Operating profit before changes in operating assets and liabilities	13,502.67	11,483.90
Change in operating assets and liabilities		
(Increase) / decrease in inventories	(1.00)	15.82
(Increase) / decrease in trade receivables	(13,826.97)	15.59
(Increase) / decrease in other current and non-current, financial and non-financial assets	9,588.88	(10,999.80)
Increase / (decrease) in trade payables	(2,159.85)	8,719.04
Increase / (decrease) in other current and non-current, financial and non-financial liabilities	(6,335.46)	2,012.68
Increase / (decrease) in provisions	(258.60)	517.67
Cash generated from operations	509.67	11,764.89
Income taxes paid, net of refunds	(1,237.35)	(1,965.15)
Net cash flow from/ (used in) operating activities	(727.68)	9,799.74
Cash flows used in investing activities		
Investment in bank deposits having an original maturity of more than three months	6.83	(64.28)
Payments for property, plant and equipment and other intangible assets	(3,770.12)	(4,250.52)
Proceeds from sale of property, plant and equipment	78.23	234.00
Investments in subsidiaries and joint ventures	(15,395.16)	(4,219.84)
Loans given to subsidiaries	(35,486.25)	(862.27)
Redemption of debentures carried at amortised cost	-	348.11
Payment of consideration payable and deferred consideration	-	(891.10)
Interest received	326.12	1,670.03
Dividend income from subsidiaries	102.00	-
Income from mutual funds	-	25.19
Interest income from debentures carried at amortised cost	-	61.80
Net cash flow used in investing activities	(54,138.35)	(7,948.88)



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Standalone statement of cash flows for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flows from/(used in) financing activities		
Proceeds from compulsorily convertible preference shares, (net)	17,143.30	370.50
Proceeds from issue of share warrants	676.88	225.63
Dividends paid	-	(480.55)
Proceeds from/(repayment) of short-term borrowings, net	50,347.72	6,066.70
Proceeds from long-term borrowings	3,015.98	75.95
Repayment of long-term borrowings	(811.47)	(893.04)
Interest paid	(5,013.36)	(1,597.36)
Payment of lease liabilities	(10,327.35)	(9,540.43)
Net cash flow from/ (used in) financing activities	55,031.70	(5,772.60)
Net increase / (decrease) in cash and cash equivalents	165.67	(3,921.74)
Cash and cash equivalents at the beginning of the financial year	7,847.47	11,769.21
Cash and cash equivalents at the end of the financial year	8,013.14	7,847.47

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants

for and on behalf of the board of directors of

TVS Supply Chain Solutions Limited



Bharath N S

Partner

Membership No. 210934



Suresh Krishna

Chairman

DIN: 00046919



R Dinesh

Managing Director

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S Ravichandran

Deputy Managing Director

DIN: 01485845



Ravi Prakash Bhagavathula

Group Chief Financial Officer



P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

Place : Chennai

Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

1 Reporting entity

TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) ('the Company') was incorporated on 16 November 2004 and is in the business of providing logistics services. The Company has been providing the entire basket of logistics services including aftermarket warehouse, in-plant warehouse, global supply chain management services, domestic supply chain management services, material handling services and services relating to installation and commissioning of telecom towers including managed services for telecom networks and associated supply chain management of the logistics activities for telecom service providers and OEMs.

2 Basis of preparation

A Statement of compliance and going concern assessment

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

In view of the matters as mentioned in Note 2.F (COVID Note), the company has assessed the impact of the Novel Coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligations as and when they are due.

With the gradual relaxation of lockdown rules, as well as resumption of commercial activities in a majority of geographies in which the company operates, management is confident that business will resume albeit likely at a lower level in the initial period but will be more robust from the second half of the financial year 2020-21. The company believes the pandemic is not expected to have any material medium to long term impact to its business prospects.

The company has made a detailed assessment of its liquidity position and has considered the possible impact of Covid 19 on the financial projections and commitments using available information, estimates and judgements. In borrowing arrangements, the company has not defaulted on any of the borrowings as at March 31, 2020 (Refer note 25).

Based on the foregoing and necessary stress tests considering various scenarios, management believes that the company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, the standalone financial statements have been prepared on a going concern basis.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 31 August, 2020.

Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 3 (K) & 5 - Recognition of revenue
- Note 3 (D) & (E), 12 and 13 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (B), 20 & 37 - Allowances for credit losses for trade receivables
- Note 3 (H), 30 - Assets and obligations relating to employee benefits
- Note 3 (L), 13C, 31 - Lease accounting

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 is included in the following notes:

- Note 3 (N) (ii) & 11 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Note 30 – measurement of defined benefit obligations: key actuarial assumptions
- Note 37 – impairment of financial assets



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) 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)

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 37 – financial instruments

F Estimation of uncertainties relating to the global health pandemic from COVID-19

COVID-19 pandemic (declared as such by the World Health Organisation on March 11, 2020), has contributed to widespread volatility and decrease in economic activity in, global and Indian markets. On March 24, 2020, the Indian government announced a strict lockdown in India to contain the spread of the virus, which has led to significant disruptions and dislocations for individuals and businesses, including in respect of the Company. Subsequent to relaxations to the said lockdown, the Company has commenced operations in May 2020 and currently operating on a limited capacity. However, various State governments in India have continued to impose lock downs over a period of time depending on the outbreak and there exists an uncertainty on the Company's ability to return to full capacity in its operations.

A detail assessment has been carried out by the Company for each business segment with regards to impact on revenue and costs. Impact due to any extended credit terms, cancelled orders, change in contractual terms, price concession request, onerous obligations etc. were comprehensively evaluated for any risk due to Covid-19 on revenue recognized and collectability thereof and no material impact has been noted.

In assessing the recoverability of its assets including receivables, property plant and equipment, intangibles, investments, goodwill etc., the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and make any necessary adjustments in the relevant financial period.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

3 Significant accounting policies

A Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

B Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost,
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

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 the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. 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 profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as 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. 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial 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.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

3 Significant accounting policies (continued)

B Financial instruments (continued)

iii. Derecognition (continued)

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises 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 profit or loss.

iv. 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 realise the asset and settle the liability simultaneously.

C Business combinations

i. Business combinations (other than common control business combinations) on or after 01 January 2011

The Company has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, retrospectively to those business combinations that occurred on or after 01 January 2011. In accordance with Ind AS 103, the Company accounts for these business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

ii. Business combinations prior to 01 January 2011

In respect of such business combinations, goodwill represents the amount recognised under the Company's previous accounting framework under Indian GAAP.

iii. Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established, for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts.

D Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties, if any and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the standalone financial statements for the year ended 31 March 2020***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***3 Significant accounting policies (continued)****D Property, plant and equipment (continued)****iii. Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Buildings	30-60
Plant and equipment	03-10
Furniture and fixtures	01-10
Vehicles	08-10
Office equipment	5
Computer equipment	03-06
Leasehold improvements	*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of)

E Goodwill and other intangibles**i. Goodwill**

Goodwill is recognised and is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Company's previously held equity shares in the acquiree, over the net of the consideration date amounts of the identifiable assets acquired and the liabilities assumed.

ii. Other intangible assets

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Brand	05
Customer relationship	07
Computer software	03-10

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

3 Significant accounting policies (continued)

F Inventories

Inventories consist of stores and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

G Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date, and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive)

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.



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3 Significant accounting policies (continued)

G Impairment (continued)

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

For disclosures relating to Goodwill impairment, refer to Note 16A of the Consolidated Financial Statements of the Company.

II Employee benefits & Share based payment arrangements

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, 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.

ii. Defined contribution plans

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 towards Government administered provident fund scheme, Employees State Insurance Scheme and an superannuation fund to Life Insurance Corporation (LIC). Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan 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 recognised 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 and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability 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, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised 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 recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

3 Significant accounting policies (continued)

iv. Share based payment arrangements

The share options granted to employees pursuant to the company's Management Incentive Plan (MIP) scheme, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

I Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

- (1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
- (2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
- (3) Such contract contains specific payment terms in relation to the Transfer;
- (4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
- (5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Performance Obligations:

a) Supply chain management

The Company's supply chain management segment generates revenue from services to its customers such as providing freight and other transportation services, warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

In the case of transportation services, performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred. Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis, and remit payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.



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3 Significant accounting policies (continued)

b) Telecommunication:

Telecommunication contract revenue arises from construction/ erection of towers for some of the Company's customers in the Telecommunications segment. These towers are constructed based on specifically negotiated contracts with customers by outsourcing the activities to sub-contractors.

Transaction price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. If the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss over the period in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed (output method). Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

c) Sale of goods

Revenue from sale of traded goods including telecommunication goods is recognised when the control of the same is transferred to the customer, generally on delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

L Leases

The Company has adopted Ind AS 116, Leases under full retrospective approach to each prior reporting period presented with effect from 1st April, 2019. Ind AS 116 primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost, subject to certain remeasurement adjustments.

The Company has elected to use the recognition exemptions for short term leases as well as low value assets. On transition to Ind AS 116, the Company elected to apply the following practical expedients:

- a) Grandfathering the assessment of which transactions are leases. The Company applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2018.
- b) To exclude initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Refer note 13C (c) for transition impact.



3 Significant accounting policies (continued)

L Leases (continued)

Company as lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings. (see note 25)

(iii) Short-term leases and leases of low-value assets

Lease payments on short-term leases and leases of low-value assets are recognised as expense on actual basis over the lease term.

(iv) Date of commencement of leases acquired under business combinations

The Company measures the lease liability at the present value of the remaining lease payments as at the acquisition date as if the acquired lease were a new lease as at that date. The Right-of-use asset is measured at the same amount as the lease liability plus or minus any asset or liability previously recognised in the original business combination accounting for the favourable or unfavourable lease terms.

(v) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Company as lessee

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as "lock-in" period in the lease contract. Generally, the lease contracts are cancellable once the "lock-in" period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Company has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Company to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Company concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Company as lessee

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.



3 Significant accounting policies (continued)

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset, or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Amendments issued by MCA to existing standards

The Company adopted following amendment issued by MCA effective from financial year beginning April 1, 2019.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

This amendment relates to tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:

1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In viceversa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions. The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



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3 Significant accounting policies (continued)

O 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 capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

P Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

Q Earnings per share

Basic earning per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

R Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.



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4 Operating segment

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of TVS Supply Chain Solutions Limited and therefore no separate disclosure on segment information is given in these standalone financial statements.

5 Revenue from operations

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products	13,136.44	-
Sale of services		
Income from supply chain management services	1,25,683.57	1,28,509.18
Income from telecom services	10,520.43	13,931.67
	1,36,204.00	1,42,440.85
Other operating revenue		
Scrap sales	59.65	105.39
	59.65	105.39
	1,49,400.09	1,42,546.24

6 Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income under the effective interest method on:		
Cash and cash equivalents	113.83	41.35
Security deposits carried at amortised cost	241.71	288.86
Investments in debentures carried at amortised cost	30.82	667.24
Loans to subsidiaries	1,567.11	294.90
Amortisation of financial guarantee liability	1,744.48	1,629.18
Interest income on income tax refund	210.86	35.54
Income from finance lease	112.04	16.18
Dividend income from subsidiaries	102.00	-
Gain on sale of PPE, net	-	16.02
Income from mutual funds	-	25.19
Exchange difference gain net	2,226.56	303.35
Provision no longer required written back	640.31	2.00
Provision for doubtful debts no longer required written back	-	196.54
Gain on termination of lease	914.46	460.45
Other non operating income	4,624.87	4,401.39
	12,529.05	8,378.19

7 Employee benefits expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus*	32,946.01	31,158.29
Contribution to provident and other funds	2,778.03	2,463.71
Share based payment costs**	641.43	183.12
Expenses related to post-employment defined benefit plans	453.33	448.03
Expenses related to compensated absences	276.97	272.20
Staff welfare expenses	2,909.19	3,278.58
	40,004.96	37,803.93

*Net of reimbursement of ₹ Nil (31 March 2019: ₹ 66 lakhs) in respect of corporate payroll costs recharged to Drive India Enterprise Solutions Limited.

**Net of ₹ 223.91 lakhs (31 March 2019: ₹ 93.29 lakhs) in respect of share options issued to the company's subsidiaries.

8 Finance costs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expenses	4,985.37	1,561.96
Finance cost of finance lease obligations	2,364.47	2,124.94
Other borrowing costs	222.13	54.97
	7,571.97	3,741.87



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

9 Depreciation and amortisation expense

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	2,507.88	2,505.45
Amortisation of right-of-use assets	8,883.70	8,499.14
Amortisation of intangible assets	534.45	644.86
	11,926.03	11,649.45

10 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Freight charges	49,295.39	54,128.75
Sub-contracting costs*	9,793.61	11,644.83
Staff transportation charges	1,390.45	1,579.63
Material handling charges	990.53	1,083.69
Casual labour charges	13,177.77	12,809.70
Consumption of stores and spares	708.05	864.73
Power and fuel	667.59	663.61
Rent	1,594.29	2,232.19
Rates and taxes	327.14	312.75
Insurance	241.81	217.17
Repairs and maintenance		
Plant and machinery	75.92	47.06
Buildings	246.72	184.89
Others	1,693.57	1,697.03
Advertisement and business promotion	153.20	190.89
Travelling and conveyance	1,232.81	1,170.84
Communication costs	415.01	445.79
Printing and stationery	581.66	474.78
Factoring charges	493.35	569.83
Bank charges	116.43	61.25
Legal and professional fees	3,137.01	4,225.15
Security expenses	2,547.58	2,405.17
Payment to auditors (refer note (a) below)	160.25	178.29
Bad debts written off (net of adjustment against provision for doubtful debts ₹ 2690.77 (31 March 2019: ₹ Nil))	10.10	86.84
Provision for doubtful debts/advances	2,005.38	134.38
Expenditure on corporate social responsibility (refer note (b) below)	46.95	69.17
Loss on sale of property plant and equipment, net	16.45	-
Loss on changes in fair value of financial instruments measured at fair value through P&L	1,209.76	-
Miscellaneous expenses	449.28	371.71
	92,778.06	97,850.12

* Represents cost of sub-contracting in respect of services relating to installation and commissioning of telecom towers.

10 Other expenses (continued)

(a) Details of payment to auditors

	Year ended 31 March 2020	Year ended 31 March 2019
As auditor		
Audit of standalone financial statements	37.00	34.00
Audit of consolidated financial statements	98.00	81.00
Tax audit	2.00	2.00
Review of interim periods	-	15.00
Other audit services (including certifications etc.)	7.25	1.00
Re-imbursement of expenses	1.00	17.74
In other capacities		
Other services	15.00	27.50
Re-imbursement of expenses		0.05
	160.25	178.29

(b) Corporate social responsibility expenditure

	Year ended 31 March 2020	Year ended 31 March 2019
Amount required to be spent as per section 135 of the Companies Act, 2013	42.68	62.31
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above on		
a) Rent	46.95	69.17



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

11 Income tax expense

A. Amounts recognised in profit or loss

	Year ended 31 March 2020	Year ended 31 March 2019
Current tax (a)		
Current tax	-	70.75
	-	70.75
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	(588.77)	(579.37)
MAT credit utilisation/ (entitlement)	-	194.63
Taxes attributable to prior years	-	309.06
	(588.77)	(75.68)
Tax expense (a+b)	(588.77)	(4.93)

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2020			Year ended 31 March 2019		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability / (asset)	187.06	(65.37)	121.69	(162.14)	56.66	(105.48)
	187.06	(65.37)	121.69	(162.14)	56.66	(105.48)

C. Reconciliation of effective tax rate

	Year ended 31 March 2020		Year ended 31 March 2019	
Profit before tax	(2,172.88)		(120.94)	
Tax using the Company's domestic tax rate*	34.94%	(759.30)	34.61%	(41.86)
Effects of:				
Permanent disallowances	-1%	22.79	-20%	23.68
Income not subject to tax	-16%	349.55	36%	(43.73)
Tax incentives	7%	(149.68)	137%	(165.58)
Items on which deferred tax assets have not been set up	0%		0%	-
Income taxable at special rates	0%		0%	-
Recognition of DTA previously unrecognized in prior years	0%		-1%	0.91
Deferred taxes utilization pertaining to prior years	0%		-255%	308.65
Change in unrecognised temporary differences	0%		0%	-
Others	2%	(52.13)	72%	(87.00)
Effective tax rate	27%	(588.77)	5%	(4.93)

* The Company has presently, decided not to opt for the New Tax Regime inserted as section 115BAA of the Income-tax Act, 1961 and enacted by the Taxation Laws (Amendment) Ordinance, 2019 (the Ordinance) which is applicable from Financial Year beginning April 1, 2019. The Company has accordingly applied the existing tax rates in the financial statements for the year ended March 31, 2020.



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Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

11 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

Deferred tax assets (net)	31 March 2020	31 March 2019
Deferred tax asset		
Employee benefits	1,458.10	897.43
Provision for diminution in financial assets, net	2,316.46	2,552.48
Tax incentives	3.06	5.10
Carried forward tax losses	95.55	95.55
MAT credit	0.00	0.00
Depreciation and amortisation	751.15	514.55
Right of use asset and lease liability	1,005.04	1,040.85
Net Deferred tax asset	5,629.36	5,105.96

b. Movement in deferred tax assets

	Balance as at 31 March 2018	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2019	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2020
Employee benefits	963.96	(123.19)	56.66	897.43	626.04	(65.37)	1,458.10
Provision for diminution in financial ass	2,106.52	445.96	-	2,552.48	(236.02)	-	2,316.46
Tax incentives	81.51	(76.41)	-	5.10	(2.04)	-	3.06
Carried forward tax losses	5.82	89.73	-	95.55	-	-	95.55
MAT credit	503.69	(503.69)	-	0.00	-	-	0.00
Depreciation and amortisation	353.48	161.07	-	514.55	236.60	-	751.15
Right of use asset and lease liability	958.64	82.21	-	1,040.85	(35.81)	-	1,005.04
Net Deferred tax asset	4,973.62	75.68	56.66	5,105.96	588.77	(65.37)	5,629.36

E. Unrecognised deferred tax assets

During the year, the company has recognised deferred tax assets to the extent that it is probable that future taxable profits will be available against which they can be used.

