

Date: 03/10/2018

To,  
The Secretary,  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5th Floor Plot No - 'C' Block,  
G Block Bandra-Kurla Complex,  
Bandra (E), Mumbai-400051

Subject: Submission of Annual Report for F.Y. 2017-18 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

In compliance with the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report of the Company for the financial year 2017-18 as approved and adopted in the 6<sup>th</sup> Annual General Meeting of the Company held on Friday, 28<sup>th</sup> September, 2018.

This is for your information and record.

Thanking You,  
Yours truly,

On behalf of the Board of Directors  
Tara Chand Logistic Solutions Limited



Nishu Kansal  
Company Secretary & Compliance Officer





**tara chand**

logistic solutions ltd

—Think New. Act Now—

**ANNUAL REPORT**

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**Board of Directors:**

<b>Name</b>	<b>DIN No.</b>	<b>Designation</b>
Mr. Vinay Kumar	00151567	Chairman & Managing Director
Mr. Ajay Kumar	00151477	Whole-Time Director
Mr. Himanshu Aggarwal	01806026	Executive Director
Mr. Chaman Lal Lakhanpal	06942467	Independent Director
Mr. Niranjana Kumar Roy	06950384	Independent Director
Ms. Prerna Sandeep Agarwal	06955080	Non-Executive Director

**KMP's:**

Mr. Himanshu Aggarwal	Chief Financial Officer
Ms. Nishu Kansal	Company Secretary & Compliance Officer

**BANKERS:****State Bank of India**

Ground Floor, M W Market, Industrial Area, Phase 1  
Chandigarh-160002

**ICICI Bank Ltd.**

S.C.O. 9-10-11  
Sector -9 D, Chandigarh-160017

**HDFC Bank Limited**

SCO 78 & 79, Madhya Marg, Sector-8-C  
Chandigarh-160008

**Axis Bank Limited**

SCO 350-352, 2<sup>nd</sup> Floor,  
Sector 34-A  
Chandigarh-160022

**REGISTERED OFFICE:**

**Tarachand Logistic Solutions Limited**  
342, Industrial Area Phase I  
Chandigarh-160002, India.

**REGISTRARS & SHARE TRANSFER AGENTS:**

**M/s. Sharex Dynamic (India) Private Limited**  
Unit-1, Luthra Ind. Premises, Andheri-Kurla Road., Safed Pool,  
Andheri East,  
Mumbai – 400072

**SHARES LISTED AT:**

Stock Exchange National Stock Exchange of India Ltd.

**Statutory Auditor:**

M/s. Sangeet Kumar & Associates  
Chartered Accountants

**Secretarial Auditor:**

M/s. AVS & Associates  
Company Secretaries

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# Chairman's Message



Dear Valued Stakeholders,

It gives me immense pleasure and pride to present before you the Annual Report for the year 2017-18 of your company, Tara Chand Logistic Solutions Ltd. The financial year 2017-18 was a landmark year for your company as it successfully listed on NSE Emerge platform on 23rd March, 2018. I am highly grateful for the humbling oversubscription of the IPO and am pleased to welcome all our new shareholders.

The year 2017-18 saw continued growth for your company as it recorded a phenomenal growth of 57.2% in Total Revenue while the growth in Profit After Tax (PAT) was even greater at 66.4%. Your company recorded its highest ever Total Revenue and PAT during FY 17-18. These strong numbers resulted in an overwhelming 66% increase in EPS of your company for FY 17-18. Your company registered such progress on the back of remarkable growth in its two key verticals, Warehousing & Transportation and Equipment Rentals.

The logistics industry as a whole is very well poised for positive changes supported by some key initiatives by the Government. GST is a game-changer and will lead to smoother movement of goods while helping increase usability of assets by logistic service providers. The award of Infrastructure status to the logistics industry coupled with launch of key projects like Bharatmala Pariyojana, Eastern Peripheral Expressway – Western Peripheral Expressway, Sagar Mala, Jal Marg Vikas Yojana and Multimodal Terminals will further provide growth opportunities in the sector.

The Government's push towards infrastructure growth of the country has led to widespread launches and initiatives like the new Metro Lines in Nagpur, Ahmedabad, Pune, Lucknow, Patna, the upcoming Navi Mumbai International Airport, Mumbai Trans-Harbor Link Road, New Ganga River Bridge and many more. Such initiatives are a major boost to the construction equipment industry, which is pegged to reach USD 5 Billion by 2020 from USD 3 Billion in FY16. Your Company is geared up to fruitfully exploit this opportunity to expand its services in the infrastructure sector through the company's wholesome offering as a Contract Logistics Service Provider. Such wholesome services would derive from your company's strength in the areas of transportation, material handling, steel processing and construction equipment rental.

Going forward, it is our endeavor at TARACHAND to incorporate technology into our day-to-day operations thus enabling more visibility on areas that are critical to enhance operational efficiency and help eradicate hidden losses. Our dedicated team shall continue to act on and vow by Our Motto, Safety in Toto to ensure a safe workplace for all. Your company has been the front-runner in introducing new technologies in the realm of material handling, steel processing and equipment rental. Our future initiatives shall always be centered around our theme of 'Think New, Act Now'.

Our continued success over the years has been made possible by the trust and confidence of our clients. We have enjoyed the great fortune of a steadfastly committed team of professional trained people that has helped us in paying back the faith reposed in us by our valued clients. I take this opportunity to thank and congratulate our entire team, especially the field team, as your company achieved the extraordinary growth in revenue and profits in FY17-18 despite a challenging economy that witnessed the hiccups and hurdles of the many new initiatives of the Government of India.

I, once again, thank all our stakeholders for their faith and support. It is your enduring trust in us that motivates us to strive towards greater heights. Emboldened with your support, we look forward to what we can achieve in the future while drawing from the solid foundation of the achievements from the last three decades.

Kindest Regards,

Yours Truly,

Vinay Kumar

Chairman & Managing Director

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 6<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF TARA CHAND LOGISTIC SOLUTIONS LIMITED WILL BE HELD ON FRIDAY, 28<sup>TH</sup> SEPTEMBER, 2018 AT 10:30 A.M. AT THE FERN RESIDENCY, 28/8, PHASE II, INDUSTRIAL & BUSINESS PARK, CHANDIGARH - 160002.**

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Ms. Prerna Sandeep Agarwal (DIN: 06955080), who retires by rotation and, being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS:**

3. **To authorize the Board of Directors of the Company to borrow money in excess of Paid up Share Capital, Free Reserves and Securities Premium of the Company for an amount not exceeding of Rs. 100 Crores (Rupees One Hundred Crores Only):**

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

**“RESOLVED THAT** pursuant to provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under read with the applicable provisions of Companies Amendment Act, 2017 (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) made thereof, for the time being in force) and in suppression of special resolution passed in the Extra Ordinary General Meeting of the members held on August 20, 2014, the Consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Share Capital, Free Reserves and Security Premium of the Company, provided that the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed Rs. 100 Crores (Rupees One Hundred Crores Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect this resolution.”