Particulars	31 March 2020		31 March 2019	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences	-	-	-	-

F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised is NIL.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

12 Property, plant and equipment

	Land	Building **	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total #
Gross carrying amount								
Balance at 01 April 2018	2,096.22	2,803.71	4,574.98	5,459.78	308.59	751.04	1,059.41	17,053.73
Additions	-	-	1,587.95	1,116.35	54.78	265.40	382.68	3,406.26
Disposals/adjustments***	-	-	(655.14)	(2,118.40)	(79.79)	(126.28)	(62.85)	(3,042.46)
Balance at 31 March 2019	2,096.22	2,803.71	5,506.89	4,457.73	283.58	890.16	1,379.24	17,417.53
Balance at 01 April 2019	2,096.22	2,803.71	5,506.89	4,457.73	283.58	890.16	1,379.24	17,417.53
Additions	-	-	1,242.00	1,495.11	199.48	263.03	536.94	3,736.56
Disposals***	-	-	(290.33)	(92.20)	(73.52)	(10.67)	(25.30)	(492.02)
Adjustments	-	-	72.70	175.12	-	12.52	25.01	285.35
Balance at 31 March 2020	2,096.22	2,803.71	6,531.26	6,035.76	409.54	1,155.04	1,915.89	20,947.42
Accumulated depreciation and Impairment losses								
Balance at 01 April 2018	-	99.12	1,421.68	1,573.68	73.37	323.26	482.57	3,973.68
Depreciation for the year	-	54.14	1,037.59	848.26	37.77	173.94	353.75	2,505.45
Disposals/adjustments***	-	-	(384.19)	(808.96)	(26.56)	(79.90)	(45.32)	(1,344.93)
Balance at 31 March 2019	-	153.26	2,075.08	1,612.98	84.58	417.30	791.00	5,134.20
Balance at 01 April 2019	-	153.26	2,075.08	1,612.98	84.58	417.30	791.00	5,134.20
Depreciation for the year	-	54.14	1,048.50	871.40	45.34	160.95	327.55	2,507.88
Disposals***	-	-	(41.58)	(13.88)	(28.85)	(6.07)	(18.12)	(108.50)
Adjustments	-	-	51.36	85.80	-	10.11	18.26	165.53
Balance at 31 March 2020	-	207.40	3,133.36	2,556.30	101.07	582.29	1,118.69	7,699.11
Carrying amounts (net)								
At 31 March 2019	2,096.22	2,650.45	3,431.81	2,844.75	199.00	472.86	588.24	12,283.33
At 31 March 2020	2,096.22	2,596.31	3,397.90	3,479.46	308.47	572.75	797.20	13,248.31

** The Company is still in the process of registering the title deeds of immovable properties comprising buildings acquired during the year ended March 31, 2016, from demerger of the third party logistics services business ('Service Business'/Demerged undertaking) of Drive India Enterprise Solutions Limited ('DIESL') amounting to a gross book value of ₹ 2.857 lakhs.

*** Includes certain assets procured exclusively for customers (net carrying amount of ₹ 291.25 L (Previous year : 1,481.69 L), which have been assessed to be finance lease in which the company is a lessor and accordingly reclassified.

Excludes assets held for sale classified under other current assets. Refer note 23



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

12 Property, plant and equipment (continued)

B Plant and equipment and vehicles held under finance lease

The Company has acquired certain plant and equipment and vehicles under finance lease arrangements. The gross and net carrying amounts of such assets acquired under leases included in the above reconciliation are as follows:

	31 March 2020	31 March 2019
Cost/ Deemed cost	206.07	188.99
Accumulated depreciation	(163.83)	(150.39)
Net carrying amount	42.24	38.60

C Security

For details of property, plant and equipment pledged provided as security against borrowings, refer [note 25](#)



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

13A Goodwill

Reconciliation of carrying amount

	Goodwill	Total
Gross carrying amount		
Balance at 01 April 2018	5,287.90	5,287.90
Acquisitions through business combinations	-	-
Disposals	-	-
Balance at 31 March 2019	5,287.90	5,287.90
Balance at 01 April 2019	5,287.90	5,287.90
Acquisitions through business combinations	-	-
Disposals	-	-
Balance at 31 March 2020	5,287.90	5,287.90
Accumulated impairment loss		
Balance at 01 April 2018	-	-
Impairment for the year	-	-
Disposals	-	-
Balance at 31 March 2019	-	-
Balance as at 01 April 2018	-	-
Impairment for the year	-	-
Disposals	-	-
Balance at 31 March 2020	-	-
Carrying amounts (net)		
At 31 March 2019	5,287.90	5,287.90
At 31 March 2020	5,287.90	5,287.90

13B Other intangible assets

Reconciliation of carrying amount

	Customer relationship	Brand	Computer software	Total
Gross carrying amount				
Balance at 01 April 2018	609.35	676.63	1,291.79	2,577.77
Acquisitions through business combinations	-	-	-	-
Additions	-	-	287.13	287.13
Disposals/retirement	-	-	(3.26)	(3.26)
Balance at 31 March 2019	609.35	676.63	1,575.66	2,861.64
Balance at 01 April 2019	609.35	676.63	1,575.66	2,861.64
Acquisitions through business combinations	-	-	-	-
Additions	-	-	199.58	199.58
Disposals/retirement	-	-	(1.49)	(1.49)
Balance at 31 March 2020	609.35	676.63	1,773.75	3,059.73
Accumulated amortisation and impairment loss				
Balance as at 01 April 2018	67.97	306.40	758.19	1,132.56
Amortisation for the year	87.05	153.20	404.61	644.86
Disposals/retirement	-	-	(1.13)	(1.13)
Balance at 31 March 2019	155.02	459.60	1,161.67	1,776.29
Balance as at 01 April 2019	155.02	459.60	1,161.67	1,776.29
Amortisation for the year	87.05	153.20	294.20	534.45
Disposals/retirement	-	-	-	-
Balance at 31 March 2020	242.07	612.80	1,455.87	2,310.74
Carrying amounts (net)				
At 31 March 2019	454.33	217.03	413.99	1,085.35
At 31 March 2020	367.28	63.83	317.88	748.99



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

13C Right of use assets

a The lease of buildings primarily consists of warehouses and office premises taken on lease for more than 12 months.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the period

	Building	Furniture and fixtures	Total
Net carrying amount			
Balance as at 1st April 2018 (Restated)	21,430.07	-	21,430.07
Additions	9,016.87	18.58	9,035.45
Reversals (less)	(2,180.35)	-	(2,180.35)
Amortisation (less)	(8,497.39)	(1.75)	(8,499.14)
Balance as at 31st March 2019 (Restated)	19,769.20	16.83	19,786.03
Additions	18,028.53	-	18,028.53
Reversals (less)	(3,789.00)	-	(3,789.00)
Amortisation (less)	(8,877.58)	(6.12)	(8,883.70)
Balance as at 31st March 2020	25,131.15	10.71	25,141.86

c Set out below are the carrying amounts of lease liabilities and the movement during the period

	31 March 2020	31 March 2019
Balance at the beginning of the year	22,224.66	23,339.67
Additions	17,452.83	8,924.65
Accretion of interest	2,364.47	2,124.94
Payments	(10,327.35)	(9,523.44)
Reversals	(4,703.46)	(2,641.16)
Balance at the end of the year	27,011.15	22,224.66
Current	6,249.30	8,780.25
Non - Current	20,761.85	13,444.41

d The following are recognised in the statement of profit and loss

	31 March 2020	31 March 2019
Amortisation expenses of right of use assets	8,883.70	8,499.14
Interest expenses on lease liabilities	2,364.47	2,124.94
Expenses relating to short term leases	1,382.27	1,649.89
Total amount recognised in profit or loss	12,630.44	12,273.97



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Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

13C Right of use assets (continued)

e Transition impact

The effect of adoption of Ind AS 116 is as follows;

Impact on standalone balance sheet (increase / (decrease)):	31 March 2020	31 March 2019	1 April 2018
Assets			
Right-of-use assets	25,141.86	19,786.03	21,430.07
Prepayments	(1,115.73)	(678.15)	(860.63)
Deferred tax assets	1,005.04	1,040.85	958.64
Total assets	25,031.17	20,148.73	21,528.08
Equity			
Retained earnings	(1,979.98)	(1,937.80)	(1,784.74)
Total equity	(1,979.98)	(1,937.80)	(1,784.74)
Liabilities			
Lease liabilities	27,011.15	22,224.66	23,339.67
Lease liabilities	27,011.15	22,224.66	23,339.67
Trade and other payables	-	(138.13)	(26.85)
Total liabilities	27,011.15	22,086.53	23,312.82
Impact on statement of profit and loss (increase/(decrease) in profit)	31 March 2020	31 March 2019	
Depreciation and amortisation	(8,883.70)	(8,499.14)	
Other expenses	10,327.35	9,928.36	
Finance cost	(2,364.47)	(2,124.94)	
Gain on termination of lease	914.46	460.45	
Income tax expense	(35.81)	82.21	
Profit/(loss) for the period	(42.18)	(153.06)	
Attributable to:			
- Equity holders of the parent	(42.18)	(153.06)	
Impact on statement of cash flows (increase/(decrease))	31 March 2020	31 March 2019	
Profit/(loss) before tax	(6.37)	(235.27)	
Adjustments:			
Depreciation and amortisation	8,883.70	8,499.14	
Finance cost	2,364.47	2,124.94	
Gain on termination of lease	(914.46)	(460.45)	
Operating profit before changes in operating assets and liabilities	10,327.34	9,928.36	
Decrease in other assets/liabilities		(404.92)	
Net cash flow from/ (used in) operating activities	10,327.34	9,523.44	
Payment of principal portion of lease liabilities	(7,962.88)	(7,398.51)	
Payment of interest portion of lease liabilities	(2,364.47)	(2,124.94)	
Net cash flow from/ (used in) financing activities	(10,327.34)	(9,523.44)	



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Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

14 Investments

A Non-current investments

Unquoted investments in equity instruments

Investments in subsidiaries

	31 March 2020	31 March 2019
TVS Dynamic Global Freight Services Limited 1,019,999 (31 March 2019 : 1,019,999) equity shares of ₹ 10 each fully paid up	6,800.00	6,800.00
TVS Logistics SiAM Limited, Thailand 100,000 (31 March 2019 : 100,000) ordinary shares of 100 Baht each fully paid up	188.45	188.45
TVS America Inc. 490 (31 March 2019 : 490) shares of no par value	90.04	90.04
TVS Logistics Investment UK Limited 6,195,698 (31 March 2019 : 6,195,698) ordinary shares of 1 GBP each fully paid up	5,066.44	5,066.44
TVS Logistics Investments USA Inc. 61,510 (31 March 2019 : 61,510) shares of no par value	3,666.60	3,666.60
FL EXOL Packaging (India) Limited 520,416 (31 March 2019 : 520,416) equity shares of ₹ 10 each fully paid up	936.31	936.31
SPC International (India) Private Limited 51,000 (31 March 2019 : 51,000) equity shares of ₹ 100 each fully paid up	561.49	561.49
TVS Packaging Solutions Private Limited 10,000 (31 March 2019 : 10,000) equity shares of ₹ 10 each fully paid up	1.00	1.00
TVS-Asianics Supply Chain Solutions Pte. Ltd# 34,849,324 (31 March 2019 : 4,950,001) equity shares of SGD 1 each fully paid up	18,260.36	2,865.20
TVS Toyota Tsusho Supply Chain Solutions Limited* 1,200,000 (31 March 2019 : 1,200,000) equity shares of ₹ 10 each fully paid up	120.00	120.00
White Data Systems India Pvt Ltd 21,07,819 (31 March 2019 : 21,07,810) equity shares of ₹ 10 each fully paid up	4,219.84	4,219.84
	39,910.53	24,515.37
Investments in joint ventures		
TVS Industrial & Logistics Parks Private Limited 5,500,000 (31 March 2019 : 5,500,000) equity shares of ₹ 10 each fully paid up	1,375.00	1,375.00
	1,375.00	1,375.00
Unquoted investment in preference shares carried at amortised cost		
Cargovings Logistics Limited 25,000,000 (31 March 2019 : 25,000,000) redeemable preference shares ("RPS") of ₹ 10 each fully paid up	2,500.00	2,500.00
	2,500.00	2,500.00
Unquoted investment in debentures carried at amortised cost		
Prasanna Purple Mobility Solutions Private Limited*** 1,300 (31 March 2019 : 11,900) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each	154.30	100.72
Prasanna Purple Mobility Solutions Private Limited*** 4,500 (31 March 2019 : 20,700) Series II NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each	107.21	153.06
Prasanna Purple Mobility Solutions Private Limited*** 80,000 (31 March 2019 : 80,000) Optionally Convertible Debentures of ₹ 1000 each	-	800.00
	261.51	1,053.78



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Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

14 Investments (continued)

A Non-current investments (continued)

Provision for decline in fair value of investments

Unquoted investments in equity instruments/ preference shares

TVS America Inc

(90.04)

(90.04)

Cargowings Logistics Limited

(2,500.00)

(2,500.00)

(2,590.04)

(2,590.04)

Total non-current investments

41,457.00

26,854.11

Aggregate amount of unquoted investments

44,047.04

29,444.15

Aggregate amount of impairment in the value of investments

2,590.04

2,590.04

* By virtue of changes to shareholding agreement with effect from April 1 2018, TVS Toyota Tsusho is a subsidiary of the company from April 1, 2018.

The Company and TVS Asianics Supply Chain Solutions Pte Limited ("TVS Asianics") are part of an ongoing litigation with certain minority shareholders of TVS Asianics, the outcome of which is unlikely to impact the carrying value of the investment. Also refer note 37(iii) of the consolidated financial statements of the company.

B Current investments

31 March 2020

31 March 2019

Unquoted investment in debentures carried at amortised cost

Prasanna Purple Mobility Solutions Private Limited***

9,600 (31 March 2019: 13,500) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each

96.00

135.00

Prasanna Purple Mobility Solutions Private Limited***

16,200 (31 March 2019: 9,900) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each

162.00

99.90

Prasanna Purple Mobility Solutions Private Limited***

80,000 (31 March 2019: 80,000) Optionally Convertible Debentures of ₹ 1000 each

800.00

-

Total current investments

1,058.00

234.90

Aggregate amount of unquoted investments

1,058.00

234.90

Aggregate amount of impairment in the value of investments

-

-

*** Series I NCD, 0.1% Unsecured Non-Convertible Debentures and Series II NCD, 0.1% Unsecured Non-Convertible Debentures carries Interest at 0.1% p.a and redeemable as stated below

Series I NCD

Amount

Series II NCD

Amount

31 July 2020

96.00

30 November 2020

162.00

31 July 2021

23.00

30 November 2021

45.00

119.00

207.00

*** The Optionally Convertible Debentures ("OCD") which carries minimum 20% IRK, is either redeemable or convertible into equity shares of Prasanna Purple Mobility Solutions Private Limited as per the terms and conditions set out in the shareholder's agreement between TVS Commutation Solutions Limited and Prasanna Purple Mobility Solutions Private Limited. The redemption/ conversion shall be done in two years from 01 March 2016 (date of issuance). The redemption/conversion has been extended till December 2020.

14A Assets held for sale

Investment in equity instruments

Drive India Enterprise Solutions Limited

2,210,000 (31 March 2019: 2,210,000) equity shares of ₹ 10 each fully paid up

4,021.43

4,021.43

Less: Provision for decline in fair value of investments

(4,021.43)

(4,021.43)

Unquoted investment in preference shares carried at amortised cost

Drive India Enterprise Solutions Limited

1,084,000 (31 March 2019: 1,084,000) 0.0001% cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each**

2,200.52

2,200.52

Less: Provision for decline in fair value of investments

(2,200.52)

(2,200.52)

During the previous year, the company classified its investment in Drive India Enterprise Solutions Limited as assets held for sale and measured the same in accordance with Ind AS 105 "Non Current Assets held for Sale and Discontinued Operations" at lower of its carrying amount and fair value less cost to sell. The company expects to complete the sale in financial year 2020-21.

**The preference shares are cumulative, redeemable, non-convertible, participating preference shares (preference shares). The preference shares shall carry a preferential right to dividends over the equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. The preference shares shall be redeemed on demand by the shareholder in accordance with applicable provisions of the Companies Act, 2013 within a maximum period of 20 years from the date of allotment of the preference shares at issue price of INR 203 per share.



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	31 March 2020	31 March 2019
15 Loans		
Loans to related parties		
Unsecured, considered good	44,596.27	7,188.16
	44,596.27	7,188.16
Loans to others		
Unsecured, considered doubtful	1,004.63	1,004.63
Provision for doubtful loans to others	(1,004.63)	(1,004.63)
	-	-
	44,596.27	7,188.16

16 Deposits and other receivables

	Non-current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Security deposits				
Unsecured, considered good	1,973.77	1,890.07	1,584.18	1,534.05
Unsecured, considered doubtful	-	-	96.92	117.00
Provision for doubtful security deposits	-	-	(96.92)	(117.00)
	1,973.77	1,890.07	1,584.18	1,534.05
Security deposit from related parties				
Unsecured, considered good	336.11	305.76	145.94	136.38
	336.11	305.76	145.94	136.38
Other receivables				
Advances to employees	-	-	391.98	338.94
Finance lease receivables (refer note 12)	1,192.20	1,078.09	275.57	609.60
Receivable from subsidiaries (refer note 34)	-	3,939.14	13,063.59	12,516.63
Receivable from others	-	-	-	69.96
Considered good	-	-	180.74	180.74
Considered doubtful	-	-	(180.74)	(180.74)
Provision for doubtful receivables	-	-	-	-
	1,192.20	5,017.23	13,731.14	13,535.13
	3,502.08	7,213.06	15,461.26	15,205.56

17 Other financial assets

	Non-current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	21.65	-
Interest accrued on fixed deposits	-	-	1.93	3.36
Deposits with banks with more than 12 months maturity	10.50	-	-	-
Interest accrued on investments	605.44	605.44	-	-
Unbilled revenue	-	-	6,338.54	8,977.16
	615.94	605.44	6,362.12	8,980.52

For other financial assets secured against borrowings, see note 25



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	31 March 2020	31 March 2019
18 Other non-current assets		
Capital advances	561.98	112.22
Unsecured considered good	4.20	-
Unsecured considered doubtful	(4.20)	-
Provision for unsecured doubtful	561.98	112.22
Advance for supply of goods and services	155.00	175.00
Unsecured considered good	155.00	175.00
	716.98	287.22
19 Inventories	31 March 2020	31 March 2019
Stores and spares	130.51	129.51
	130.51	129.51
For inventories secured against borrowings, see note 25.		
20 Trade receivables	31 March 2020	31 March 2019
Unsecured, considered good	39,582.86	27,771.38
Credit impaired	3,933.14	4,618.63
Less: Allowance for expected credit loss	(3,933.14)	(4,618.63)
Less: Allowance for credit risk		
	39,582.86	27,771.38
The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 37.		
21 Cash and cash equivalents	31 March 2020	31 March 2019
Cash on hand	10.43	13.37
Balance with banks	7,892.91	7,430.83
On current accounts	109.80	403.27
Deposits with original maturity of less than three months	8,013.14	7,847.47
22 Other bank balances	31 March 2020	31 March 2019
Deposits with original maturity of more than three months less than 12 months	249.40	266.73
	249.40	266.73
23 Other current assets	31 March 2020	31 March 2019
Advance related to supply of goods and services to parties other than related parties	1,593.41	1,670.88
Unsecured considered good	1,710.46	1,684.64
Unsecured considered doubtful	(1,710.46)	(1,684.64)
Provision for doubtful advances	1,593.41	1,670.88
Advance for supply of goods and services to related parties	49.67	-
Unsecured, considered good	49.67	-
Other current assets	535.03	915.09
Prepaid expenses	-	4.88
Fixed assets held for sale *	2,167.23	1,650.69
Balances with government authorities	4.88	15.20
Others	2,707.14	2,585.86
	4,350.22	4,256.74

* Fixed assets held for sale have been measured at the lower of carrying amount and fair value less costs to sell. Also, refer note 12.
For other current assets secured against borrowings, see note 25



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24A Share capital

Authorised share capital

34,800,000 (31 March 2019: 34,800,000) equity shares of ₹ 10 each
1,200,000 (31 March 2019: 1,200,000) preference shares of ₹ 10 each #
1,100,000 (31 March 2019: Nil) preference shares of ₹ 100 each

31 March 2020

31 March 2019

3,480.00
120.00
1,100.00

3,480.00
120.00
-

Issued

Equity shares

13,810,401 (31 March 2019: 13,810,401) equity shares of ₹ 10 each at par

1,381.04
1,381.04

5,066,800 (31 March 2019: 5,066,800) equity shares of ₹ 10 each at a premium of ₹ 185.72 per share

506.68
506.68

3,223,194 (31 March 2019: 3,223,194) equity shares of ₹ 10 each at a premium of ₹ 185 per share

322.32
322.32

275,800 (31 March 2019: 275,800) equity shares of ₹ 10 each at a premium of ₹ 65 per share

27.58
27.58

4,456,816 (31 March 2019: 4,456,816) equity shares of ₹ 10 each at a premium of ₹ 424.92 per share

445.68
445.68

1,798,607 (31 March 2019: 1,798,607) equity shares of ₹ 10 each at a premium of ₹ 685 per share

179.86
179.86

3,163,515 (31 March 2019: 3,163,515) equity shares of ₹ 10 each at a premium of ₹ 940 per share

316.35
316.35

95,000 (31 March 2019: Nil) equity shares of ₹ 10 each at a premium of ₹ 940 per share

9.50
-

3,189.01
3,179.51

Total issued capital

Called, Subscribed and Paid up

Equity shares

31,730,133 (31 March 2019: 31,635,133) equity shares of ₹ 10 each

3,173.01
3,163.51

Add: Amount paid up on 160,000 (31 March 2019: 160,000) equity shares forfeited at ₹ 2 each

3.20
3.20

3,176.21
3,166.71

15,351 (31 March 2019: 15,351) 0.0001% cumulative, redeemable, non-convertible, participating preference shares have been classified as a financial liability (see note 25)

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2020		31 March 2019	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Equity shares				
At the beginning of the year	3,16,35,133	3,166.71	3,16,35,133	3,166.71
Shares issued during the year	95,000	9.50	-	-
Outstanding at the end of the year	3,17,30,133	3,176.21	3,16,35,133	3,166.71

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Terms/rights attached to preference shares

The preference shares shall be cumulative, redeemable, non-convertible, participating preference shares ('preference shares'). The preference shares shall carry a preferential right to dividends over the Equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. In addition to the fixed rate of dividend, the preference shareholders shall, at their discretion, be entitled to additional preferential dividend and carry a preferential right to dividends over the equity shares. The preference shares shall be redeemed, from time to time as may be required by the preference shareholders at face value plus the redemption premium payable thereon no later than 20 years from the date of allotment or longer period as may be prescribed by law.

The holder of preference shares have a right to vote only on resolutions placed before the company which directly affect the rights attached to preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and voting right on a poll shall be in proportion to the share in the paid-up preference share capital of the company. On winding up or repayment of capital, the preference shareholders shall carry a preferential right of repayment.



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24A Share capital (continued)

d. Details of shareholders holding more than 5% shares of a class of shares in the company

	31 March 2020		31 March 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each, fully paid up				
T V Sundram Iyengar & Sons Private Limited	1,07,27,343	33.81%	1,07,27,343	33.91%
CDPQ Private Equity Asia Pte Ltd	1,21,36,892	38.25%	1,21,36,892	38.37%
Dinram Logistics Services LLP	29,58,214	9.32%	29,82,464	9.43%
Omega Tc Holdings Pte Ltd, Singapore	23,68,865	7.47%	23,68,865	7.49%
0.0001% Cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each, fully paid up				
Tata International Limited	7,677	50.01%	7,677	50.01%
Tata Industries Limited	7,674	49.99%	7,674	49.99%
0.0001% Non- cumulative, participating, compulsorily convertible preference shares of ₹ 100 each, fully paid up (Series A)				
Mahogany Singapore Company Pte. Ltd	10,23,350	100.00%	-	-
0.0001% Non- Cumulative, Non-Participating, Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid up				
David Robbins	39,998	21.05%	39,998	21.05%
MS Krishnan	9,992	5.26%	9,992	5.26%
Suehow Pty Ltd	12,004	6.32%	12,004	6.32%
R Dinesh	2,996	1.58%	2,996	1.58%
Sanjive Sharma	40,002	21.05%	40,002	21.05%
Tarun Khanna	45,006	23.69%	45,006	23.69%
Andrew Jones	40,002	21.05%	40,002	21.05%

24B Other Equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions for the Companies Act, 2013.

Capital reserve

During prior years, the Company had reissued the shares forfeited. The profit on reissue of such forfeited shares has been transferred to capital reserve.

Capital redemption reserve

During the year ended 31 March 2018, the Company had redeemed preference shares issued to Tata International Limited and Tata Industries Limited, out of profits of the Company. A sum equivalent to the nominal amount of the shares redeemed had been transferred to capital redemption reserve in accordance with the provisions of the Companies Act, 2013.

Share warrants

On June 8, 2018 and August 22, 2018, the Company issued 30,000 and 65,000 share warrants respectively, at a price of Rs. 950 per share warrant to identified persons on a preferential basis for a aggregate consideration of Rs. 902.50 lakhs with a right to apply and get allotment of equity shares of the Company ranking pari-passu with the existing equity shares, in the ratio of 1:1 within a period of 18 months from the date of issue of share warrants or earlier at the option of the Board. During the previous year, the Company had received Rs. 225.63 lakhs (25% of the issue price as at balance sheet date). During the year, the company has received Rs. 676.87 Lakhs (balance 75% of the issue price) and accordingly the company has allotted 95,000 equity shares at a face value of Rs. 10 per share at Rs. 940 per share premium.

Share options

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.



24B Other Equity (continued)

Compulsorily convertible preference shares

On June 8, 2018 and August 22, 2018, the Company has allotted 13,340 and 25,660 Non-Cumulative, Non-Participating, Compulsorily Convertible Preference Shares ("CCPS") of ₹ 10 each respectively, at a premium of ₹ 940 each to identified persons on a preferential basis for a consideration of ₹ 126.73 lakhs and ₹ 243.77 lakhs respectively. CCPS carry a dividend of 0.001% per annum and the dividend rights are non-cumulative. On November 20, 2018, the Company has issued bonus shares of 151,000 to the shareholders of CCPS in the ratio of 1:3.87 and the securities premium account was utilised to the extent of ₹ 15.10 lakhs for the issue of said bonus shares. The preference shares to be converted into equal number of equity shares ranking pari-passu with the existing equity shares, after the end of four years from the date of issue or earlier at the option of the Board. In the event of liquidation of the Company before conversion of preference shares, the holders of preference shares will have priority over equity shares in the repayment of capital.

On February 7, 2020, the Company has allotted 10,23,350 Series A Compulsorily Convertible Preference Shares ("CCPS") of Rs 100 each, at a premium of Rs 1610.07 each to Mahogany Singapore Company Pte. Ltd ("CCPS Holder") on a preferential basis, for a consideration of approx. Rs. 175 Crore. Each CCPS carries a minimum preferential dividend rate of 0.0001% and in addition to and after payment of such preferential dividend, the CCPS Holder would be entitled to participate pari-passu in any dividends paid to the holders of shares of any other class (including equity shares) or series on a pro rata, as-if-converted basis. Each CCPS would be converted into fully paid-up equity shares ranking pari-passu with the existing equity shares, in the ratio of 1:1 (subject to such adjustments as contemplated in the subscription agreement dated January 22, 2020 executed by and amongst inter alia the Company and the CCPS Holder ("SSA")), on the earlier of (i) expiry of a period of 18 (eighteen) months from the closing date (as defined under the SSA) (February 7, 2020); and (ii) the date when a prospective shareholder (as defined under the SSA) (including such prospective shareholder's affiliates) acquires equity shares or equity securities convertible into equity shares representing, in the aggregate, at least 7% (Seven percent) of the then share capital of the Company (on a fully diluted basis) (in one or more transactions).

Dividends

After the reporting date, the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities. Dividends would attract dividend distribution tax when declared or paid.

in ₹ lakhs

₹ Nil per equity share (31 March 2019: ₹ Nil per equity share)

	31 March 2020	31 March 2019
	-	-

24C Other items of OCI

Remeasurements of defined benefit liability (asset)

	31 March 2020	31 March 2019
Opening balance	(98.23)	7.25
Remeasurements of defined benefit liability (asset) (net of taxes)	121.69	(105.48)
Closing balance	23.46	(98.23)

Remeasurements of defined benefit liability (asset)

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

24D Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'debt' to 'equity'. For this purpose, debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases. Equity comprises all components of equity.

The Company's debt to equity ratio is as follows:

	31 March 2020	31 March 2019
Non-current borrowings	166.35	2,784.68
Current borrowings and current maturities of non-current borrowings	68,931.50	13,760.94
Debt	69,097.85	16,545.62
Total equity	82,555.36	65,332.26
Debt to equity ratio	0.84	0.25



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24E Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit (loss) attributable to equity shareholders

Profit (loss) for the year, attributable to the equity holders

31 March 2020	31 March 2019
(1,584.11)	(116.01)

(ii) Weighted average number of equity shares

Weighted average number of equity shares

Add - Number of shares relating to compulsorily convertible preference shares

Weighted average number of equity shares used in the calculation of basic earnings per share

Adjustments for dilutive effect

- Number of shares relating to Management Incentive Plan

- Number of shares relating to share warrants

Weighted average number of equity shares used in the calculation of diluted earnings per share

31 March 2020	31 March 2019
3,16,47,311	3,16,35,133
3,38,190	1,28,395
3,19,85,501	3,17,63,528
60,728	10,996
1,203	925
3,20,47,432	3,17,75,449

25 Borrowings

(a) Non-current borrowings

Secured term loans from banks

Unsecured term loans from banks

Secured term loans from financial institutions

Non-current obligations from finance lease

Total non-current borrowings

31 March 2020	31 March 2019
164.07	48.09
-	2,100.00
2.28	636.59
-	-
166.35	2,784.68

(b) Current borrowings

Term loan from financial institution

Secured

Unsecured

31 March 2020	31 March 2019
7,020.00	4,220.00
5,080.00	-

Term loan from banks

Unsecured

31 March 2020	31 March 2019
1,200.00	-

Cash credit from banks

Unsecured

31 March 2020	31 March 2019
23.65	202.78

Loans repayable on demand

Secured

Unsecured

31 March 2020	31 March 2019
4,000.00	-
41,752.91	7,563.82

Bills discounting

Unsecured

31 March 2020	31 March 2019
3,257.76	-

Redeemable preference shares (unsecured)

31 March 2020	31 March 2019
891.60	891.60
63,225.92	12,878.20

Current portion of non-current borrowings

Unsecured term loans from banks

Secured term loans from banks/financial institutions

Current portion of finance lease obligations (secured)

31 March 2020	31 March 2019
5,069.23	-
636.35	882.74
-	-
5,705.58	882.74

31 March 2020	31 March 2019
68,931.50	13,760.94

Less: Amount included under 'Other financial liabilities'

31 March 2020	31 March 2019
(5,705.58)	(882.74)

Total current borrowings

31 March 2020	31 March 2019
63,225.92	12,878.20

Information about Company's exposure to interest rate and liquidity risks is included in note 37



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25 Borrowings (continued)

A Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

Terms and conditions of outstanding borrowings are as follows:				Carrying amount as at	
In lakhs of INR	Currency	Nominal Interest rate	Year of maturity	31 March 2020	31 March 2019
Secured Term loan from banks					
HDFC Bank Limited	INR	8.40% - 9.35% p.a.	2023	233.29	67.31
				233.29	67.31
Unsecured Term loan from banks					
Axis Bank Limited	INR	9.10%	2020	5,000.00	2,100.00
HDFC Bank Limited	INR	7.50%-8.35%	2020	1,200.00	-
				6,200.00	2,100.00
Secured term loan from Financial institutions					
Tata Capital Financial Services Limited	INR	11.50%	2021	7,020.00	-
Tata Capital Financial Services Limited	INR	10.25%	2021	625.01	1,458.33
Tata Capital Financial Services Limited	INR	9.80%	2019	-	4,220.00
Sundaram Finance Limited	INR	9.75% - 10.96%	2020	13.63	41.78
				7,658.64	5,720.11
Unsecured term loan from Financial institutions					
Tata Capital Financial Services Limited	INR	11.50%	2021	5,080.00	-
				5,080.00	-
Unsecured cash credit facilities from banks					
HDFC	INR	9.90% - 9.25%		-	202.78
Axis Bank Limited	INR	7.5% - 7.8%		23.65	-
				23.65	202.78
Bill discounting - Unsecured					
Axis Bank limited	INR	7.95%		3,257.76	-
Secured loans repayable on demand					
DBS	INR	9.40%		1,000.00	-
State Bank of India	INR	7.48%-8.73%		3,000.00	-
				4,000.00	-
Unsecured loans repayable on demand					
Related party - Drive India Enterprise Solutions Limited	INR	8.30%		1,392.89	813.82
Standard Chartered Bank	INR	7.11%-8.20%		14,000.00	-
HDFC Bank Limited	INR	7.50%-8.35%		12,500.00	-
DBS	INR	7.50%-9.00%		4,000.00	-
Axis Bank Limited	INR	7.78%-8.06%		9,850.00	6,750.00
Axis Bank Limited	INR	7.80%		10.02	-
				41,752.91	7,563.82
Redeemable preference shares (unsecured)					
Unsecured	INR	0.0001%		891.60	891.60
				891.60	891.60
				69,097.85	16,545.62

B Secured loans

Secured term loan from banks

Term loans from HDFC Bank Limited are secured by hypothecation of vehicles acquired out of the loan

Secured loans repayable on demand from banks

- Working capital loan from State Bank of India is secured against the debtors of the company
- Working capital loan from DBS Bank is secured upto Rs.10 crore against the debtors of the company.