4. **To authorize the Board of Directors of the Company to create charges on assets of the Company for an amount not exceeding of Rs. 100 Crores (Rupees One Hundred Crores Only):**

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

**“RESOLVED THAT** pursuant to provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), Consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall include any Committee thereof) to create charges, hypothecations, mortgages/equitable mortgages on movable and/or immovable properties of the Company, present and/or future, in favour of banks, financial institutions, trustees of the holders of debentures/bonds and/or other instruments, hire purchase/lease companies, body corporate or any other person/ on such terms and conditions as the Board may deem fit, towards security for borrowings of the Company from time to time, provided that the total amount at any point of time shall not exceed Rs. 100 Crores (Rupees One Hundred Crores Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect this resolution.”

**NOTES:**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ONLY, INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING AT THE REGISTERED OFFICE OF THE COMPANY.**

**A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY AS APPLICABLE. THE PROXY-HOLDER SHALL PROVE HIS/HER IDENTITY AT THE TIME OF ATTENDING THE MEETING.**

**CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVE TO ATTEND AND VOTE AT THE MEETING ARE REQUESTED TO ENSURE THAT THE AUTHORIZED REPRESENTATIVE CARRIES A DULY CERTIFIED TRUE COPY OF THE RESOLUTION UNDER SECTION 113 OF THE COMPANIES ACT, 2013, AUTHORIZING THEM TO ATTEND AND VOTE AT THE MEETING. IN TERMS OF THE PROVISIONS OF THE COMPANIES ACT, 2013, THE REPRESENTATIVES OF CORPORATE MEMBERS WITHOUT PROPER AUTHORIZATION, MAY NOT BE ABLE TO ATTEND THE MEETING.**

1. M/s. Sangeet Kumar & Associates, Chartered Accountants, Chandigarh (FRN: 011954N), were appointed as Statutory Auditors of the Company at the 5<sup>th</sup> Annual General Meeting of the Company from the conclusion of 5<sup>th</sup> Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year ended 31st March, 2022 in the Financial Year 2022-2023, subject to ratification by the members at every Annual General Meeting. Pursuant to notification issued by the Ministry of Corporate Affairs on 7<sup>th</sup> May, 2018 amending section 139 of the Companies Act, 2013 and the rules made thereunder, the mandatory requirement for ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting (“AGM”) has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.
2. Members/proxies should bring duly attendance slip sent herewith to attend the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> September, 2018 to 28<sup>th</sup> September, 2018 (both days inclusive).
4. Members are requested to bring their copy of the Annual Report to the Annual General Meeting (AGM).
5. The Registrar and Share Transfer Agents of the Company is M/s. Sharex Dynamic (India) Private Limited having office at Unit-1, Luthra Ind. Premises, Andheri-Kurla Road, Safed pool, Andheri (East), Mumbai – 400072 (‘RTA’)
6. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc.
7. Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant. The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

## **ANNUAL REPORT YEAR 2017-2018**

9. Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.
10. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the businesses under Item No. 3 and 4 of the Notice is Annexed hereto.
11. Members are requested to immediately intimate changes, if any, in their registered addresses along with pin code number to the Company. Members holding shares in dematerialized mode are requested to intimate the same to their respective Depository Participants.
12. The Notice of the AGM along with the Annual Report 2017-18 physical/electronic copy is being sent by through permitted mode.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during (3.00 p.m. to 5.00 p.m.) on all working days except Saturday up to and including the date of the Annual General Meeting of the Company.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
15. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

### **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No. 3 & 4:**

As per the provisions of Section 180 of the Companies Act, 2013 read with the applicable provisions of the Companies Amendment Act, 2017, the Board of Directors of the Company cannot, except with the consent of the Company in the General Meeting by a Special Resolution, borrow the monies apart from temporary loans (loans viz., means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the Paid-Up Share Capital, Free Reserves and Securities Premium of the Company, that is to say, reserves not set apart for any specific purposes. Further, the Board of Directors shall not dispose i.e. create charges, hypothecations, mortgages/equitable mortgages of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings except with the consent of the Company in the General Meeting by a special resolution under the provisions of Section 180 (1) (a) and Section 180 (1) (c) of the Companies Act, 2013, which were made effective from 12th September, 2013. The above powers can be exercised by the Board only with the consent of the Members obtained by a Special Resolutions.

The members are further inform that, the Company has already taken approval of shareholders in Extra Ordinary General Meeting held on August 20, 2014 for borrowing from time to time in excess of paid up capital and its free reserves along with creation of lease, mortgage, hypothecation etc. on the assets of the Company for securing such borrowing for an amount not exceeding of Rs. 75 Crores (Seventy Five Crores).

Keeping in view of the Company's business expansion and need of funds for fulfillment of working capital requirements, purchase of assets, machineries or cash credit facilities, Letter of Credit, Bank guarantees etc., in future, it is proposed to increase the limit of borrowings. Your consent is therefore sought, to authorize the Board to borrow up to Rs. 100 Crores (Rupees One Hundred Crores Only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as outstanding, at any time as set out in the resolution.

The aforesaid borrowing limit and to create charges, hypothecations, mortgages/equitable mortgages, on movable and/or immovable properties under section 180 (1) (a) it is proposed to be enhanced to such an extent that the sum(s) so borrowed under this resolution and remaining outstanding at any time shall not exceed in the aggregate of Rs. 100 Crores (Rupees One Hundred Crores Only). Therefore members are requested to pass the necessary special resolutions as mentioned in the notice. It is, therefore, necessary for the Members to pass Special Resolutions under Section 180 (1) (a) and Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolutions. The Board recommends the Special Resolutions set out at Item No. 3 & 4 of the accompanying Notice in the interests of the Company.

**On behalf of the Board of Directors  
Tara Chand Logistic Solutions Limited**

**SD/-**

**Vinay Kumar  
Chairman & Managing Director  
DIN:00151567  
Add: C/O: 342 Industrial Area, Phase I,  
Chandigarh - 160002**

**Date: August 31, 2018  
Place: Chandigarh**

**Details of Director (s) seeking continuation of holding of office of Director at the Annual general Meeting (pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of Secretarial Standard - 2):**

<b>Particulars</b>	Prerna Sandeep Agarwal
Age	32 Years
Nature/Experience in functional area	4 Years
<b>Qualification</b>	Bachelor's Degree in Science from Mumbai University
<b>Terms and Condition of Appointment &amp; Last Remuneration</b>	Non-Executive Director with effect from August 20, 2014 Last Remuneration (F.Y.2017-18) - Rs.540,000/-
Remuneration sought to be paid	Nil
Directorship in other Companies including Listed Company	Nil
<b>Membership of Committees of other Companies including Listed Company (Audit Committee /Nomination Remuneration Committee/Stakeholders Relationship Committee)</b>	Nil
No. of Shares held in the Company	94800
First Appointment by the Board	August 20, 2014
<b>Relationship with other Directors, Manager &amp; KMP's</b>	Relative of Mr. Vinay Kumar, Mr. Ajay Kumar and Mr. Himanshu Aggarwal
<b>Board Meeting attended (F.Y. 2017-18)</b>	15

**DIRECTORS' REPORT**

To,  
The Members

**TARA CHAND LOGISTIC SOLUTIONS LIMITED**

Your Directors presenting their 6<sup>th</sup> Annual Report on the business and operations of the Company and statement of accounts for the year ended March 31, 2018.

**Financial Summary/Highlights:**

During the financial year, the performance of the Company is as under:

(Amounts in Rupees)

Particulars	2017-18	2016-17
Total Income	82,94,51,242	52,77,00,103
<b>Less: Expenses</b>	76,52,71,349	48,75,61,691
<b>Profit/ (Loss) before tax</b>	<b>6,41,79,892</b>	<b>4,01,38,411</b>
<b>Tax Expenses</b>		
Current Tax	1,27,15,000	82,68,000
Deferred Tax	49,68,538	41,92,431
Tax Adjustments Relating to Earlier Years	4,39,382	-
<b>Profit (Loss) After Taxation</b>	<b>4,60,56,973</b>	<b>2,76,77,980</b>

**Overview of Company's Financial Performance:**

During the year under review, Total Income of Company from Sales, Handling & Transportation Income and other Services was Rs. 82,94,51,242/- against Rs. 52,77,00,103/- in the previous year. The Company has earned net profit of Rs. 4,60,56,973/- in the current financial year and net profit of Rs. 2,76,77,980/- in the previous financial year.

**Transfer to reserves:**

During the financial year, the Company did not transfer any amount to reserve. However, during the year, Share Premium Reserve has been generated of Rs.18,05,79,100 /-

**Dividend:**

Considering the fact, future plans of the Company directors have decided not to recommend any dividend on the equity shares for the year ended March 31, 2018.

**Change in the nature of business:**

There was no change in the nature of business of the Company during the financial year.

**Public Deposits:**

During the financial year 2017-18, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

**Subsidiaries, Associate and Joint venture Companies:**

As on March 31, 2018, according to Companies Act, 2013 and rules made there under the Company does not have any Subsidiary Company, Associate Company and Joint Venture Company. Hence, 'Form AOC - 1' is not applicable.

**Directors and Key Managerial Personnel ('KMP'):**

**Directors:**

- No changes in board of directors took place except the appointment of Mr. Himanshu Aggarwal as Executive Director of the Company with effect from November 1, 2017.

**KMP:**

- Mr. Himanshu Aggarwal appointed as Chief Financial Officer of the Company with effect from October 1, 2017.
- Ms. Madhuri Ganesh Batwal, Company Secretary & Compliance Officer of the Company has resigned with effect from May 31, 2018.
- Ms. Nishu Kansal, Appointed as Company Secretary & Compliance Officer & Key Managerial Personnel of the Company with effect from June 1, 2018.

**Declaration by Independent Directors:**

The Company has received necessary declaration from all Independent Director under Section 149 (7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

During the financial year, there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**Internal Financial Control:**

As Confirmed by statutory auditor in his reports, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively.

**Committees of the Board**

In accordance with the Companies Act, 2013 and Listing Regulations, the Company has following Committees in place:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee and
- Corporate Social Responsibility Committee

Details of the said Committees along with their charters, compositions and meetings held during the financial year, are provided in the "Report on Corporate Governance 'Annexure E', as a part of this Annual Report.

**Establishment of Vigil Mechanism:**

The Company has established and adopted Vigil Mechanism and the policy (**Whistle Blower Policy**) thereof for directors and employees of the Company in accordance with Section 177 of the Companies Act, 2013 or any other provisions of Companies Act, 2013 as well as Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015). During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy. The vigil mechanism policy is available on the website of the Company [www.tarachandindia.in/policies](http://www.tarachandindia.in/policies)

**Particulars of remuneration to employees:**

Pursuant to the provisions of section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees are required to be provided in the Directors' Report. However, having regard to the provisions of section 136 of the Companies Act, 2013, the Annual Report, excluding the aforesaid particulars, is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining these particulars will be provided with the same upon receipt of a written request delivered at the Registered Office of the Company.

**Management Discussion and Analysis:**

The Management Discussion and Analysis forms part of the Directors' Report is annexed herewith as '**Annexure D**'.

**Corporate Governance Report:**

As required by Chapter IV read with Schedule V, Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance form part of this Annual Report as '**Annexure E**'

**Auditors:****a) Statutory Auditors:**

The Statutory Auditors, M/s. Sangeet Kumar & Associates, Chartered Accountants, Chandigarh (FRN: 001954N) were appointed in the 5<sup>th</sup> Annual General Meeting to hold office from the conclusion of 5<sup>th</sup> Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year ended 31<sup>st</sup> March, 2022 subject to ratification by the members at every Annual General Meeting. However, Pursuant to notification issued by the Ministry of Corporate Affairs on 7th May, 2018 notified the amendment in Section 139 of the Companies Act, 2013 pursuant to Companies Amendment Act, 2017 and the rules made thereunder, the mandatory requirement for ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting ("AGM") has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

Further, the Auditors have confirmed their eligibility, limits as prescribed in the Companies Act, 2013 and that they are not disqualified for such appointment.

**Explanations by the Board on qualification, reservation or adverse remark or disclaimer made by the:****Auditors in their report**

There is no qualification or adverse remark or disclaimer made by the statutory auditor in his report on the financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2018.

**b) Secretarial Auditor:**

Pursuant to Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. AVS & Associates, Practicing Company Secretaries as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2017-2018, as required under Section 204 of the Companies Act, 2013 and rules made thereunder. Report of Secretarial Auditor forms part of the Directors Report as '**Annexure C**'.

- Company secretary in practice in his Secretarial Audit Report:**

There is no qualification or adverse remark or disclaimer made by the secretarial auditor in his report on the secretarial audit of the Company for the financial year ended on 31<sup>st</sup> March, 2018.