Secured term loan from financial institutions

- The Term loan of 11.50% is from Tata Capital Financial Services Limited. The total facility is for Rs.200 crore of which Rs.80 crore is secured against the company's plant and machinery, furniture and fixtures, computer equipments and office equipments.
- Term Loan at 10.25% interest rate from Tata Capital Financial Services Limited is secured by an exclusive mortgage of immovable property located at Mumbai and first and exclusive charge by way of hypothecation on identified movable fixed assets.
- Term loan at 9.80% from Tata Capital Financial Services Limited is secured by an exclusive charge on specific movable fixed assets and hypothecation of receivables arising out of redemption amount of NCD of Prasanna Purple Mobility Solutions Private Limited
- Term loans from Sundaram Finance Limited are secured by hypothecation of vehicles and equipments acquired out of the loan.

Secured finance lease obligations

Finance lease obligations are secured against the respective assets taken on finance lease.

C Redeemable Preference Shares

The Company has cumulative, redeemable, non-convertible, participating preference shares. These preference shares have been classified as a liability. For rights, preferences and restrictions attached to preference shares attached to these preference shares refer note 24.



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	31 March 2020	31 March 2019
26 Trade payables		
Trade payables to related parties (refer note 34)	2,971.76	2,041.78
Dues to micro, small and medium enterprises (refer note 33)	2,510.07	608.17
Other trade payables (refer note below)	28,191.09	33,823.18
	33,672.92	36,473.13

Note:

Trade payables includes bill discounting from Axis Bank Limited amounting to ₹ Nil (31 March 2019 ₹ 7,995.33 Lakhs) and is generally payable within 90 days

27 Other financial liabilities

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Derivatives - Forward contract payables	-	-	1,205.60	-
Current maturities of long term borrowings	-	-	5,705.58	882.74
Interest accrued but not due on borrowings	-	-	289.61	95.47
Payable to factor	-	-	864.47	995.51
Capital creditors	-	-	814.42	150.64
Amount due to employees	-	-	3,455.05	3,078.91
Financial guarantee liability	49.80	4,064.72	81.14	1,703.34
Dues to Subsidiaries	-	-	245.85	46.29
Others	-	-	0.30	0.30
	49.80	4,064.72	12,662.02	6,953.20

28 Provisions

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provisions for employee benefits				
Liability for gratuity	-	228.40	511.54	716.85
Liability for compensated absences	431.62	392.01	435.22	486.78
	431.62	620.41	946.76	1,203.63

For details about the related employee benefit expenses, refer note 7

29 Other current liabilities

	31 March 2020	31 March 2019
Statutory dues others	1,309.20	2,584.34
Advance from customers	872.93	749.51
Other current liabilities	12.89	-
	2,195.02	3,333.85



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

30 Employee benefits

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and ESI for the year aggregated to ₹ 2,778.03 lakhs (31 March 2019: ₹ 2,463.71 lakhs)

Defined benefit plans

	Non-current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provision for gratuity	-	228.40	511.54	716.85

For details about the related employee benefit expenses, see note 7

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan A entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plan of the Company is a partially funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC) and Bajaj Allianz Life Insurance Company Limited.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Reconciliation of present value of defined benefit obligation

	31 March 2020	31 March 2019
Balance at the beginning of the year	2,070.66	1,523.80
Benefits paid	(221.21)	(158.43)
Current service cost	421.65	427.93
Interest cost	105.16	95.22
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	(45.56)	27.72
- changes in financial assumptions	(30.92)	106.57
- experience adjustments	(110.30)	47.84
Balance at the end of the year	2,189.48	2,070.66

Reconciliation of the fair value of plan assets

	31 March 2020	31 March 2019
Balance at the beginning of the year	1,125.41	1,113.78
Contributions paid into the plan	699.98	74.94
Benefits paid	(221.21)	(158.43)
Interest income	73.48	75.12
Actuarial gains / (losses) recognised in other comprehensive income	0.28	20.00
Balance at the end of the year	1,677.94	1,125.41
Net defined benefit (asset) / liability	511.54	945.25

C. Expense recognised in profit or loss

	31 March 2020	31 March 2019
Current service cost	421.65	427.93
Interest cost	105.16	95.22
Interest income	(73.48)	(75.12)
	453.33	448.03



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Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

30 Employee benefits (continued)

Defined benefit plans (continued)

D. Remeasurements recognised in other comprehensive income

Actuarial (gain) / loss on defined benefit obligation
 Actuarial (gain) / loss on plan assets

31 March 2020	31 March 2019
(186.78)	182.14
(0.28)	(20.00)
(187.06)	162.14

E. Plan assets

Plan assets comprise of the following:
 Insurer managed funds

31 March 2020	31 March 2019
1,677.94	1,125.41
1,677.94	1,125.41

F. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date were:

	31 March 2020	31 March 2019
Discount rate	5.33%	6% - 8%
Future salary growth	8.00%	7% - 11%
Attrition rate	58.00%	24% - 45%
Expected return on plan assets	5.33%	6% - 7%

ii. 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 obligation by the amounts shown below:

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(80.11)	87.58	(63.32)	67.54
Future salary growth (1% movement)	72.62	(67.93)	56.70	(54.25)
Attrition rate (1% movement)	(15.68)	16.78	(50.90)	9.93

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 shown.

Share based payments

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

The following share based payment arrangements were in existence during the current year:

Option series (Refer note below)	Number	Grant date	Exercise price	Fair value at grant date
MIP I	11,59,883	20-Nov-18	950.00	964.00
MIP II - Pool A & Pool B	8,97,008	20-Nov-18	950.00	964.00
MIP I	1,75,000	14-Feb-20	950.00	1,531.50
MIP II - Pool A & Pool B	1,11,984	16-May-19	950.00	1,193.80
MIP II - Pool A & Pool B	14,768	01-Jul-19	950.00	1,193.80

Note:

Under MIP I, the vesting of options granted is linked to time.

Under MIP II - Pool A & Pool B, shares vest as per the terms of the scheme with an option life of 5 years after vesting.



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

30 Employee benefits (continued)

Share based payments (continued)

Fair value of share options granted during the year

The weighted average fair value of the stock options granted during the financial year is ₹ 650.9 (MIP I) & ₹ 276.0 (MIP II) (Previous year: ₹ 80.2 (MIP I) & ₹ 107.36 (MIP II)). Options were priced using a Black Scholes option valuation model & Monte Carlo simulation model for MIP I and II respectively. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility of guideline companies in developed and developing countries.

Inputs in to the model:

	MIP I	MIP I	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B
Grant date share price *	964.00	1,531.50	964.00	1,193.80	1,193.80
Grant date	20-Nov-18	14-Feb-20	20-Nov-18	16-May-19	01-Jul-19
Exercise price	950.00	950.00	950.00	950.00	950.00
Expected volatility	32%	36%	33.10%	36.23%	36.23%
Option life	2.36 years	1.13 years	3.61 years	3.13 years	3 years
Dividend yield	0.15%	0.00%	0.15%	0.00%	0.00%
Risk free interest rate	7.28%	5.10%	7.50%	6.44%	6.44%

* Before adjustment of lack of marketability

Movements in share options during the year

MIP I	Year ended March 31, 2020 Number of Options	Weighted average exercise price	Year ended March 31, 2019 Number of Options	Weighted average exercise price
Opening at the beginning of the year	11,69,791	950.00	-	-
Granted during the year	1,75,000	950.00	11,69,791	950.00
Exercised during the year	-	-	-	-
Forfeited and expired during the year	9,908	950.00	-	-
Balance at the end of the year	13,34,883	950.00	11,69,791	950.00

MIP II - Pool A & B	Year ended March 31, 2020 Number of Options	Weighted average exercise price	Year ended March 31, 2019 Number of Options	Weighted average exercise price
Opening at the beginning of the year	9,39,838	950.00	-	-
Granted during the year	1,29,828	950.00	9,39,838	950.00
Exercised during the year	-	-	-	-
Forfeited and expired during the year	45,906	950.00	-	-
Balance at the end of the year	10,23,760	950.00	9,39,838	950.00

Share options vested but not exercised during the year - Nil

Share options outstanding at the end of the year - MIP I - 13,34,883 & MIP II - 10,23,760

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 950 and a weighted average remaining contractual life of 1.55 years



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Notes to the standalone financial statements for the year ended 31 March 2020

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31 Leases

A Finance leases as lessor

The Company's leasing arrangement represents the certain forklifts and other assets given to customers which have been classified under Ind AS 116 on Leases as Finance lease. The lease term covers the substantial period of the assets and all the risks and rewards of ownership are transferred to the lessee. The Company records disposal of the property concerned and recognizes the finance income as part of Other income.

The reconciliation between the gross investment in the lease at the end of the reporting period, and the present value of minimum lease payments receivable at the end of the reporting period are as follows:

	31 March 2020	31 March 2019
Gross investment	1,962.79	1,732.06
Unearned finance income	(495.02)	(44.37)
Net investment	<u>1,467.77</u>	<u>1,687.69</u>

Finance leases are receivable as follows:

	31 March 2020	31 March 2019
Gross investment		
Receivable within one year	422.96	623.49
Receivable between one and five years	1,399.73	990.65
Receivable after five years	140.10	117.92
Total	<u>1,962.79</u>	<u>1,732.06</u>

Present value of minimum lease payments

Receivable within one year	275.57	609.60
Receivable between one and five years	1,036.02	960.64
Receivable after five years	156.18	117.45
Total	<u>1,467.77</u>	<u>1,687.69</u>



32 Capital commitments and contingent liabilities

Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for

Contingent liabilities:

Employee related matters*

Corporate guarantee#

Income tax related matters

Bank guarantees issued

Service tax related matters

Sales tax related matters

GST Related matters

Claims not acknowledged as debt

31 March 2020	31 March 2019
883.64	1,023.52
2,204.91	2,183.59
8,114.37	1,79,480.13
12.51	-
-	191.96
815.46	1,373.86
110.18	-
285.37	-
406.44	323.39

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company.

* The Company has challenged the demand orders from PF authorities amounting to Rs 2,183.59 Lakhs for the periods April 2011 to February 2015 on the grounds that provident fund on certain allowances need not be included for calculation of the Provident Fund contribution, as the same is not universally paid to all the employees of the Company.

The Hon'ble Supreme Court of India by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion for the purposes of computation of the Provident Fund contribution. Consequently, the Company has filed a review petition to Regional Provident Fund Commissioner to review the demand order in the light of the Supreme Court decision. The Company has also obtained an interim injunction from Honourable High Court of Madras pending disposal of the Company's petition. Based on legal advice obtained, the Company is of the view that no provision is required for the dispute in the financials as at March 31, 2020.

The corporate guarantee provided by the Company to the lenders, against the term loan availed by the Company's step down subsidiary is revoked as the term loan has been repaid during the year out of a refinancing arrangement. The fresh corporate guarantee for the new refinanced facility is effective from 24th April 2020. The amounts outstanding as at March 31, 2020 pertains to corporate guarantee given to ANZ bank for the working capital facility availed by Transtar International Freight (Aust) Pty Ltd, Australia, step-down subsidiary (Refer note 34).

33 Due to micro, small and medium enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in these standalone financial statements based on information received and available with the Company, to the extent identified by the management.

The amounts remaining unpaid to micro and small suppliers as at end of the accounting year

Principal

Interest due thereon

The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006

The amount of interest accrued and remaining unpaid at the end of each accounting year

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006

31 March 2020	31 March 2019
2,510.07	608.17
92.31	10.15
-	-
2,773.41	781.95
61.64	15.54
179.65	61.12
179.65	61.12



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34 Related party disclosures

A. Enterprise having significant influence

T V Sundram Iyengar & Sons Private Limited
 CDPQ Private Equity Asia PTE. LTD.

B. Subsidiaries

TVS Dynamic Global Freight Services Limited
 TVS Logistics SIAM Limited
 TVS Logistics Investment UK Limited
 TVS Logistics Investments USA Inc., USA
 Drive India Enterprise Solutions Limited
 FLEXOL Packaging (India) Limited
 TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore
 TVS Packaging Solutions Private Limited
 SPC International India Private Limited, India
 White Data Systems India Private Limited, India (from 30 September 2018)
 TVS Toyota Tsusho Supply Chain Solutions Limited (from 01 April 2018)

C. Step down subsidiaries

TVS Supply Chain Solutions Limited, UK
 MSys Software Solutions Limited, UK
 Multipart Limited, UK
 TVS Logistics Iberia S.L., Spain
 TVS Autoserv GmbH, Germany
 TVS Supply Chain Solutions GmbH, Germany
 Peter Thomas & Co (Refurbishing) Limited, UK
 Rico Logistics Limited, UK
 Ricochet Spain, Spain
 Rico Logistique, France
 Rico Logistics Pty Ltd, Australia
 Circle Express Limited, UK
 Tri - Tec Computer Support Limited, Northern Ireland
 Tri - Tec Support Limited, Ireland
 SPC International Limited, UK
 TVS SCS Rico Italia SRL
 Triage Holdings Limited
Subsidiaries of Triage Holdings Limited
 Triage Service Limited
 OrderLogic Limited
 Ehtec IT Services S.L.U.
Subsidiaries of SPC International Limited, UK
 SPCINT Limited, UK
 SPC International (Engineering) Limited, UK
 Pitcomp 171 Limited, UK
 SPC EBT Trustees Limited, UK
 SPC International Inc., USA
 SPC International s.a.s, France
 SPC International s.r.o., Slovakia
 TVS America Inc., USA
 TVS Supply Chain Solutions North America Inc., USA
 (formerly known as Wainwright Industries Inc. USA)
 Waintrans LLC, USA
 TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico
 TVS Packaging Solutions Inc., USA
Subsidiaries of TVS Asianics Supply Chain Solutions Pte. Ltd
 Nadal Forwarding S.L, Spain
Subsidiaries of Nadal Forwarding S.L., Spain
 Lineas Regulares XXI, S.L
 Pan Asia Logistics International Pte. Ltd
 Pan Asia Logistics Singapore Pte. Ltd
 TVS Asianics, Thailand (from April 2018)
Subsidiaries of TVS Asianics, Thailand
 TLM Logistics Management Co., Ltd



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(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

34 Related party disclosures (continued)

C. Step down subsidiaries (continued)

Subsidiaries of Pan Asia Logistics Singapore Pte. Ltd

Pan Asia Logistics Limited, Shanghai
Pan Asia Logistics International (Korea) Ltd
Pan Asia Logistics (Thailand) Ltd
Pan Asia Freight-Forwarding & Logistics Hong Kong Ltd
Pan Asia Container Line Pte Ltd, Hong Kong
Pan Asia Logistics Deutschland GmbH
Pan Asia Logistics Malaysia Sdn Bhd
Pan Asia Logistics Vietnam Company Ltd
PT Pan Asia Logistics Indonesia
Pan Asia Logistics Taiwan Ltd
Pan Asia Freight-Forwarding & Logistics India Pvt Ltd
TVS-Asianics Australia Holdings Pty Ltd
T I F Holdings Pty. Ltd.

Subsidiaries of T I F Holdings Pty. Ltd.

Transtar International Freight (Aust) Pty Ltd, Australia
Transtar International Freight Limited, New Zealand
Kahn Nominees Pty Ltd, Australia
Transtar International Freight Limited, Hong Kong
Transtar International Freight (Singapore) Pte. Limited, Singapore
Transtar International Freight (Shanghai) Limited, China
Transtar International Freight Limited, Thailand
Transtar International Freight (Malaysia) SD Bhd, Malaysia
Transtar International Freight (USA) LLC, USA ##
TIF Holdings (USA) LLC, USA ##

D. Subsidiaries of T V Sundram Iyengar & Sons Private Limited

TVS Motor Company Limited

Sundaram Clayton Limited
Lucas-TVS Limited
Sundaram Industries Private Limited
Lucas Indian Service Limited
Sundaram Auto Components Limited
TVS Training and Services Limited
Sundaram Precision Components Limited
TVS Distribution & Services Middle East FZE
TVS Electronics Limited
Sundram Fasteners Limited

E. Joint Ventures

TVS Industrial & Logistics Parks Private Limited (formerly known as TVS Infrastructure Private Limited)
Linfox TVS Solutions Pty Limited, Australia

F. Associates

MontaraVerpacken mit System GmbH, Germany
Subsidiaries of MontaraVerpacken mitSystem GmbH, Germany
Montara North America Corporation, USA
Montara India Private Limited, India

liquidated during the previous year



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34 Related party disclosures (continued)

G. Key management personnel (KMP)

Mr. R. Dinesh, Managing director
 Mr. Ravi Viswanathan, Joint Managing director
 Mr. S. Ravichandran, Deputy Managing director