**Employees Stock Option Scheme (ESOS), Sweat Equity & Shares having differential voting rights:**

Your Company has not issued any shares to the employees of the Company under the Employee Stock Option Scheme, Sweat Equity and with differential voting rights in the previous financial year except the Company has listed its securities on National Stock Exchange i.e. SME Platform by making Initial Public Offer of 37,20,000 Equity shares of Rs. 10/- at an issue price of Rs. 55 /- per Share. Issue of shares helped the Company to raise an amount of Rs. 20,46,00,000 (Twenty Crores Forty Six Lakhs). Further, the Company has issued and allotted 599050 Equity Shares of Rs. 10/- each at an price of Rs. 32 /- per Share on Private Placement basis to some of the promoters of the Company on August 30, 2018.

**Extract of Annual Return:**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the Annual return in the prescribed format Form MGT.9 is annexed herewith as '**Annexure B**' to the Board's report.

**Number of Meetings of the Board:**

During the financial year, 15 (Fifteen) Board Meetings were held, the details of meetings held and attendance of each directors are given in the Corporate Governance Report forming part of the Annual Report.

**Director's Responsibility Statement:**

Pursuant to the requirement of Section 134(3) (c) of the Companies Act 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the accounts for the financial year ended on 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and of the profit and loss of the Company for the year ended on that date;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the accounts for the financial year ended on 31<sup>st</sup> March, 2018 on a 'going concern' basis.
- e) that Directors had laid down adequate financial controls and that the financial controls were adequate and were operating effectively.
- f) that Directors had devised proper systems to ensure compliance with the provisions of all applicable laws, all applicable secretarial standards were in place and were adequate and operating effectively.

**Policy on Director's appointment and remuneration:**

Policy for Selection and Appointment of Directors and their Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board and available at [www.tarachandindia.in/policies](http://www.tarachandindia.in/policies)

**Particulars of loans, guarantees or investments under Section 186:**

During the financial year 2017-2018, there are no such transactions transacted by the Company and hence particulars of details of loans, guarantee, security or investments covered under Section 186 of the Companies Act, 2013 are not required to be furnished. Additionally mentioned in the notes to accounts of financial statements.

**Particulars of contracts or arrangements made with related parties:**

During the Financial Year 2017-18, all Related Party Transactions entered with the Related Parties were at arm's length and were in the ordinary course of the business. Further, the details of transactions/contracts/arrangements referred to in Section 188 (1) of Companies Act, 2013 entered by the Company with related party (ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, material in nature are furnished in 'Form AOC-2' and is attached as 'Annexure - A' and forms part of this Report.

**Corporate Social Responsibility:**

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. However, the Company voluntarily constituted Corporate Social Responsibility Committee on December 20, 2017. Further, no CSR expenditure made by the Company during the year.

**Material changes and commitments affecting financial position between the end of the financial year and date of report:**

There are no material changes and commitments occurred which affect the financial position of the Company between the end of the financial year and date of report.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:****A. Conservation of Energy Technology Absorption:****1. Steps taken or impact on conservation of energy:**

The Company always strives to optimize energy conservation though it is engaged into providing the Integrated Logistics Services. The Company had implemented Energy Efficient Light Emitting Diode ('LED') models for energy conservations at all its major locations.

**2. The steps taken by the Company for utilizing alternate sources of energy:**

The Company is continue to put in effort to reduce specific energy consumption. The Company is evaluating other sources of energy.

**3. Capital investment on energy conservation equipment's:**

During the Financial Year, the Company has not made any new investments in the energy conservation equipment's which is Capital in nature.

**B. Technology Absorption:**

- **Efforts made towards technology absorption:** The Company has on ongoing basis absorbed the technology for its business services and major up gradation process was carried out to improve the efficiency of the Company.
- **Benefits derived as a result of the above efforts:** Increasing efficiency of the Company has resulted maximum due care and without hampering services in any way.
- **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):** No new technology has been imported during the year.
- **Expenditure Incurred on Research and Development:** The Company being an integrated logistics service provider, there is no expenditure incurred on research and development during the year under review.

**C. Foreign exchange earnings and outgo:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are as follows:

Earnings	Nil
Expenditure	USD - 940500
	Euro - 745000

**Risk Management Policy and Compliance Framework:**

Risk Management policy of the Company has been developed and implemented, recommended by the Audit Committee and approved by Board of Directors. In the opinion of the board the below given risks may threaten the existence of the Company:

**External Risk Factors:**

- a. Change in Government Policies
- b. Changes in laws and legislation
- c. Terrorist attacks, Civil Disturbances, Wars
- d. Natural Disasters
- e. Market conditions
- f. Competition etc.

**Internal Risk Factors:**

- a. Significant Decrease in Revenues from top ten clients
- b. Legal Proceedings
- c. Fuel Prices
- d. Human Resource Management
- e. Change in the Management etc.

**Disclosure under Sexual Harassment Act:**

The Company is committed to maintaining a productive environment for all its employees at various levels in the organization, free of sexual harassment and discrimination on the basis of gender. During the year, there were no complaints filed against any of the employees of the Company under this Act.

**Board Evaluation:**

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise will be carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The policy for performance evaluation of Board of Directors including Committees of Director, Individual Director, Independent Director has been disclosed on the Company's website [www.tarachandindia.in/policies](http://www.tarachandindia.in/policies)

**Acknowledgment:**

Your Directors would like to express their grateful appreciation for the assistance, support and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review.

**On behalf of the Board of Directors**

**Tara Chand Logistic Solutions Limited**

SD/-

**Vinay Kumar**

**Chairman & Managing Director**

**DIN: 00151567**

**Add: C/O: 342 Industrial Area, Phase I,**

**Chandigarh - 160002**

**Date: August 31, 2018**

**Place: Chandigarh**

**Form No. AOC-2**

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

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

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

Particulars	Particulars	Particulars
(a) Name(s) of the related party and nature of relationship		
(b) Nature of contracts/ arrangements/ transactions		
(c) Duration of the contracts / arrangements/transactions		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any		
(e) Justification for entering into such contracts or arrangements or transactions		
(f) Date(s) of approval by the Board		
(g) Amount paid as advances, if any		
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188		

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

Particulars	Particulars
(a) Name(s) of the related party and nature of relationship	M/s. TCA Steels Sole Trading Concern of Mr. Vinay Kumar HUF, managing Director of the Company.
(b) Nature of contracts/ arrangements/ transactions	Purchases & Sales of Steels
(c) Duration of the contracts / arrangements/transactions	April 01, 2017 - March 31, 2018
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Not Exceeding For; <ul style="list-style-type: none"> <li>• Purchase: Rs.4.50 Crores</li> <li>• Sales: Rs.1.20 Crores</li> </ul>
(e) Date(s) of approval by the Board, if any	NA - As Transactions are at arm's length and in the ordinary course of the business.
(f) Amount paid as advances, if any	Nil

**On behalf of the Board of Directors  
Tara Chand Logistic Solutions Limited**

SD/-

**Vinay Kumar  
Chairman & Managing Director  
DIN:00151567  
Add: C/O: 342 Industrial Area, Phase I,  
Chandigarh - 160002**

**Date: August 31, 2018  
Place: Chandigarh**

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31<sup>st</sup> March, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L63090CH2012PLC033556
ii)	Registration Date	10/02/2012
iii)	Name of the Company	Tara Chand Logistic Solutions Limited
iv)	Category / Sub-Category of the Company	Company having share capital/Indian Non - Government Company
v)	Address of the Registered office and contact details	342 Industrial Area, Phase I, Chandigarh 160002, India, Phone: 0172 - 2650380
vi)	Whether listed company	Yes (National Stock Exchange of India Ltd.)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Sharex Dynamic (India) Private Limited. Unit-1, Luthra Ind. Premises, Andheri-Kurla Road., Safed pool, Andheri East, Mumbai -400072 Tel No: 022 - 28515606 Fax : 022-28512885 Email: sharexindia@vsnl.com Web Add: <a href="http://www.sharexindia.com">www.sharexindia.com</a>

**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:-

No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sale of Products	46620	20.43%
2	Handling & Transportation	52241	45.38%
3	Tangible Goods Services	52219	31.95%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NOT APPLICABLE**

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
-	-	-	-	-	-

**IV. SHARE HOLDING PATTERN**

(Equity Share Capital Breakup as percentage of Total Equity)

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	9325930	9325930	100	9923980	-	9923980	72.73	6.41
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other. Persons Acting in Concert	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A) (1):</b>	<b>-</b>	<b>9325930</b>	<b>9325930</b>	<b>100</b>	<b>9923980</b>	<b>-</b>	<b>9923980</b>	<b>72.73</b>	<b>6.41</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters (A)=(A) (1)+(A) (2)</b>	<b>-</b>	<b>9325930</b>	<b>9325930</b>	<b>100</b>	<b>9923980</b>	<b>-</b>	<b>9923980</b>	<b>72.73</b>	<b>6.41</b>
<b>Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

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f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	-	-	-	-	243700	-	243700	1.79	100
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	944000	-	944000	6.92	100
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	1585300	-	1585300	11.62	100
c) Others (specify) (HUF)	-	-	-	-	-	-	-	-	-
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-

iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI/ OCBs	-	-	-	-	32000	-	32000	0.23	100
v) Clearing Members/ Clearing House	-	-	-	-	542000	-	542000	3.97	100
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-

viii) Foreign Portfolio Investor (corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
x) Directors/ Relatives	-	-	-	-	-	-	-	-	-
xi) HUF	-	-	-	-	374000	-	374000	2.74	100
<b>Sub- Total (B) (2)</b>	-	-	-	-	<b>3721000</b>	-	<b>3721000</b>	<b>27.27</b>	<b>100</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	<b>3721000</b>	-	<b>3721000</b>	<b>27.27</b>	<b>100</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>9325930</b>	-	<b>9325930</b>	<b>100</b>	<b>13644980</b>	-	<b>13644980</b>	<b>100</b>	<b>46.31</b>

**(ii) Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			%change in share holding 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.	Vinay Kumar	7935930	85.09	-	8129680	59.58	-	2.44
2.	Ajay Kumar	1382000	14.82	-	1694500	12.42	-	22.61
3.	Himanshu Aggarwal	2000	0.02	-	2000	0.01	-	-
4.	Anju Aggarwal	2000	0.02	-	2000	0.01	-	-
5.	Sameer Agarwal	1000	0.01	-	1000	0.01	-	-
6.	Prerna Sandeep Agarwal	2000	0.02	-	94800	0.69	-	100
7.	Hans Raj	1000	0.01	-	-	-	-	(100)

**(iii) Change in Promoters' Shareholding:**

	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
<b>Vinay Kumar</b>				
At the beginning of the year	7935930	85.09	7935930	85.09
Allotment on 30/08/2017	193750	1.42	8129680	59.58
At the end of the year	8129680	59.58	8129680	59.58

	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
<b>Ajay Kumar</b>				
At the beginning of the year	1382000	14.81	1382000	14.81
Allotment on 30/08/2017	312500	2.29	1694500	12.42
At the end of the year	1694500	12.42	1694500	12.42

	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
<b>Himanshu Aggarwal</b>				
At the beginning of the year	2000	0.02	2000	0.02
Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	-	-	-	-
At the end of the year	2000	0.01	2000	0.01

	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
<b>Anju Aggarwal</b>				
At the beginning of the year	2000	0.02	2000	0.02

Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	-	-	-	-
At the end of the year	2000	0.01	2000	0.01

	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
<b>Sameer Agarwal</b>				
At the beginning of the year	1000	0.01	1000	0.01
Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	-	-	-	-
At the end of the year	1000	0.01	1000	0.01

	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
<b>Prerna Sandeep Agarwal</b>				
At the beginning of the year	2000	0.02	2000	0.02
Allotment on 30/08/2017	92,800	0.69	94,800	0.69
At the end of the year	94,800	0.69	94,800	0.69

	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
<b>Hans Raj*</b>				
At the beginning of the year	1000	0.01	1000	0.01
* Transference from Promoter to Public Shareholders	1000	0.01	0	0
At the end of the year	-	-	-	-

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

	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

<b>Vivek Lodha</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	374000	2.74	374000	2.74
At the end of the year	374000	2.74	374000	2.74

	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
<b>Hem Finlease Pvt. Limited</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	310000	2.27	310000	2.27
At the end of the year	310000	2.27	310000	2.27

	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
<b>Vinod Lodha</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	216000	1.58	216000	1.58
At the end of the year	216000	1.58	216000	1.58

	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
<b>Santosh Bhansali (HUF)</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	200000	1.46	200000	1.46
At the end of the year	200000	1.46	200000	1.46

	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
<b>Hem Securities Limited</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	120000	0.88	120000	0.88
At the end of the year	120000	0.88	120000	0.88

	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
<b>Swati Ranka</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	150000	1.09	150000	1.09
At the end of the year	150000	1.09	150000	1.09

	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
<b>Fineotex Chemical Limited</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	100000	0.73	100000	0.73
At the end of the year	100000	0.73	100000	0.73

	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
<b>Berkeley Securities Limited</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	116000	0.85	116000	0.85
At the end of the year	116000	0.85	116000	0.85

	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
<b>Sanjay Popatlal Jain (HUF)</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	86000	0.63	86000	0.63
At the end of the year	86000	0.63	86000	0.63

	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
<b>Vijay Agarwal</b>				
At the beginning of the year	-	-	-	-
Increase due to allotment of shares on 21/03/2018 in Initial Public Offer	74000	0.54	74000	0.54
At the end of the year	74000	0.54	74000	0.54