H. Entities controlled by KMP or relatives of KMP of the Company

Dinram Logistics Services LLP
 DRSR Advisory Services LLP
 TVS Srichakra Limited

Transactions during the year	Year ended 31 March 2020	Year ended 31 March 2019
Income from logistics services		
Lucas-TVS Limited	1,282.98	1,775.41
Sundaram Industries Private Limited	103.62	99.45
TVS Motor Company Limited	7,442.65	9,810.77
Sundaram Clayton Limited	221.12	433.45
Sundaram Auto Components Limited	-	2.25
T V Sundram Iyengar & Sons Private Limited	954.29	45.70
TVS Toyota Tsusho Supply Chain Solutions Limited	14.40	62.50
FLEXOL Packaging (India) Limited	14.19	38.25
Drive India Enterprise Solutions Limited	80.33	94.63
TVS Dynamic Global Freight Services Limited	7.61	1.03
Sundram Fasteners Limited	121.56	106.01
TVS Training And Services Limited	42.59	42.54
TVS Srichakra Limited	4,737.84	2,009.15
Lucas Indian Service Limited	62.95	47.56
Other income		
TVS Dynamic Global Freight Services Limited	48.00	110.17
TVS Toyota Tsusho Supply Chain Solutions Limited	73.32	84.70
TVS Supply Chain Solutions North America Inc., USA	580.81	564.32
TVS Logistics Investment UK Limited	1,729.37	1,551.13
Rico Logistics Limited, UK	2,117.19	2,208.45
TVS Supply Chain Solutions Limited, UK	1,329.45	1,210.01
Drive India Enterprise Solutions Limited	67.19	76.46
Sundaram Industries Private Limited	-	0.35
TVS Training and Services Limited	-	0.55
TVS Srichakra Limited	-	25.00
Lucas TVS Limited	-	14.46
FLEXOL Packaging (India) Ltd	-	15.60
Dividend income		
TVS Dynamic Global Freight Services Limited	102.00	-
Interest income		
TVS Logistics Investments USA Inc., USA	180.25	176.72
TVS Logistics SIAM Limited	34.17	32.19
TVS Logistics Investment UK Limited	1,306.09	39.62
TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore	46.64	46.39
Expenses incurred on behalf of		
Drive India Enterprise Solutions Limited	-	70.57
T V Sundram Iyengar & Sons Private Limited	31.00	-
TVS Logistics Investment UK Limited	22.78	5.00
TVS Supply Chain Solutions Limited, UK	9.99	8.18
TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore	0.38	-
TVS Supply Chain Solutions North America Inc., USA	0.52	251.11
Interest expense		
Drive India Enterprise Solutions Limited	114.36	59.37



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34 Related party disclosures (continued)			
Transactions during the year (continued)		Year ended 31 March 2020	Year ended 31 March 2019
Purchase of spares, fuel, others			
T V Sundram Iyengar & Sons Private Limited		3.69	37.58
Sundaram Industries Private Limited		45.19	50.63
Lucas India Service Limited		-	6.33
FLEXOL Packaging (India) Limited		-	219.48
Sundram Fasteners Limited		0.11	7.83
TVS Dynamic Global Freight Services Limited		3.47	19.32
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		0.22	20.38
Freight, packing and forwarding expenses			
FLEXOL Packaging (India) Limited		161.39	13.33
T V Sundram Iyengar & Sons Private Limited		2.43	-
TVS Dynamic Global Freight Services Limited		82.28	0.77
TVS Electronics Limited		0.69	1.74
White Data Systems India Private Limited		6,773.69	2,352.55
TVS Motor Company Limited		-	6.51
Rent			
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		893.14	701.17
T V Sundram Iyengar & Sons Private Limited		172.45	146.53
TVS Packaging Solutions Private Limited		2.00	-
Lucas-TVS Limited		1.80	1.80
TVS Dynamic Global Freight Services Ltd		2.53	-
Repairs and maintenance			
T V Sundram Iyengar & Sons Private Limited		4.93	1.50
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		6.25	9.70
Expenses incurred by and reimbursed to			
TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore		85.31	2.16
T V Sundram Iyengar & Sons Private Limited		-	16.60
TVS Logistics Investment UK Limited		-	7.90
Other expenses			
T V Sundram Iyengar & Sons Private Limited		73.22	231.00
FLEXOL Packaging (India) Limited		-	80.94
TVS Dynamic Global Freight Services Limited		15.32	-
Montara India Private Limited		-	8.36
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		32.70	-
Purchase of fixed assets			
FLEXOL Packaging (India) Limited		229.90	7.78
TVS Dynamic Global Freight Services Limited		-	2.16
T V Sundram Iyengar & Sons Private Limited		-	297.34
Drive India Enterprise Solutions Limited		26.62	-
Sundaram Fasteners Limited		7.57	-
TVS Motor Company Limited		14.82	12.09
Lucas India Service Limited		6.27	-
Purchase of Leasehold Improvement			
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		40.58	169.92
Investment in equity shares			
White Data Systems India Private Limited		-	4,219.84
TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore		15,395.17	-



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34 Related party disclosures (continued)			
Transactions during the year (continued)		Year ended 31 March 2020	Year ended 31 March 2019
Loans and advances			
<i>Given during the year</i>			
TVS Logistics Investment UK Limited		37,082.99	-
<i>Repayments received during the year</i>			
TVS Logistics Investment UK Limited		1,596.74	-
<i>Taken during the year</i>			
Drive India Enterprise Solutions Limited		579.06	-
Remuneration to Key Managerial Personnel			
Salaries, wages and bonus to deputy managing director (including contribution to provident and other funds)		565.26	481.40
Salaries, wages and bonus to joint managing director (including contribution to provident and other funds) (w.e.f. 14th Feb 2020)		348.05	*
Remuneration to managing director		463.34	426.13
As the future liabilities of gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the KMP is not ascertainable separately and therefore not included above			
Year end balances:		31 March 2020	31 March 2019
Loans to related parties			
TVS Logistics Investment UK Limited, UK		37,742.32	859.52
TVS Logistics Investments USA Inc., USA		5,448.14	4,999.01
TVS Logistics Siam Limited, Thailand		448.21	411.26
TVS- Asianics Supply Chain Solutions Pte Ltd, Singapore		957.61	918.37
Receivables			
Lucas-TVS Limited		95.44	366.25
Sundaram Clayton Limited		30.84	63.11
Sundaram Industries Private Limited		20.27	20.85
TVS Dynamic Global Freight Services Limited		22.72	29.56
TVS Logistics Investment UK Limited		5,426.03	2,214.57
TVS Logistics Investments USA Inc., USA		286.29	235.23
TVS Motor Company Limited		833.08	621.92
TVS Supply Chain Solutions North America, Inc., USA		945.87	620.67
FLEXOL Packaging (India) Limited		23.74	26.69
TVS- Asianics Supply Chain Solutions Pte Ltd, Singapore		167.00	66.11
TVS Logistics SIAM Limited		121.03	82.28
TVS Toyota Tsusho Supply Chain Solutions Limited		25.00	17.77
TVS Supply Chain Solutions Limited, UK		2,406.35	1,210.77
Rico Logistics Limited, UK		2,625.04	5,105.41
T V Sundaram Iyengar & Sons Private Limited		142.63	26.30
TVS Logistics Iberia S.L., Spain		-	55.37
Sundram Fasteners Limited		25.78	88.48
TVS Srichakra Limited		750.94	606.97
TVS Training And Services Limited		29.37	33.19
Drive India Enterprise Solutions Limited		1,094.51	1,229.42
Lucas Indian Service Limited		21.89	10.86
Other receivables - Unbilled revenue			
Lucas TVS Limited		23.43	5.86
Lucas Indian Service Limited		3.81	4.53
Sundaram Clayton Limited		8.00	5.17
Sundaram Fasteners Limited		2.55	2.23
T V Sundaram Iyengar & Sons Private Limited		118.56	34.22
TVS Motor Company Limited		19.76	416.30
TVS Srichakra Limited		131.60	733.48
FLEXOL Packaging (India) Ltd		0.66	-
Security deposits			
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		762.83	735.65
Advance for supply of goods & services			
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)		28.45	42.79
Drive India Enterprise Solutions Limited		0.38	-
T V Sundaram Iyengar & Sons Private Limited		21.23	-



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

34 Related party disclosures (continued)

Year end balances (continued):

Unsecured borrowing repayment on demand from related party
Drive India Enterprise Solutions Limited

31 March 2020	31 March 2019
1,392.89	813.82

Payables

T V Sundram Iyengar & Sons Private Limited	35.21	281.24
Sundaram Industries Private Limited	14.03	0.77
Lucas Indian Service Limited	1.06	-
FLEXOL Packaging (India) Limited	63.99	75.86
TVS Dynamic Global Freight Services Limited	44.29	12.46
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	10.34	19.00
TVS Supply Chain Solutions North America, Inc., USA	-	17.74
TVS- Asianics Supply Chain Solutions Pte Ltd, Singapore	55.00	2.15
TVS Motor Company Limited	-	7.68
Lucas-TVS Limited	0.16	0.34
Drive India Enterprise Solutions Limited	167.81	19.65
Sundram Fasteners Limited	2.19	1.11
TVS Packaging Solutions Private Limited	1.00	1.00
Rico Logistics Limited, UK	90.13	87.35
White Data Systems India Private Limited	2,703.48	1,703.01
TVS Logistics Iberia S L., Spain	1.94	-
TVS Logistics Investment UK Limited	28.91	7.90

Guarantees

TVS Logistics Investment UK Limited	-	1,71,698.18
TVS- Asianics Supply Chain Solutions Pte Ltd, Singapore	8,114.37	7,781.95

Payable to Key Managerial Personnel

Salaries, wages and bonus to Deputy managing director	250.00	250.00
Salaries, wages and bonus to Joint managing director	180.00	-
Commission to Managing director	400.00	200.00



35 Transfer pricing

The Company has international transactions with related parties. The management confirms that all such transactions are in compliance with the provisions of Income-tax Act, 1961. The management also confirms that it maintains documents as prescribed by the Income Tax Act to prove that the international and domestic transactions are at arm's length and the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

36 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":**A. Disaggregated revenue information**

Segment	31 March 2020			31 March 2019		
	India	Outside India	Total	India	Outside India	Total
Type of goods or service						
Revenue from sale of products	13,136.44	-	13,136.44	-	-	-
Revenue from supply chain management services	1,25,683.57	-	1,25,683.57	1,28,509.18	-	1,28,509.18
Revenue from telecom services	10,520.43	-	10,520.43	13,931.67	-	13,931.67
Total revenue from contracts with customers	1,49,340.44	-	1,49,340.44	1,42,440.85	-	1,42,440.85

B. Summary of contract balances

Particulars	31-Mar-20	31-Mar-19
Trade Receivables	43,516.00	32,390.01
Contract assets (Refer note (a) below)	6,338.54	8,977.16
Advance from Customers	872.93	749.51

Note:

Contract assets are initially recognised for revenue earned from supply chain management services as receipt of consideration is conditional on successful completion. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

C. Reconciliation of Revenue from sale of products/services with the contracted price

Particulars	31-Mar-20	31-Mar-19
Revenue as per contracted price	1,50,204.02	1,43,421.26
Less: Trade discounts, volume rebates etc.	863.58	980.41
Revenue as per statement of profit and loss	1,49,340.44	1,42,440.85



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated.)

37 Financial instruments - Fair values and risk management

A. Accounting classification and fair values and fair value hierarchy

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

	Note	Carrying amount						Fair value			
		31 March 2020			31 March 2019			Level 1	Level 2	Level 3	Total
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost				
<i>Financial assets not measured at fair value</i>											
Investments	14	-	-	1,319.51	-	-	1,288.68	-	-	-	-
Loans	15	-	-	44,596.27	-	-	7,188.16	-	-	-	-
Deposits and other receivables	16	-	-	18,963.34	-	-	22,418.62	-	-	-	-
Trade receivables	20	-	-	39,582.86	-	-	27,771.38	-	-	-	-
Cash and cash equivalents	21	-	-	8,013.14	-	-	7,847.47	-	-	-	-
Other bank balances	22	-	-	249.40	-	-	266.73	-	-	-	-
Other financial assets	17	-	-	6,978.06	-	-	9,585.96	-	-	-	-
Total		-	-	1,19,702.58	-	-	76,367.00	-	-	-	-
<i>Financial liabilities not measured at fair value</i>											
Borrowings	25	-	-	63,392.27	-	-	15,662.89	-	-	-	-
Lease liability	13C	-	-	27,011.15	-	-	22,224.66	-	-	-	-
Trade payables	26	-	-	33,672.92	-	-	36,473.13	-	-	-	-
Other financial liabilities	27	1,205.60	-	11,506.22	-	-	11,017.92	-	1,205.60	-	-
Total		1,205.60	-	1,35,582.56	-	-	85,378.60	-	1,205.60	-	-

Note: The Company has not disclosed fair values of financial instruments such as loans, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, lease liability, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)**Notes to the standalone financial statements for the year ended 31 March 2020***(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)***37 Financial instruments - Fair values and risk management (continued)****B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. 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; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2020	31 March 2019
Trade receivables	39,582.86	27,771.38
Investments	1,319.51	1,288.68
Cash and cash equivalents	8,013.14	7,847.47
Other bank balances	249.40	266.73
Loans	44,596.27	7,188.16
Deposits and other receivables	18,963.34	22,418.62
Other financial assets	6,978.06	9,585.96
Total	1,19,702.58	76,367.00

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.



37 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

ii. Credit risk (contd.)

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2020

	Gross carrying amount	Weighted- average loss rate	Loss allowance
Not due & Past due 1-90 days	34,080.40	2.3%	(797.39)
Past due 91-180 days	3,848.50	22.3%	(857.00)
Past due 181-365 days	2,650.29	16.2%	(430.43)
Past due for more than 365 days	2,936.81	62.9%	(1,848.32)
Total	43,516.00		(3,933.14)

As at 31 March 2019

	Gross carrying amount	Weighted- average loss rate	Loss allowance
Not due & Past due 1-90 days	23,425.74	1.36%	(319.71)
Past due 91-180 days	2,505.50	4.75%	(118.96)
Past due 181-365 days	1,434.12	21.50%	(308.34)
Past due for more than 365 days	5,024.65	77.05%	(3,871.62)
Total	32,390.01		(4,618.63)

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables is as follows:

	31 March 2020	31 March 2019
Balance at the beginning of the year	4,618.63	4,687.67
Add: Provision for the year	2,005.38	127.50
Less: Provision withdrawn against bad debts written off	(2,690.87)	(196.54)
Balance at end of the year	3,933.14	4,618.63

Cash and cash equivalents and other bank balances

The Company holds cash and bank balances of INR 8,262.54 lakhs as at 31 March 2020 (31 March 2019: INR 8,114.20 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

The Company has Deposits and other receivables of INR 18,963.34 lakhs as at 31 March 2020 (31 March 2019: INR 22,418.62 lakhs). It consists of deposit given in relation to leasehold premises occupied by the Company for carrying out its operations and receivable from subsidiaries. The Company does not expect any losses from non-performance by these counter-parties.

Loans, Investments and Other financial assets

The Company has loans, investments and other financial assets of INR 52,893.82 lakhs as at 31 March 2020 (31 March 2019: INR 18,062.80). The credit worthiness of such parties are evaluated by the management on an ongoing basis and are provided wherever necessary and the remaining balances are considered to be good.

iii. Liquidity risk

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



37 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
31 March 2020						
Non derivative financial liabilities						
Current and non-current borrowings						
Secured term loan from banks	233.30	233.30	66.95	75.69	90.66	-
Unsecured term loans from banks	6,200.00	6,200.00	6,200.00	-	-	-
Secured term loans from financial institutions	7,589.40	7,622.52	7,618.65	3.59	0.28	-
Unsecured term loans from financial institutions	5,149.23	5,149.23	5,149.23	-	-	-
Secured finance lease obligations	27,011.15	35,352.32	8,378.73	6,411.23	12,057.24	8,505.13
Unsecured loans repayable on demand	41,752.91	41,752.91	41,752.91	-	-	-
Secured loans repayable on demand	4,000.00	4,000.00	4,000.00	-	-	-
Unsecured Bills discounting	3,257.76	3,257.76	3,257.76	-	-	-
Unsecured cash credit from banks	23.65	23.65	23.65	-	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-	-
Others						
Trade payables	33,672.92	33,672.92	33,672.92	-	-	-
Other financial liabilities	7,006.24	7,006.24	6,956.44	49.80	-	-
	1,36,788.16	1,45,162.45	1,17,968.84	6,540.31	12,148.18	8,505.13

		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
31 March 2019						
Non derivative financial liabilities						
Current and non-current borrowings						
Secured term loan from banks	67.30	67.30	19.21	20.96	27.13	-
Unsecured term loans from banks	2,100.00	2,470.16	191.10	2,279.06	-	-
Secured term loans from financial institutions	5,720.11	6,042.23	5,370.87	668.88	2.48	-
Secured finance lease obligations	22,224.66	45,585.20	10,295.91	8,344.88	15,251.09	11,693.32
Unsecured loans repayable on demand	7,563.82	7,705.30	7,705.30	-	-	-
Unsecured cash credit from banks	202.78	204.29	204.29	-	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-	-
Others						
Trade payables	36,473.13	36,610.89	36,610.89	-	-	-
Other financial liabilities	10,135.18	10,135.18	6,070.46	3,376.63	688.09	-
	85,378.58	1,09,712.15	67,359.63	14,690.41	15,968.79	11,693.32



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

37 Financial instruments - Fair values and risk management (continued)

iv. Market risk

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 and optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, loans given to related parties and other payables and receivables are denominated in a currency other than the INR. The company does not hedge its foreign currency risk in general except in case of certain payables and receivables denominated in foreign currency which are hedged through the use of forward exchange contracts. The Company does not apply hedge accounting in respect of such forward exchange contracts.

The following table analyzes foreign currency risk from financial instruments. The amounts disclosed in the table below are in equivalent INR for the various currencies to which the Company is exposed to currency risk.