**(v) Shareholding of Directors and 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
<b>Vinay Kumar</b>				
At the beginning of the year	7935930	85.09	7935930	85.09
Allotment on 30/08/2017	193750	1.42	8129680	59.58
At the end of the year	8129680	59.58	8129680	59.58

	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
<b>Ajay Kumar</b>				
At the beginning of the year	1382000	14.81	1382000	14.81
Allotment on 30/08/2017	312500	2.29	1694500	12.42
At the end of the year	1694500	12.42	1694500	12.42

	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

<b>Himanshu Aggarwal</b>				
At the beginning ofThe year	2000	0.02	2000	0.02
Date wise Increase / Decrease inPromoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	-	-	-	-
At the end of the year	2000	0.01	2000	0.01

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	%of total shares ofthe company	No. of shares	%of total shares of the company
<b>Prerna Sandeep Agarwal</b>				
At the beginning ofthe year	2000	0.02	2000	0.02
Allotment on 30/08/2017	92,800	0.69	94,800	0.69
At the end of the year	94,800	0.69	94,800	0.69

*Except mentioned above, None of the Directors & KMP's hold any shares in the Company.*

## V. INDEBTEDNESS

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

Amount in ('INR')

	<b>Secured Loans excludingdeposits</b>	<b>UnsecuredLoans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>	36,62,37,410	4,80,97,644	-	41,43,35,054
i) Principal Amount	36,62,37,410	4,80,97,644	-	41,43,35,054
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	36,62,37,410	4,80,97,644	-	41,43,35,054
<b>Change in Indebtedness during the financial year</b>				
Addition	188,32,64,439	4,26,14,844	-	192,58,79,283
Reduction	172,10,65,840	6,84,80,099	-	178,95,45,939
<b>Net Change</b>	16,21,98,599	2,58,65,255	-	13,63,33,344

<b>Indebtedness at the end of the financial year</b>	52,84,36,009	2,22,32,389	-	55,06,68,398
i) Principal Amount	52,84,36,009	2,22,32,389	-	55,06,68,398
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	52,84,36,009	2,22,32,389		55,06,68,398

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. no.	Particulars of Remuneration	Vinay Kumar	Ajay Kumar	Himanshu Aggarwal *	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,	24,00,000	12,00,000	7,50,000	36,00,000
	(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				
3.	Sweat Equity				
4.	Commission				
	- As % of profit				
	others, specify....3% of sales				
	Others, please specify				
5.	Rent		1,80,000	1,80,000	3,60,000
	Interest	23,04,503	13,20,280	-	36,24,783
	<b>Total (A)</b>	<b>47,04,503</b>	<b>27,00,280</b>	<b>9,30,000</b>	<b>75,84,783</b>

\*Mr. Himanshu Aggarwal, Director & CFO has been included in the List of Directors as well as KMP.

**B. Remuneration to the Directors:**

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Prerna Aggarwal	Chaman Lallakhanpal	Niranjan Kumar Roy	
	Independent Directors Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
4.	<b>Other Non- Executive</b>	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Salary	5,40,000	-	-	5,40,000
	Rent	1,77,711	-	-	1,77,711
	Total (2)	7,17,711	-	-	7,17,711
	<b>Total (B)=(1+2)</b>	<b>7,17,711</b>	<b>-</b>	<b>-</b>	<b>7,17,711</b>

**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sr.no.	Particulars of Remuneration	Company Secretary	CFO	Total
		Madhuri Batwal	Himanshu Aggarwal *	
1.	Gross salarySalary as per provisions contained in section 17(1) of the Income-tax Act, 1961Value of perquisites u/s17(2) Income-taxAct, 1961Profits in lieu of salary under section17(3) Income-taxAct, 1961	3,00,000	7,50,000	10,50,000
2.	Stock Option	-		-
3.	Sweat Equity	-		-
4.	Commission- as % of profit-others, specify...	-		-
5.	Others, please specify (Rent)	-	180,000	180,000
	<b>Total</b>	<b>3,00,000</b>	<b>9,30,000</b>	<b>12,30,000</b>

\*Mr. Himanshu Aggarwal, Director & CFO has been included in the List of Directors as well as KMP.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>Company</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>Directors</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>Other Officers in Default</b>					
Penalty	NIL				
Punishment					
Compounding					

**On behalf of the Board of Directors  
Tara Chand Logistic Solutions Limited**

SD/-

**Vinay Kumar**  
**Chairman & Managing Director**  
**DIN:00151567**  
**Add: C/O: 342 Industrial Area, Phase I,**  
**Chandigarh - 160002**

**Date: August 31, 2018**

**Place: Chandigarh**

**FORM NO. MR.3****SECRETARIAL AUDIT REPORT**For the Financial Year Ended 31<sup>st</sup> March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Tara Chand Logistic Solutions Limited**  
Add: 342 Industrial Area, Phase I,  
Chandigarh – 160002, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tara Chand Logistic Solutions Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (**Not applicable to the Company during the audit period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (**Not Applicable to the Company during the audit period**)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the audit period**)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the audit period**) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the audit period**)

(vi) We further report that as Identified and Confirmed by the Company, No law is specifically applicable to it during the audit period.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda items were generally sent 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.

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

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report** during the audit period,

- The Company has issued and allotted 599050 equity shares of Rs.10/- each at Rs.32/- each on Private Placement basis under section 42 of the Companies Act, 2013 and rules made there under.
- The Company has adopted new set of Articles of Association of the Company and changed its object by way of Special Resolutions passed in the General Meeting held on October 10, 2017 and Increased its Authorised Share Capital from Rs.10,00,00,000/- to Rs. 15,00,00,000/- by way of Ordinary Resolution passed in the General Meeting held on October 5, 2017.
- The Company has issued and allotted 37,20,000 equity shares of Rs.10/- each at Rs.55/- each to the public (Initial Public Offer) pursuant to Section 62(1)(c) and other applicable provisions of Companies Act, 2013.

**For AVS & Associates  
Company Secretaries**

SD/-

**Vijay Yadav  
Partner  
ACS No. 39251  
CP No. 16806**

**Place: Dombivli, Thane  
Date: 31/08/2018**

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

To,  
The Members,  
**Tara Chand Logistic Solutions Limited**  
Add: 342 Industrial Area, Phase I,  
Chandigarh - 16000

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

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For AVS & Associates**  
**Company Secretaries**

SD/-

**Vijay Yadav**  
**Partner**  
**ACS No. 39251**  
**CP No. 16806**

**Place: Dombivli, Thane**  
**Date: 31/08/2018**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENTS:

The express industry is a key enabler for the growth of India's trade and economy. Factors such as ease-of-logistics will increasingly play a critical role in attracting investments into the country, which will, in turn, support the development of several industries involved in manufacturing and services. The industry is sustaining its growth momentum, and also acting as a major contributor to employment generation within the country. The express logistics landscape is undergoing a huge transformation due to the need for time bound delivery services to complement the growth of trade. As a key enabler of trade, the industry also supports and benefits from the growing e-retail business in India. The industry provides a significant boost to India's employment base. The various regulatory and policy changes, and infrastructure enhancements will also give a much needed boost to the industry, which will positively impact the growth of allied sectors.

We hope that the Government considers extending the infrastructure status for the entire logistics sector. Historically infrastructure has been a major bottleneck for continuous economic growth and further investments are needed. There is a good potential for logistics especially in the domestic driven segment showing high growth rates. Global competitors and the lively start-up environment are striving to take this growth opportunity.

The size of the logistics sector in India is estimated to be USD 160 billion; the Government expects the Indian logistics sector to grow to USD 215 billion in next two years. It is estimated that the Indian logistics industry will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large. The Government's strategy involves a reset of India's Logistics sector from a "point-to-point" model to a "hub-and spoke" model and includes setting up of Multimodal Logistics Parks with Crores of investment for development of 50 economic corridors and an investment template which involves roping in the states and the private sector for setting up special vehicles for implementation. Road is presently the dominant mode of transport for India's freight traffic.

**Ref:** *The Economic Times Newspaper dated January 29, 2018 and Press Information Bureau Government of India.*

### OPPORTUNITIES AND THREATS:

A pick up in manufacturing activities and sectoral reforms such as introduction of GST and E-Way bills are likely to help the country's logistics sector to grow at a faster pace over the medium term. The sector is expected to gain from the broad-based economic recovery that is expected. Supply side factors like improvement in logistics infrastructure and emergence of logistics start-ups would provide even more impetus to growth. Logistics firms are moving from a traditional setup to the integration of IT into their operations more efficiently and thereby reduce costs as well as to meet the service demands. The industry has moved from being just a service provider to a position which provides end to end supply chain solutions to their customers. Thus, all this has paved the way for further growth in the coming years. Economic reforms, trade cooperation, improved transportation infrastructure and industrial growth is ushering and is increasing the opportunities for the logistics service providers (LSPs) in India. Logistics services are getting an impetus from the 'Make in India' vision of the present government. The manufacturing sector growth will lead to a corresponding growth in infrastructure sector, as well as ensure traction for the logistics sector.

### OUTLOOK:

During the financial year 2017-2018 the management of the Company was able to fetch some major projects which has increased Company's total revenue from operations 57%, profit before tax 59.89% and Profit after tax 66.40 % than last financial year. Major revenue of the Company was generated from Handling & Transportation activities. The Company has listed its securities on National Stock Exchange i.e. SME Platform by making Initial Public Offer of 37,20,000 Equity shares of Rs. 10/- at an issue price of Rs. 55 /- per Share. Issue of shares helped the Company to raise an amount of Rs. 20,46,00,000 (Twenty Crores Forty Six Lakhs).

### RISK AND CONCERNS:

The Company has adopted risk management framework. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed analysed and accepted/mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

The Company faces the following Risks and Concerns:

**a. Competition Risk**

There has been a surge in the number of new entrants in the logistics industry given the growth potential of the industry. We face different levels of competition in each segment, from domestic as well as multinational companies. However, Tarachand has established strong brand goodwill in the market and a strong foothold in the entire logistics value spectrum. We are one of the largest Logistics in the India. We are constantly working towards offering our customers “a one-stop-shop” for their logistics needs. We have built a strong relationship with most of the leading carriers/liners and as a result are able to obtain competitive commercial terms and operational advantages.

We also counter this risk with the quality of our infrastructure, our customer-centric approach and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, coupled with prudent financial and human resources management and better control over costs. Thus, we do not expect to be significantly affected by this risk.

**b. Liability Risk**

This risk refers to our liability arising from any damage to cargo, equipment, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

**c. Regulatory Risk**

We face regulatory and compliance risk due to frequent changes in international and domestic laws, rules, policies, tax regulations, technical standards and trade policies. If we are unable to obtain required approvals and licenses in a timely manner, our business and operations may be adversely affected.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has in place adequate internal control systems covering all its operations. Proper accounting records highlight the economy and efficiency of operations, safeguarding of assets against unauthorized use or losses, and the reliability of financial and operational information.

**Some of the significant features of internal control system are:**

- Financial and Commercial functions have been structured to provide adequate support and control of the business.
- Risk Management Policy has been adopted by the Company.
- The Company has an Internal Audit System conducted by the internal auditor of the Company. Standard operating procedures and guidelines are reviewed periodically to ensure adequate control.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Company's revenue from operations has increased to Rs. 80,25,77,564/- as compared to Rs.51,75,53,094 in the previous financial year , whereas net profit of the Company also has been significantly improved, The Company has earned net profit of Rs. 4,60,56,973/- in the current financial year as compared to Rs. 2,76,77,980/- in the previous financial year.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

The Company around 1200 Employees. Your Company continuously endeavors to improve the work environment for its employees, compensation package and transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

**On behalf of the Board of Directors**

**Tara Chand Logistic Solutions Limited**

SD/-

**Vinay Kumar**

**Chairman & Managing Director**

**DIN: 00151567**

**Add: C/O: 342 Industrial Area, Phase I,**

**Chandigarh - 160002**

**Date: August 31, 2018**

**Place: Chandigarh**

## CORPORATE GOVERNANCE REPORT

Pursuant to Chapter IV read with Schedule V, Part C of the  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### CORPORATE GOVERNANCE PHILOSOPHY:

Good Corporate Governance is not an end in itself. It is the means to create confidence with stakeholders and establish business integrity for an organization. **Tara Chand Logistic Solutions Limited** ('Tara Chand') has started in adopting some of the key principles of Corporate Governance like transparency, fairness, disclosures and accountability and these principles have been strongly cemented in the pillars, it has been founded upon. The business strategies and operations of the Company are governed by these principles to ensure fiscal accountability, ethical corporate behavior and fairness to all stakeholders.

Besides complying with legal requirements, Tara Chand has adopted best practices and set responsible standards of business. Good Corporate Governance practices have led the Company to raise its standards beyond compliances and foster commitment through-out the Company to adhere to these practices. Tara Chand continues to benchmark itself and strives to meet the expectations of all its stakeholders.