	As at 31 March 2020							As at 31 March 2019						
	INR	USD	Euro	GBP	SGD	AED	THB	INR	USD	Euro	GBP	SGD	AED	THB
Financial assets:														
Investments	1,319.50	-	-	-	-	-	-	1,288.68	-	-	-	-	-	-
Loans	-	5,896.35	-	37,742.32	957.61	-	-	-	5,410.27	-	859.52	918.37	-	-
Deposits and other receivables	6,991.03	1,232.16	-	10,452.12	167.00	-	121.03	7,280.67	838.77	-	14,150.79	66.11	-	82.28
Trade receivables	39,408.86	174.00	-	-	-	-	-	27,766.23	3.89	1.26	-	-	-	-
Cash and cash equivalents	8,013.14	-	-	-	-	-	-	7,847.47	-	-	-	-	-	-
Other bank balances	249.40	-	-	-	-	-	-	266.73	-	-	-	-	-	-
Other financial assets	6,978.06	-	-	-	-	-	-	9,585.96	-	-	-	-	-	-
	62,959.99	7,302.51	-	48,194.44	1,124.61	-	121.03	54,035.74	6,252.93	1.26	15,010.31	984.48	-	82.28
Financial liabilities:														
Borrowings	63,392.27	-	-	-	-	-	-	15,662.89	-	-	-	-	-	-
Lease liability	27,011.15	-	-	-	-	-	-	22,224.66	-	-	-	-	-	-
Trade payables	33,561.95	8.39	0.48	99.85	2.25	-	-	36,375.44	2.16	2.09	87.35	2.15	3.94	-
Other financial liabilities	12,499.22	-	-	28.91	183.69	-	-	10,992.28	17.74	-	7.90	-	-	-
	1,36,464.59	8.39	0.48	128.76	185.94	-	-	85,255.27	19.90	2.09	95.25	2.15	3.94	-
Net assets / (liabilities)	(73,504.60)	7,294.12	(0.48)	48,065.68	938.67	-	121.03	(31,219.54)	6,233.03	(0.83)	14,915.06	982.33	(3.94)	82.28



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

37 Financial instruments - Fair values and risk management (continued)

iv. Market risk (continued)

Currency risk (continued)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the ₹ against the respective currencies noted below at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Weakening	Strengthening
31 March 2020				
United States Dollar (1% movement)	72.94	(72.94)	-	-
Euro (1% movement)	(0.00)	0.00	-	-
Great Britain Pound (1% movement)	480.66	(480.66)	-	-
Singapore Dollar (1% movement)	9.39	(9.39)	-	-
Arab Emirates Dirham (1% movement)	-	-	-	-
Thailand Bhat (1% movement)	1.21	(1.21)	-	-
31 March 2019				
United States Dollar (1% movement)	62.33	(62.33)	-	-
Euro (1% movement)	(0.01)	0.01	-	-
Great Britain Pound (1% movement)	149.15	(149.15)	-	-
Japanese Yen (1% movement)	-	-	-	-
Singapore Dollar (1% movement)	9.82	(9.82)	-	-
Arab Emirates Dirham (1% movement)	(0.04)	0.04	-	-
Thailand Bhat (1% movement)	0.82	(0.82)	-	-

Interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2020	31 March 2019
Variable instruments		
<i>Financial Liabilities</i>		
- Loans repayable on demand	39,350.00	-
- Unsecured Bills discounting	3,257.76	-
- Cash credit from banks	23.65	202.78
Fixed rate instruments		
<i>Financial assets</i>		
- Loans	44,596.27	7,188.16
- Deposits with banks	369.70	670.00
<i>Financial Liabilities</i>		
- Term loans from banks	6,433.30	2,100.00
- Term loans from financial institutions	12,738.63	5,720.11
- Finance lease obligations	27,011.15	32,605.11
- Loans repayable on demand	6,402.91	7,563.82
- Vendor bill discounting	-	-
- Buyer's credit	-	-
- Unsecured Bills discounting	-	-
- Redeemable preference shares	891.60	891.60

iv. Market risk (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans given, investments made and borrowings) are carried at amortised cost any changes in interest rates are not considered for subsequent measurement.



TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

38 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this standalone financial statements.

As per our report of even date attached

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Firm Registration Number : 101049W / E300004

Chartered Accountants



Bharath N S

Partner

Membership No. 210934



Place: Chennai

Date : 31 August 2020

for and on behalf of the board of directors of

TVS Supply Chain Solutions Limited



Suresh Krishna

Chairman

DIN: 00046919

R Dinesh

Managing Director

DIN: 00363300



Ravi Viswanathan

Joint Managing Director

DIN: 08713910



S Ravichandran

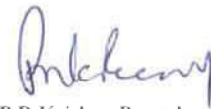
Deputy Managing Director

DIN: 01485845



Ravi Prakash Bbagavathula

Group Chief Financial Officer



P D Krishna Prasad

Company Secretary

Place : Chennai

Date : 31 August 2020

TVS SUPPLY CHAIN SOLUTIONS LIMITED
(formerly known as TVS Logistics Services Limited)

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting their Sixteenth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2020.

FINANCIAL RESULTS

(Amount INR in crores)

Particulars	Standalone		Consolidated	
	2019-20	2018-19 Revised	2019-20	2018-19 Revised
Revenues from operations (including other income)	1619.29	1509.24	6792.76	6833.75
Profit before tax from continuing operations	(21.72)	(1.20)	(243.45)	25.38
Profit/ (Loss) after tax from continuing operations	(15.84)	(1.16)	(249.50)	(15.35)
Profit/ (Loss) before tax from discontinued operations	-	-	0.04	(16.86)
Profit/ (Loss) after tax from discontinued operations	-	-	0.02	(17.12)
Profit/(Loss) for the year	(15.84)	(1.16)	(249.47)	(32.48)
Other comprehensive income, net of tax	1.21	(1.05)	(7.54)	(8.77)
Total comprehensive income	(14.62)	(2.21)	(257.01)	(41.45)

GLOBAL ECONOMIC OUTLOOK

The global economy, already under stress since 2019, has been severely impacted in the last quarter of FY20 due to the Novel Corona Covid-19 virus related global pandemic. The pandemic which originated in Wuhan, China in February 2020, has spread across the world impacting most major markets including the United States, UK and Europe including Germany, Italy, France, Spain, and most of Asia and Oceania. Lockdowns measures taken to contain the spread of the virus have had mixed results with severe reduction in economic activity leading to loss of jobs, closure of small businesses as well as change in consumption patterns in many sectors of the economy.

As per International Monetary Fund and World Bank forecasts as recent as June 2020, the world GDP is projected to contract by 4.9-5.2 % in 2020. Economic recovery forecasts post-Covid are also lower than initially forecasted, with global GDP expected to recover and grow at 5 - 5.5 % in 2021 as compared to prior year. Governments in Europe, USA and parts of South Asia have been providing financial support and incentives, particularly around furlough support, which have helped industry weather the storm.

The World Bank has opined that the extra-ordinary conditions due to the pandemic are expected to result in erosion of human capital through lost work and schooling as well as result in lower investment appetite. The focus of governments is also shifting towards strengthening public health infrastructure and systems, inward looking policies on manufacturing and distribution to restrict cross border travel and policies boosting self-reliance. With ideas like social distancing and Work from Home (WFH) here to stay, organisations are rapidly rejigging their operating models to operate in this new normal. These include significant investments in automation, digital adoption and data led management initiatives.

GLOBAL LOGISTICS OUTLOOK

The pandemic is expected to throw up a mixed bag for the Global Logistics Market. The market for luxury goods, automobiles and non-essential commodities is expected to remain under stress for the rest of this year. A significant uptick is visible in logistics services for essential commodities including Fast Moving Consumer Goods (FMCG), Pharmaceutical supplies, Medical devices, testing kits, and the like. Supply chains of essential goods which had dried up due to lockdowns over the last few months are continuing to rebound currently as part of inventory stock replenishment.

Manufacturing organisations have also embarked on de-risking strategies to prevent supply chain disruptions. This is expected to create additional demand for logistics services following the creation of new manufacturing zones in parts of South and South East Asia. Asia is, therefore, likely to lead the recovery and growth of the logistics sector in the aftermath of the pandemic.

While forecasts on the growth of global logistics widely vary, it would be safe to assume that the global logistics market would mirror similar trends as global GDP. Most logistics players would need to rejig their strategies to shift focus from luxury goods to essential commodities through 2020, while the recovery of the auto sector is expected to extend into 2021.

Transportation needs are trending upwards for global freight and inland transport, especially of air freight or sameday courier services which cater to urgent requirements. Corresponding yield increases are helping make up the slow volumes through traditional modes of transportation of ocean freight, shared delivery networks, etc. This trend is expected to continue until the 3rd quarter of this calendar year.

INDIAN ECONOMIC OUTLOOK

While the impact to the Indian economy has a wide range of forecasts, average contractions expected this year are in the range of 3.0% - 4.5%, which ties in with forecasts from the World Bank and the International Monetary Fund. Immediate impacts include high unemployment rates around 20%, and possible increase in NPAs, which may mute economic growth post Covid-19, with forecasts in the range of 3-3.5%. The Indian government has been taking economic interventions to give fillip to growth which include support packages worth Rs. 20 lakh crores as well as reforms announced in the Mining, Defence Production, Housing, Agriculture and Power Distribution sectors. Additional welfare actions to support migrant labour and healthcare and insurance benefits are expected to help the economy get back on track.

The downturn in the Indian auto sector which started in 2019 has continued with Covid 19 especially in the commercial vehicles segments. With social distancing in place, personal use vehicles are expected to substitute public transportation like buses, taxis, and auto rickshaws. This is resulting in a smart recovery in the 2-wheeler segment owing to pent up demand and limited availability of public transport.

The government also proposes to re-examine the national logistics policy considering the current environment on account of the Covid-19. Your company has been involved in making contributions through industry associations towards policy development. The accent would be on ensuring Indian logistics integrates smoothly into the global logistics ecosystem. In addition, your company is also participating in skill development programs as part of public-private joint initiatives.

INDIAN LOGISTICS INDUSTRY SCENARIO

Covid-19 is driving rapid changes in the Indian Logistics sector with companies needing to adapt to the changed environment. While economic activity is expected to remain slow in the first half of the year, the new opportunities being thrown up will enable the logistics sector to bounce back in the second half. Online expansion supported by hyper local and intracity services and pivoting into essential services sectors, all driven through digitization and safety-first are likely to propel the logistics sector in the rest of the year.

New disruptive business models including Direct2Retail (D2R) are being experimented with, to augment the decline of traditional distribution networks due to the pandemic. Significant opportunities are also opening in the FMCG, Pharma and Medical Devices sectors, with on-demand logistics services using platform technologies.

The sector continues to be a high involvement sector for product, technology, and process innovation. While growth may have been temporarily pushed back because of the Covid-19 pandemic, the long-term story of the logistics sector remains intact.

PERFORMANCE REVIEW

The impact of external macro-economic variables including slowdown in global trade lanes, downturn in the global auto sector and onset of Covid-19 in FY20Y has extended into FY21 as well. Your Company continues to take various initiatives to improve its growth, operating margin, and profitability in the coming year, with focus on pivoting itself to operate in the changing post Covid environment.

Operations:

Your Company continued to strengthen its offerings in the end-to-end supply chain services. The capability led strategy of Integrated Supply Chain Solutions, Last Mile Solutions and Freight Management Solutions were considerably strengthened through new senior management hires, investments in Business Development, technology interventions and continued process and cost initiatives driven by the global Centre of Excellence (CoE) at Madurai.

A key initiative along with a global consulting firm was to determine the Economic Profit (EP) of the various lines of business. The inputs of this exercise are being used to drive various business transformations across the globe. This has also enabled your company in business planning and re-setting strategic priorities.

Significant initiatives commenced which would conclude this year include:

Freight Management Solutions (FMS): TVS Asianics undertook some significant programs across the network which included transformation of the contract logistics business, re-sizing facilities, Reduction in Force initiatives along with integration of people processes and systems, and lane level focus on business development. In addition, TVS Asianics is also migrating from a legacy IT Service provider onto our global IT systems and integrating all operations into one global platform to realise operational and cost efficiencies. This takes the organisation into a very strong position to maximise opportunities being thrown up due to Covid.

Last Mile Solutions (LMS): Your company expanded into new geographies including Indonesia, New Zealand, Australia, and Thailand on the back of the TVS Asianics network, thereby increasing the global footprint for last mile solutions. Collaborative efforts with other business entities enabled renewals of key customer contracts and additional encirclement opportunities. A new courier exchange platform will roll out during the year, helping to connect couriers and service lanes seamlessly, within the regulatory framework in the UK.

Integrated Supply Chain Solutions (ISCS): Greater collaboration across business lines enabled your company to develop new segments including Utilities segment in UK. Rail network services were also effectively targeted with addition of new accounts. Collaboration across geographies has helped lead sharing and farming of global accounts. Your company was also able to leverage capabilities across geographies to penetrate value adding solutions across some global marquee names. The legacy operating system was also replaced with new operating system code-named Visibility and is in process of implementation across the global operating companies.

During the last year, your company set in place strong collaborative processes including joint business review mechanisms which have enabled significant co-operation towards new business development, sharing and optimising of resources and joint offerings to customers which have strengthened customer encirclement. These initiatives will be backed by tech interventions with a new digital strategy FY21 onwards.

Your company also used this crisis to pivot into new opportunities as below:

Air Freight Movements: Movement of medical supplies, testing kits, ventilator equipment and PPEs from China into Asian and European markets. Dynamic sourcing of capacity along with appropriate pricing helped to effectively sustain margins especially on global air freight movements.

Sameday Courier services: Company has pivoted into opportunities to move testing kits and medical supplies to address essential needs across the UK. Additionally, steps were taken to handle volume surges through scaling up same day courier services effectively.

Transportation services : Opportunities thrown up for Full Truck Load (FTL) movements to support distribution of essential commodities and food products during the Covid lockdowns were taken forward in India. These services enabled your company to make inroads into FMCG sector and opened doors to new major blue chip accounts.

New business development:

During the year under review, new initiatives included

Global CRM: Your company decided to implement a common global CRM across all the businesses. The implementation will complete in the first half of this year.

Global Sales approach: Collaborative efforts were successful in targeting some major blue chip global corporations by leveraging capabilities and relationships across geographies as part of the global account strategy.

Your Company added 135 new client accounts with annualised revenues worth INR 881 crores at a consolidated level. The new customers included market leaders from the Engineering, Automobile, Electronics, Infrastructure & Construction verticals.

Acquisitions:

During the year under review, no new acquisitions were undertaken by your Company.

Financing Initiatives:

During the year, your Company has initiated certain pro-active finance strategy initiatives like Sale & Lease back of Chorley Property (INR 2350 Mn), New Refinancing Facility in place of Project Centum (USD 185 Mn), non-recourse factoring of customer receivables limit (GBP 15 Mn) to bolster the overall liquidity position and reduce overall finance charges.

As part of its hedging policy, your Company continues to follow natural hedging as its core policy whereby the earnings and pay-outs are typically mapped in the same currency by operating entities in US, UK and rest of Asia. Your Company has also opted for financial derivative instruments to hedge the open interest rate and cross currency risks.

In this fiscal, your Company has also raised primary equity from Gateway Partners (INR 1750 Mn).

DIVIDEND

In order to conserve the resources of the Company, and to build up reserves and considering the business plans of the Company, no Dividend was declared for the current financial year.

TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves during the financial year.

PROSPECTS

Your Company had taken various steps to strengthen the business development team. These measures are expected to enable the Company to achieve higher turnover and profits in the years to come.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments have occurred affecting the financial position of the Company after March 31, 2020 till the date of this report.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules, the audited Consolidated Financial Statements of the Company and of all subsidiary and joint venture companies are enclosed.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

A separate statement containing the salient features of the audited financial statements of all the subsidiary and joint venture companies is attached to this Report.

The Company will make available the Annual Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Financial Statements of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of subsidiary companies concerned. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

The details of investments made in various subsidiaries are provided as part of the Financial Statements for the year.

SHARE CAPITAL

During the year, the authorised capital of the Company has increased from INR 36 crores to INR 47 crores.

During the year, the following changes have occurred in the issued, called, subscribed and paid-up share capital of the Company:

- Issuance of 10,23,350 - Series A 0.0001% Compulsorily Convertible Preference Shares (CCPS) having a face value of INR 100/- each at a premium of INR 1610.07/- each on private placement /preferential basis;
- Conversion of 95000 share warrants into equity shares of INR 10/- each in the ratio of 1:1.

Accordingly, the paid-up capital of the Company is INR 42,20,09,840/-

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, consequent upon the issuance of CCPS to Mahogany Singapore Company Pte. Ltd. ("**Gateway Partners**"), based on the nomination from Gateway Partners and as recommended by the Nomination and Remuneration Committee, Sri. Anand Kumar (DIN: 00818724) was co-opted to the Board as an Additional Director with effect from February 7, 2020. At the Extra-Ordinary General Meeting of the Members of the Company held on February 17,2020, Sri. Anand Kumar was appointed as Director of the Company.

The Board of your Company based on the recommendation of the Nomination and Remuneration Committee co-opted Sri. Ravi Viswanathan (DIN: 08713910) as Joint Managing Director of the Company for a period of five years with effect from February 29, 2020 designated as Joint Managing Director and Chief Executive Officer from April 01, 2020, subject to the approval of the shareholders.

Based on the nomination by CDPQ Private Equity Asia Pte. Ltd, Singapore, ("**CDPQ**") and as recommended by the Nomination and Remuneration Committee, Mr. Benoit Raillard (DIN: 08756794) was co-opted as an Additional Director with effect from August 27, 2020.

Sri. Suresh Krishna (DIN: 00046919) and Sri. S Ram (DIN: 00018309), Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Your Directors recommend the appointment and re-appointment of above Directors.

STATUTORY AUDITORS

The Members at their 14th Annual General Meeting appointed M/s. S.R. Batliboi & Associates LLP, as the Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of the 14th Annual General Meeting of the Company till the conclusion of the 19th Annual General Meeting. M/s. S.R. Batliboi & Associates LLP have confirmed their eligibility for appointment under Section 139 read with Section 141 of the Companies Act, 2013 and the rules made thereunder.

INTERNAL AUDITORS

During the year, M/s. KPMG (Registered), was appointed as Internal Auditors of the Company to conduct the Internal Audit of the Company and its subsidiaries.

BOARD MEETINGS

During the year, the Board of Directors of your Company met six times. The dates of meetings are 06.05.2019, 02.08.2019, 12.09.2019, 02.12.2019, 24.01.2020 and 28.02.2020.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is annexed to this Report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. K Venugopalan, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ended 31st March, 2020. The Secretarial Audit Report is attached to this Report.

AUDIT COMMITTEE

The Audit Committee consists Sri. S Mahalingam, Chairman, Sri. V Anantha Nageswaran and Ms. Anita George as members. During the year under review, the Board has accepted all the recommendations of the Committee.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

In accordance with Section 177(9) of the Companies Act, 2013, the Company has established a Vigil Mechanism and has a Whistle Blower Policy for the employees to report genuine concerns in such manner as prescribed.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of Sri. C K Ranganathan, Chairman Sri. V. Anantha Nageswaran, Sri. S Mahalingam and Ms. Anita George, Members in terms of Section 178 of the Companies Act, 2013. The Company has framed a policy on the director's appointment and remuneration including criteria for determining qualifications, Independence of a director and other matters provided under Section 178 (3) of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted a Corporate Social Responsibility Committee consists of Sri. C K Ranganathan, Chairman, Ms. Shobhana Ramachandran, Sri. S Mahalingam and Ms. Anita George, Members. The Company has adopted a Corporate Social Responsibility (CSR) policy pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rule, 2014 and the Report on CSR Activities as required thereunder is attached to this Report.

DEPOSITS

During the year, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies Acceptance of Rules, 2014. No amount on deposits was outstanding as on the Balance Sheet date.

LOANS, GUARANTEES OR INVESTMENTS

Details of loans, investments and guarantees covered under Section 186 of the Companies Act, 2013 are given in the Notes to the accompanying financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions entered by the Company during the financial year were during the ordinary course of business and at arm's length basis. The details of the transactions with related parties are provided in the accompanying financial statements.

INDEPENDENT DIRECTORS

Sri. V. Anantha Nageswaran was re-appointed as Independent Director of the Company, for a period of five years, with effect from March 19, 2016.

Sri. C K Ranganathan and Sri. S Mahalingam were re-appointed as Independent Directors on the Board of your Company, for a period of five years, with effect from June 29, 2018 and August 30, 2018, respectively.

The Company has received the declarations of Independence from them pursuant to Section 149(6) of the Companies Act, 2013.

EVALUATION OF BOARD /BOARD COMMITTEES

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out performance evaluation of its own performance, the directors individually as well as evaluation of the working of the Committees of the Board.

PARTICULARS OF EMPLOYEES

A statement containing the information as required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this Report.

INTERNAL FINANCIAL CONTROLS

Your Company has well defined and adequate internal financial controls and procedures commensurate with its size & nature of its operations. This is further strengthened by the internal audit done concurrently and periodical reporting to the Audit Committee.

RISK MANAGEMENT

Periodic risk assessment of business risk environment is carried to identify significant risks to the achievement of business objectives of the Company. Key risks are reported and evaluated at appropriate forums and levels within the Company.

ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There has been no order passed by any Regulators or Court or Tribunal impacting the going concern status and future operations of the Company.

MAINTENANCE OF COST RECORDS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the maintenance of cost records is not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (b) appropriate accounting policies have been selected and applied consistently and judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;

- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
- (f) proper internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and are operating effectively.

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

The Company has no activity relating to conservation of energy or technology absorption.

The details of the foreign exchange earnings and outgo are:

(INR in crores)

Foreign exchange earnings - 55.79

Foreign exchange outgo - 6.04

MANAGEMENT INCENTIVE PLAN

During the year under review, the Company has granted 3,04,828 stock options to the employees under the Management Incentive Plan. The disclosures in compliance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014 are set out in Annexure and forms part of this Report.

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

The Company has in place an anti-sexual harassment policy in line with the requirements of the captioned Act and Rules made thereunder. An Internal Complaints Committee has been set up to redress complaints regarding sexual harassment. The Company has not received any complaint during the year under review.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the promoter company, the members and the subsidiary/ joint venture companies for their support and confidence reposed on your Company.

Your Directors would also like to place on record their appreciation of the dedicated, individual and collective contribution of all the employees in the overall growth and progress of the Company.

For and on behalf of the Board

Place: Chennai

Date: 31.08.2020

Suresh Krishna
(DIN: 00046919)
Chairman

FORM AOC-1

(Pursuant to Part IV of the Companies Act, 2013 and section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE / JOINT VENTURE

PART A - SUBSIDIARIES

Exchange rate											
S.No	Name of the Company	Country	Reporting Currency	Closing	Average	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments	Turnover
1	TVS Dynamic Global Freight Services Limited	India	INR	1	1	1,20,00,000	42,53,14,234	71,37,35,088	27,64,40,854	-	2,98,88,52,773
2	Drive India Enterprise Solutions Limited	India	INR	1	1	2,21,00,000	(6,70,55,498)	76,38,28,917	80,87,82,414	-	11,20,52,888
3	FLEXTR, Packaging (India) Limited	India	INR	1	1	77,04,160	3,36,52,299	14,86,97,884	10,82,94,425	-	21,77,08,919
4	TVS Logistics Slim Limited	Thailand	THB	2.10	2.2807	2,29,75,000	(5,39,96,786)	6,21,18,703	9,20,42,489	-	15,71,27,975
5	TVS Logistics Investment UK	UK	GBP	93.08	90.148	57,66,70,787	(3,29,992)	13,19,46,26,728	12,61,83,45,068	-	14,16,20,334
6	TVS Logistics Investments USA Inc.	USA	USD	75.39	70.8791	46,38,98,671	(57,09,45,985)	2,40,04,08,257	2,59,73,53,519	-	(31,33,542)
7	TVS-Adanities Supply Chain Solutions Pte. Limited and its subsidiaries	Singapore	SGD	51.20	70.8791	1,98,69,94,550	(3,83,57,60,239)	10,57,20,95,493	12,42,17,61,299	-	(1,90,75,11,583)
8	TVS Toyota Tundra Supply Chain Solutions Limited	India	INR	1	1	2,00,00,000	8,35,58,117	58,38,72,379	48,01,14,242	-	50,57,31,000
9	White Dura Systems Private Limited	India	INR	1	1	4,13,29,610	32,65,31,287	63,49,34,621	26,69,73,724	-	48,69,72,193
10	SPC International (India) Private Limited	India	INR	1	1	51,00,000	9,13,61,587	16,28,41,979	6,03,82,391	-	29,20,30,605
11	TVS Packaging Solutions Private Limited	India	INR	1	1	1,00,000	(1,35,400)	1,60,270	1,35,670	-	-
Our Company does not hold any share in the following companies, but however they are subsidiaries under section 87(6) of the Companies Act, 2013											
Exchange rate											
S.No	Name of the Company	Country	Reporting Currency	Closing	Average	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments	Turnover
1	TVS Logistics Investment (UK) Limited and its subsidiaries	UK	GBP	93.08	90.148	57,66,70,787	2,52,85,14,193	28,12,72,02,858	24,54,96,52,837	-	27,43,44,34,921
2	TVS Logistics Investments USA Inc. and its subsidiaries	USA	USD	75.39	70.8791	46,37,72,444	(98,89,50,972)	3,16,18,29,630	3,71,91,66,935	-	4,89,15,06,616
3	TVS Supply Chain Solutions Limited	UK	GBP	93.08	90.15	186	3,53,33,14,593	8,98,19,85,140	5,44,86,70,301	-	10,08,59,01,993
4	TVS Logistics Iberia S.L.	Spain	EUR	77.70	90.15	1,61,95,224	15,479,367	75,94,01,179	58,88,26,619	-	1,37,36,01,804
5	TVS Autovest GmbH	Germany	GBP	93.08	90.15	1,61,95,224	5,31,17,669	41,13,77,089	26,92,13,657	-	96,99,05,555
6	Rico Logistics Limited and its subsidiaries	UK	GBP	93.08	90.15	50,20,058	2,05,59,28,347	10,43,15,18,576	8,01,64,33,526	-	14,95,32,81,506
7	TVS Supply Chain Solutions North America Inc. and its subsidiaries (Formerly known as Weinmann Industries Inc.)	USA	USD	75.39	70.88	1,97,07,92,977	(22,80,38,435)	4,48,60,96,252	2,78,83,71,709	-	4,89,15,06,616

The following is the subsidiary where our Company owns the entire share capital along with another subsidiary

S.No	Name of the Company	Country	Reporting Currency	Closing	Average	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments	Turnover
1	TVS America Inc.	USA	USD	75.39	51.6783	8,20,24,490	(14,84,71,209)	5,805	6,55,54,523	-	-
The following is the subsidiary where our Company owns the entire share capital along with another subsidiary											
S.No	Name of the Company	Country	Reporting Currency	Closing	Average	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments	Turnover
1	TVS America Inc.	USA	USD	75.39	51.6783	8,20,24,490	(14,84,71,209)	5,805	6,55,54,523	-	-

Dividend

Profit after

Provision for

Profit before

Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

S.No

%

Dividend

Profit after

Provision for

Profit before

Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

S.No

%

Dividend

Profit after

Provision for

Profit before

Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

S.No

%

Dividend

Profit after

Provision for

Profit before

Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

S.No

%

Dividend

Profit after

Provision for

Profit before

Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

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%

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Turnover

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Total Assets

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Capital

Average

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%

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Average

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%

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Total Assets

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Country

Name of the Company

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Profit after

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Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

S.No

%

Dividend

Profit after

Provision for

Profit before

Turnover

Details of

Total Assets

Total Liabilities

Reserves

Capital

Average

Closing

Reporting

Country

Name of the Company

S.No

%

Dividend

Profit after

FORM AOC-1

[Pursuant to first proviso to sub section 3 of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / JOINT VENTURE

(All amounts are in Indian rupees (₹) except share data and otherwise stated)

PART B - JOINT VENTURE

Sl.no	Name of the Joint venture	TVS Industrial & Logistics Parks Private Limited (formerly known as TVS Infrastructure Private Limited)
1	Latest audited / unaudited Balance Sheet Date	31 March 2020
2	Share of Joint venture held by the Company on the year end date	
	No.	
	Amount of Investment in Joint Venture	2,75,00,000
	Extent of Holding	50%
3	Description of how there is significant influence	No significant influence
4	Reason why the joint venture is not consolidated	Not applicable
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	1,73,70,18,744
6	Profit for the year	4,37,96,322
i	Considered in consolidation	2,18,98,161
ii	Not considered in consolidation	-

For and on behalf of the Board of Directors

Suresh Krishna
Chairman

R Dinesh
Managing Director

Ravi Viswanathan
Joint Managing Director

S Ravichandran
Deputy Managing Director

Ravi Prakash Bhagavathula
Group Chief Financial Officer

P D Krishna Prasad
Company Secretary

Place: Chennai

Date:

FINANCIAL INFORMATION OF SUBSIDIARIES / JOINT VENTURES (CONSIDERED FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS)

INR																
Exchange rate																
S/No	Name of the Company	Country	Reporting Currency	Closing	Average	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Dividend declared	% share holding
SUBSIDIARIES																
1	TVS Dynamic Global Freight Services Limited	India	INR	1	1	1,20,00,000	42,53,14,234	71,37,55,088	27,64,40,854		2,98,88,52,773	10,33,07,368	2,96,16,076	7,36,91,292	1,20,00,000	85.00
2	Drive India Enterprise Solutions Limited	India	INR	1	1	2,21,00,000	(6,70,53,498)	76,38,28,917	80,87,82,414		11,20,52,838	(43,51,369)	1,62,200	(45,13,569)		100.00
3	FLEXOL Packaging (India) Limited	India	INR	1	1	77,04,160	3,26,92,299	14,86,90,884	10,82,94,425		21,37,08,919	(3,79,40,481)	(31,08,029)	(3,48,32,452)		67.50
4	TVS Logistics Siam Limited	Thailand	THB	2,2973	2,2907	2,29,73,000	(5,28,96,786)	6,21,18,703	9,20,42,489		15,71,27,975	(1,08,48,123)		(1,08,48,123)		100.00
5	TVS Logistics Investment UK	UK	GBP	93.076	90.148	57,66,70,787	(3,29,092)	13,19,46,26,728	12,61,82,85,008		14,16,20,034		(1,14,15,616)	(13,02,04,417)		100.00
6	TVS Logistics Investments USA Inc.	USA	USD	75.3859	70.8791	46,36,98,671	(57,09,43,985)	2,40,01,08,257	2,50,73,53,519			(31,33,542)		(31,33,542)		100.00
7	TVS-Asiatics Supply Chain Solutions Pte. Limited and its subsidiaries	Singapore	SGD	53.2003	51.6783	1,98,69,94,550	(3,83,57,60,239)	10,57,29,95,493	12,42,17,61,209		14,51,73,45,294	(1,90,75,11,583)	(6,07,96,870)	(1,84,67,14,713)		93.31
8	TVS Toyota Tsusho Supply Chain Solutions Limited	India	INR	1	1	2,00,00,000	8,35,58,137	58,38,72,379	48,03,14,242		50,57,31,000	3,60,38,037	1,04,89,280	2,55,48,757		60.00
9	White Data Systems Private Limited	India	INR	1	1	4,13,29,610	32,66,31,287	63,49,34,621	26,69,73,724		48,69,72,193	(1,92,85,073)	(26,87,215)	(1,65,97,859)		51.00
10	SPC International (India) Private Limited	India	INR	1	1	51,00,000	9,13,61,587	16,28,43,979	6,63,82,391		29,20,30,605	1,26,38,618	26,71,289	99,67,329		100.00
11	TVS Packaging Solutions Private Limited	India	INR	1	1	1,00,000	(1,35,400)	1,00,270	1,55,670		-	-	-	-		100.00
STEP DOWN SUBSIDIARIES																
1	TVS Logistics Investment UK Limited and its subsidiaries	UK	GBP	93.076	90.148	57,66,70,787	2,52,85,14,193	28,12,72,62,858	24,54,96,52,837		27,43,84,74,921	45,63,12,483	7,38,44,539	38,24,67,944		100.00
2	TVS Logistics Investments USA Inc. and its subsidiaries	USA	USD	75.3859	70.8791	46,37,32,444	(98,89,50,972)	3,16,18,29,630	3,71,91,66,935		4,89,15,60,616	(59,70,47,950)	(18,03,164)	(59,52,44,785)		100.00
3	TVS Supply Chain Solutions Limited	UK	GBP	93.076	90.148	186	3,53,33,14,593	8,98,19,85,140	5,44,86,70,301		10,08,39,01,993	93,09,89,696	13,58,47,873	79,51,41,823		100.00
4	TVS Logistics Iberia S.L.	Spain	EURO	93.076	90.148	1,61,95,224	15,43,79,367	75,94,01,179	58,88,26,619		1,37,36,01,804	5,71,15,087	1,72,22,111	3,98,92,976		100.00
5	TVS Autocore GmbH	Germany	GBP	93.076	90.148	1,61,95,224	5,31,37,869	41,13,77,089	26,92,13,657		56,99,05,555	2,26,34,349	70,35,581	1,55,98,767		51.00
6	Rico Logistics Limited and its subsidiaries	UK	GBP	93.076	90.148	50,20,058	2,05,59,28,347	10,43,15,18,376	8,01,64,33,326		14,95,92,81,506	(32,64,16,135)	(5,33,91,330)	(27,30,24,805)		97.47
7	TVS America Inc.	USA	USD	75.3859	70.8791	8,29,94,490	(14,84,73,209)	5,805	6,55,54,523		-	(5,89,292)	-	(5,89,292)		49.00
8	TVS Supply Chain Solutions North America Inc. and its subsidiaries (formerly known as Wainwright Industries Inc.)	USA	USD	75.3859	70.8791	1,97,07,82,977	(22,30,58,435)	4,48,60,96,252	2,73,83,71,709		4,89,15,60,616	(59,78,63,437)	(18,03,164)	(59,60,60,272)		100.00
JOINT VENTURES																
1	TVS Industrial & Logistics Parks Private Limited (formerly known as TVS Infrastructure Private	India	INR	1	1	11,00,00,000	1,62,70,18,744	7,27,91,63,383	5,54,21,39,639		55,00,12,013	5,68,31,844	1,56,49,053	4,37,96,322		50

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014)

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U63011TN2004PLC054655
2.	Registration Date	16.11.2004
3.	Name of the Company	TVS SUPPLY CHAIN SOLUTIONS LIMITED (formerly known as TVS Logistics Services Limited)
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	10, Jawahar Road, Chokkikulam, Madurai-625002, Ph no. 044- 66857777
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY *(All the business activities contributing 10 % or more of the total turnover of the company shall be stated):*

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Logistics Services	492	92.26

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	TVS Dynamic Global Freight Services Ltd, India	U63010TN2007PLC064282	Subsidiary	85	2(87)
2.	FLEXOL Packaging (India) Limited, India.	U74990TN2010PLC076131	Subsidiary	67.55	2(87)
3.	TVS Toyota Tsusho Supply Chain Solutions Ltd, India.	U74999TN2014PLC098233	Subsidiary	60	2(87)
4.	Drive India Enterprise Solutions Ltd, India.	U72900TN2000PLC104165	Subsidiary	100	2(87)
5.	SPC International (India) Private Limited, India.	U72501KA2008PTC048570	Subsidiary	100	2(87)
6.	TVS Packaging Solutions Private Limited, India.	U74999TN2017PTC116321	Subsidiary	100	2(87)
7.	TVS Industrial & Logistics Parks Private Limited (formerly known as TVS Infrastructure Private Limited), India	U45200MH2005PTC154628	Associate (Joint Venture)	50	2(6)
8.	White Data Systems India Private Limited, India	U72200TN2015PTC129978	Subsidiary	51	2(87)

9.	TVS Logistics Investment UK Ltd, UK	NA	Subsidiary	100	2(87)
10.	TVS Logistics Siam Limited, Thailand	NA	Subsidiary	100	2(87)
11.	TVS- Asianics Supply Chain Solutions Pte. Ltd., Singapore	NA	Subsidiary	93.31	2(87)
12.	TVS Logistics Investments USA Inc., USA	NA	Subsidiary	100	2(87)
13.	TVS Supply Chain Solutions North America Inc., USA	NA	Subsidiary	100	2(87)
14.	TVS Supply Chain Solutions Ltd, UK	NA	Subsidiary	100	2(87)
15.	TVS Autoserv GmbH, Germany	NA	Subsidiary	51	2(87)
16.	RICO Logistics Limited, UK	NA	Subsidiary	97.47	2(87)
17.	TVS Logistics Iberia S.L, Spain	NA	Subsidiary	100	2(87)
18.	TVS Supply Chain Solutions GmbH, Germany	NA	Subsidiary	100	2(87)
19.	TVS- Asianics Australia Pty. Ltd, Australia	NA	Subsidiary	100	2(87)
20.	TVS Supply Chain Solutions de Mexico S.A. de C.V., Mexico	NA	Subsidiary	99	2(87)
21.	TVS Transport Solutions (formerly known as Waintrans LLC), USA	NA	Subsidiary	100	2(87)
22.	T.I.F Holding Pty. Ltd, Australia	NA	Subsidiary	100	2(87)
23.	Ricochet Spain S.L., Spain	NA	Subsidiary	100	2(87)
24.	Rico Logistique, France	NA	Subsidiary	100	2(87)
25.	SPC International Limited, UK	NA	Subsidiary	63.06	2(87)
26.	Rico Logistics Limited, Australia	NA	Subsidiary	100	2(87)
27.	Circle Express Limited, UK	NA	Subsidiary	95	2(87)
28.	Tri- Tec Computer Support Ltd, Northern Ireland	NA	Subsidiary	100	2(87)
29.	Tri-Tech Support Limited, Ireland	NA	Subsidiary	100	2(87)
30.	Transtar International Freight (Aust) Pty Ltd, Australia	NA	Subsidiary	100	2(87)
31.	KAHN Nominees Pty Ltd, Australia	NA	Subsidiary	100	2(87)
32.	Transtar International Freight Limited, New Zealand	NA	Subsidiary	100	2(87)
33.	SPC International (Engineering) Limited, UK	NA	Subsidiary	100	2(87)
34.	PITCOMP 171 Limited, UK	NA	Subsidiary	100	2(87)
35.	SPC EBT Trustees Limited, UK	NA	Subsidiary	100	2(87)
36.	SPCINT Limited, UK	NA	Subsidiary	100	2(87)

37.	SPC International INC., USA	NA	Subsidiary	100	2(87)
38.	SPC International s.a.s, France	NA	Subsidiary	100	2(87)
39.	SPC International s.r.o., Slovakia	NA	Subsidiary	100	2(87)
40.	Transtar International Freight Limited, Hong Kong	NA	Subsidiary	100	2(87)
41.	Transtar International Freight (Singapore) Pte. Ltd. Singapore	NA	Subsidiary	100	2(87)
42.	Transtar International Freight (Thailand) Limited, Thailand	NA	Subsidiary	49	2(87)
43.	Transtar International Freight (Shanghai) Limited, China	NA	Subsidiary	100	2(87)
44.	Transtar International Freight (Malaysia) Sdn Bhd	NA	Subsidiary	100	2(87)
45.	Peter Thomas & Co (Refurbishing) Limited, UK	NA	Subsidiary	100	2(87)
46.	MSys Software Solutions Ltd,UK	NA	Subsidiary	100	2(87)
47.	Multipart Limited, UK	NA	Subsidiary	100	2(87)
48.	Nadal Forwarding S.L	NA	Subsidiary	100	2(87)
49.	Lineas Regulares XXI, S.L	NA	Subsidiary	100	2(87)
50.	Pan Asia Logistics International Pte. Ltd	NA	Subsidiary	100	2(87)
51.	Pan Asia Logistics Singapore Pte. Ltd	NA	Subsidiary	100	2(87)
52.	Pan Asia Logistics Limited, Shanghai	NA	Subsidiary	100	2(87)
53.	Pan Asia Logistics International (Korea) Ltd	NA	Subsidiary	100	2(87)
54.	Pan Asia Logistics (Thailand) Ltd	NA	Subsidiary	49	2(87)
55.	Pan Asia Freight-Forwarding & Logistics Hong Kong Ltd	NA	Subsidiary	100	2(87)
56.	Pan Asia Container Line Pte Ltd, Hong Kong	NA	Subsidiary	100	2(87)
57.	Pan Asia Logistics Deutscheland, GmbH	NA	Subsidiary	100	2(87)
58.	Pan Asia Logistics Malaysia Sdn Bhd	NA	Subsidiary	100	2(87)
59.	Pan Asia Logistics Vietnam Company Ltd	NA	Subsidiary	95	2(87)
60.	PT Pan Asia Logistics Indonesia	NA	Subsidiary	90	2(87)
61.	PT Pan Asia Logistics Taiwan Ltd	NA	Subsidiary	100	2(87)
62.	Pan Asia Freight-Forwarding & Logistics India Pvt Ltd	U63040MH2011FTC213986	Subsidiary	99.99	2(87)
63.	TVS America INC.	NA	Subsidiary	51	2(87)
64.	TVS Packaging Solutions Inc., US	NA	Subsidiary	100	2(87)
65.	TVS SCS Rico Italia SRL	NA	Subsidiary	100	2(87)
66.	Eltec IT Services, S.L.U	NA	Subsidiary	100	2(87)
67.	Triage Holdings Limited	NA	Subsidiary	100	2(87)

a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	36,00,539	11,664	36,12,203	11.42	39,84,203	-	39,84,203	12.56	1.14
ii) Overseas	1,45,05,757	-	1,45,05,757	45.85	1,45,05,757	16,000	1,45,21,757	45.77	(0.08)
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	9,643	1,63,994	1,73,637	0.55	42,416	1,34,994	1,77,410	0.56	0.01
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6,09,328	16,99,195	23,08,523	7.40	11,96,680	8,17,228	20,13,908	6.35	(1.05)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	38,395	38,395	0.12	20,000	33,395	53,395	0.17	0.05
Overseas Corporate bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	1,89,000	1,89,000	0.60	-	2,38,000	2,38,000	0.75	0.15
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	80,275	-	-	0.25	14,117	-	14,117	0.04	(0.21)

Foreign Bodies Corporate's	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1,88,05,542	21,02,248	2,09,07,790	66.09	1,97,63,173	12,39,617	2,10,02,790	66.19	0.10
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,88,05,542	21,02,248	2,09,07,790	66.09	1,97,63,173	12,39,617	2,10,02,790	66.19	0.10
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,95,32,885	21,02,248	3,16,35,133	100	3,04,90,516	12,39,617	3,17,30,133	100	-

ii) Shareholding of Promoter:

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	M/s. T.V. Sundram Iyengar & Sons Private Limited	1,07,27,343	33.91	-	1,07,27,343	33.81	-	(0.10)

iii) Change in Promoters' Shareholding (please specify, if there is no change): No change

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,87,51,606	59.27	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	2,74,363 (change in shareholding)	0.69	1,90,25,969	59.96
	At the end of the year	1,90,25,969	59.96	1,90,25,969	59.96

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8,85,245	2.80	8,85,245	2.80
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-83,186 (Transfer on 06/02/20)	(0.26)	8,02,059	2.54
		30,000 (conversion of share warrants on 24/01/20)	(0.09)	8,32,059	2.63
	At the end of the year	8,32,059	2.63	8,32,059	2.63

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rupees in lakhs):

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,787	10,758	-	16,545
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	95	-	95
Total (i+ii+iii)	5,787	10,853		16,640
Change in Indebtedness during the financial year				
* Addition	19,036	1,36,278	-	1,55,314
* Reduction	(12,931)	(89,831)	-	(1,02,762)
Net Change	6,105	46,447	-	52,552
Indebtedness at the end of the financial year				
i) Principal Amount	11,892	57,206	-	69,098
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	290	-	290
Total (i+ii+iii)	11,892	57,496	-	69,387

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors/ Manager*:(Rs. in crores)

SN	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Sri. R Dinesh, Managing Director	Sri. S. Ravichandran, Deputy	Sri Ravi Viswanathan, Joint	

			Managing Director	Managing Director #	
1	Gross salary	-		-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3.18	0.10	3.28
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.52	0.09	0.61
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	0.63	1.08	1.27	2.98
3	Sweat Equity	-	-		-
4	Commission - as % of profit - others, specify	2.00	-		2.00
5	Others, please specify -Contribution to Provident fund - Others	-	0.08 0.79	0.01 0.20	0.09 0.99
	Total (A)	2.63	5.65	1.67	9.95
	Ceiling as per the Act	-	-	-	-

*Minimum remuneration.

Appointed w.e.f.29th February, 2020

B. Remuneration to Other Directors: (Rs. In lakhs)

SN	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Sri. C. K. Ranganathan	Sri. V. Anantha Nageswaran	Sri. S Mahalingam		
	Fee for attending board/ committee meetings	3.00	4.50	3.75		11.25
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (1)	3.00	4.50	3.75		11.25
2	Other Non-Executive Directors	Sri. Gopal Srinivasan	Sri. S. Ram	Ms. Shobhana Ramachandhran	Sri. Suresh Krishna	
	Fee for attending board committee meetings	1.50	2.00	1.00	2.00	6.50
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	1.50	2.00	1.00	2.00	6.50
	Total (B)=(1+2)					17.75
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: (Rs. in crores)

SN	Particulars of Remuneration	Key Managerial Personnel	
		Chief Financial Officer	Company Secretary
1	Gross salary	0.86	0.18
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.34	0.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	0.28	0.10
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others, please specify	0.05	0.01
	-Contribution to Provident Fund	1.22	0.19
	-Others		
	Total	2.75	0.59

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Form – MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,

The Members,

M/s TVS Supply Chain Solutions Limited

(formerly known as TVS Logistics Services Limited)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TVS Supply Chain Solutions Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under so far as they are made applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (not applicable to the Company during audit period since the Company is unlisted)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of the equity shares held in dematerialized form;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(not applicable to the Company during audit period since the Company is unlisted)
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;(not applicable to the Company during audit period since the Company is unlisted)
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(not applicable to the Company during audit period since the Company is unlisted)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock

Purchase Scheme) Guidelines, 1999 to the extent applicable; (not applicable to the Company during audit period since the Company is unlisted)

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during audit period since the Company is unlisted)
- 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 to the Company during audit period since the Company is unlisted)
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during audit period since the Company is unlisted); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during audit period since the Company is unlisted);

(vi) Other Applicable Laws –

- a) Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications made thereunder.
- b) The Payment of Gratuity Act, 1972
- c) The Maternity Benefit Act, 1961
- d) The Minimum Wages Act, 1948
- e) Payment of Bonus Act, 1968
- f) Carriage by Road Act, 2007
- g) Motor Vehicles Act, 1988
- h) Employees Provident Fund and Miscellaneous Provisions Act, 1952 and such other labour laws applicable to the Company.

With respect to Fiscal laws such as Income Tax Act, Central Sales Tax Act & Local Sales Tax Act, Goods and Service Tax Act based on the information and explanation provided to me by the management and officers of the Company and also on verification of reports of professionals including reports of Internal Audit, I report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

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

- (i) The Secretarial Standards on General and Board Meetings issued by the Institute of Company Secretaries of India (ICSI) as prescribed under Section 118 (10) of the Act have been complied with.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (not applicable to the Company during audit period since the Company is unlisted);

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

I further report that:

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

Adequate notice was given to all directors before schedule of the Board/ Committee Meeting(s), agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting(s).

Based on the verification of the records and minutes, the decisions were carried out with the consent of majority of the Board of Directors / Committee Members and there were no dissenting members view recorded in the minutes.

During the year under review the Company has:

- increased its authorized capital from INR 36 crores to INR 47 crores and amended the Capital clause of the Memorandum of Association;
- issued Compulsorily Convertible Preference Shares on a private placement / preferential basis aggregating to INR 175 crores.
- passed a special resolution in pursuance to Section 186 of the Companies Act, 2013.

and have complied with the applicable provisions of the Act and its Rules made thereunder.

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

Place : Chennai
Date : 31.08.2020

K. Venugopalan
Company Secretary in Practice
CP No. 6015
FCS No. 2526

CSR Annual Report – 2019-20
Annexure to the Board's Report

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

As an integral part of contribution to the society, the Company believes in actively assisting in the improvement of the quality of life of communities around through its CSR endeavours. The Company undertakes CSR projects/activities as per its CSR Policy, which is aligned with Schedule VII under Section 135 of the Companies Act, 2013. The Company's CSR initiatives are being carried out under the CSR Policy adopted by Company. The Board based on the recommendation of CSR Committee, approved to spend for providing education and skill development to the economically weaker/underprivileged sections of the society during the year ended on March 31, 2020.

2. The Composition of the CSR Committee.

The CSR Committee comprises of Sri. C. K. Ranganathan, Chairman, Sri. S. Mahalingam, Ms. Shobhana Ramachandran and Ms. Anita George, as the members of the Committee.

3. Average net profit of the company for last three financial years: : INR 2,133.81 Lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): INR 42.68 lakhs
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year: INR 42.68 lakhs;
 - (b) Amount unspent , if any : NIL ;
 - (c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub Heads: (1) Direct Expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Training school	Sector (ii)	Chennai, Tamil Nadu	INR 42.68 lakhs	INR 46.95 lakhs	Same as (6)	Direct
	Total				INR 46.95 lakhs		

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Not Applicable

7. We hereby affirm that the CSR Policy ("Policy") of the Company as approved by the Board of Directors of the Company is monitored by the CSR Committee and the CSR activities have been implemented in accordance with the Policy.

R. Dinesh
Managing Director
(DIN: 00363300)

C K Ranganathan
Chairman - CSR Committee
(DIN: 00550501)

Place: Chennai
Date: 21.08.2020

Disclosure pursuant to Employee Stock Option Scheme:

Details for the FY 2019-20

(a) options granted : 3,04,828

(b) options vested : Nil

(c) options exercised : Nil

(d) the total number of shares arising as a result of exercise of option : Nil

(e) options lapsed : Nil

(f) the exercise price : NA

(g) variation of terms of options : Nil

(h) money realized by exercise of options : Nil

(i) total number of options in force : 24,14,457

(j) employee wise details of options granted to:-

(i) Key Managerial Personnel:

R Dinesh, Managing Director (186,000), Ravi Vishwanathan, Joint Managing Director (175,000) S Ravichandran, Deputy Managing Director (316,000), Ravi Prakash Baghavathula, CFO (83,019) and P D Krishna Prasad, Company Secretary (30,000)

(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year: Nil

(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant; Nil

Statement pursuant to Section 197 of the Companies Act 2013 and forming part of the Director's Report for the year ended 31.3.2020								
	Name	Designation	Remuneration received (Rs. In crores)	Qualification	Experience	Date of Employment	Age	Previous Employment
Employed for full Year								
1	R Dinesh	Managing Director	2.00	B.Com; ACA, AICWA	33 Years	01.09.2008	56	Joint Managing Director Sundram Iyengar & Sons Limited T V
2	S Ravichandran	Deputy Managing Director	4.57	B.E. PGDIMA (Agri Management)	33 Years	01.12.2004	65	President - Logistics Division T V Sundram Iyengar & Sons Limited
3	Shankar R	Chief Executive Officer	1.21	B.TECH	32 years	31.12.2012	58	Managing Director, Foton Motors Marketing and Sales India Pvt Ltd
4	Baleji E	President (People Services)	1.47	B.SC, MBA	22 Years	04.04.2014	49	Management Consultant, Randstad (India) -
5	Baminnee Vivanat	General Counsel	1.12	B.L., M.A., C.S	30 years	02.01.2019	54	Director - Legal, Lonova India
6	Ravi Prakash Bhagawathula	Group CFO	2.47	B.E., MBA	27 Years	17.05.2018	50	CFO, Pfizer India
7	Dwarkanath Sureshchandra Jhaveri	Chief Financial Officer	1.11	BCOM, CA	25 Years	01.04.2019	46	CFO, Ceva Logistics India Private Limited
Employment for part of the Year								
Sr no	Name	Designation	Remuneration received (Rs. In crores)	Qualification	Experience	Date of Employment	Age	Previous Employment
1	Ravi Vivanathan	CEO & JMD	0.40	B.E.	32 Years	14.02.2020	58	Chief Marketing Officer, Tata Consultancy Services
2	Girija Shankar	Chief Sales & Solutions Officer	0.98	B.E, MBA	19 Years	19.04.2019	42	Business Executive, IBM
3	K. Sukumar	Chief Strategy Officer	0.83	BTECH, MBA	28 Years	01.07.2019	51	MD (Operations), Fedex Express