This report, along with the report of Management Discussion and Analysis and additional information for the shareholders in the foregoing paras, constitutes Tara Chand's compliances with Regulation 34 Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### BOARD OF DIRECTORS:

#### Composition:

The Board of Directors includes the Executive and Non-Executive Directors so as to ensure proper governance and management. The Company also has one woman director i.e. Mrs. Prerna Sandeep Agarwal. The Corporate Governance principles of the Company have been formulated to ensure that the Board remains informed, independent and participates actively in the affairs of the Company. The Company also strives to enhance stakeholders' value by taking measures to continuously improve Corporate Governance standards. The Directors at Tarachand Logistic Solutions Limited possess the highest personal and professional ethics, integrity and values and are committed to represent the long-term interest of the stakeholders.

The Company's business is led by Mr. Vinay Kumar who is the Chairman & Managing Director and Mr. Ajay Kumar who is the Whole-Time Director of the Company, both manage routine operation and day to day business affairs of Company. They have more than three decades experience in the Industry. We believe that, this has enabled us to develop our brand and address various industry risks over the years. Senior management team is sufficiently empowered in order to decentralize operational decision making processes and address our business requirements.

In terms of the Company's Corporate Governance Policy, all statutory and other significant material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. Composition of Board is as follows.

#### Composition of Board as on March 31, 2018:

Category	No. of Directors	Percentage of Total Number of Directors
Executive Directors	3	50
Non-Executive Directors	3	50
<b>Total</b>	<b>6</b>	<b>100</b>

The Company has thus complied with the requirement of having at least fifty percent of the Board members comprising of Non-executive Directors. Following are the status as on March 31, 2018.

The Board of your Company comprises of Six Directors as on March 31, 2018. The name and categories of Directors, the number of Directorships, Committee positions held by them in the companies and shares hold by them are given below. None of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she

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serves as a Whole-time Director in any listed company (as specified in Regulation 25 of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/she is a Director.

Name of Director*	Category	**No. of Directorship (As on 31.03.2018)	No. of committee positions in Mandatory Committees (As on 31.03.2018)#		No. of shares held in the Company as on March 31, 2018
			Chairman	Member	
Mr. Vinay Kumar	Executive	One	1	2	8129680
Mr. Ajay Kumar	Executive	Two	1	2	1694500
Mr. Himanshu Agrawal	Executive	One			2000
Mrs. Prerna Agrawal	Non-Executive Executive				94800
Mr. Chaman Lal Lakhanpal	Independent Non-Executive			3	
Mr. Niranjana Roy	Independent Non-Executive		2	2	

\* Mr. Vinay Kumar, Mr. Ajay Kumar, Mr. Himanshu Agrawal and Mrs. Prerna Agrawal are Promoter-Shareholders of the Company.

\*\* Excludes Directorship held in Tara Chand, Foreign Companies, Companies formed under Section 25 of the Companies Act, 1956 & Section 8 of the Companies Act, 2013 and Directorship held as an alternate Director.

# Committee includes Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee. It also includes Membership/Chairmanship of Tara Chand.

### Meetings and Attendance:

During the financial year ending on March 31, 2018, 15 (Fifteen) Meetings of the Board of Directors were held as follows and gap between two meetings were well within a period of 120 days:

No.	Date of Board Meeting	Board Strength	Number of Directors Present
1	10/04/2017	5	5
2	02/06/2017	5	5
3	15/06/2017	5	5
4	12/07/2017	5	5
5	13/07/2017	5	5
6	10/08/2017	5	5
7	21/08/2017	5	5
8	23/08/2017	5	5
9	30/08/2017	5	5
10	30/09/2017	5	5
11	09/10/2017	5	5
12	15/11/2017	6	5
13	20/12/2017	6	5
14	02/01/2018	6	5
15	21/03/2018	6	5

The attendance at the Board Meetings and at the Annual General Meeting (AGM) during the financial year is as follows:

No.	Name of Directors	No. of Board Meetings Attended	Attendance at Last AGM
1	Mr. Vinay Kumar	15	Yes
2	Mr. Ajay Kumar	15	Yes
3	Mr. Himanshu Agrawal*		NA
4	Mr. Chaman Lal Lakhanpal	15	Yes
5	Ms. Prerna Agrawal	15	Yes
6	Mr. Niranjan Roy	15	Yes

\*Mr. Himanshu Agrawal appointed as Executive Director of the Company with effect from November 1, 2017.

#### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

During the year Company, was in process of listing its shares on National Stock Exchange (EMERGE Platform), Company got its listed status on 23<sup>rd</sup> March, 2018. Between the listed period i.e. 23<sup>rd</sup> March, 2018 to March 31, 2018, Company has not carried any familiarization programme for Independent Directors. However, policy of the program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and other related matters has been adopted by the Company and are uploaded on website [www.tarachandindia.in](http://www.tarachandindia.in)

#### DIRECTORS RELATION INTER-SE:

Except as depicted below, none of the directors of the Company are related to each other.

No.	Name of Directors	Related to	Nature of Relationship
1	Vinay Kumar	Ajay Kumar	Brother
		Himanshu Aggarwal	Son
		Prerna Agarwal	Daughter in law
2	Ajay Kumar	Vinay Kumar	Brother
3	Himanshu Aggarwal	Vinay Kumar	Father
4	Prerna Agarwal	Vinay Kumar	Father in law

#### COMMITTEES OF THE BOARD:

Currently, there are Four Committees of the Board such as Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. The terms of reference to the Board Committees are determined by the Board from time to time. All four committees has been constituted by the Board of Directors under applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') in their meeting held on December 20, 2017.

#### AUDIT COMMITTEE:

##### Brief description of Terms of Reference:

The roles, powers and functions of Audit Committee specified by the Board are in conformity with the requirements of regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. Terms of reference of the Committee includes inter alia;

- Overseeing the Company's financial reporting process to ensure disclosure of financial information as per the requirements of Stock Exchange and the Company Law requirements and to ensure that the financial statements are correct, sufficient and credible.
- Review and examination of quarterly, half yearly and annual financial statements and the auditors' report thereon before submission to the Board for approval.

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- c) Review of Management Discussion & Analysis of financial condition and results of operations, statement of significant related party transactions.
- d) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and Internal Auditor and the fixation of audit fees and terms of appointment.
- e) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- f) Approval or any subsequent modification of transactions of the Company with related parties.
- g) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- h) Review of adequacy of internal control systems, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit and further recommending to the Internal Auditors the nature and scope of internal audit. Evaluation of risk management systems.
- i) Scrutiny of inter-corporate loans and investments.
- j) Valuation of undertakings or assets of the company, wherever it is necessary.
- k) Review of reports of Statutory and Internal Auditors and replies of the management thereof.
- l) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- m) Review of the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- n) Review of the annual financial statements with the management before submission to the Board for approval, with particular reference to :
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosures of any related party transactions
  - Qualifications in the draft audit report
  - Significant adjustments made in the financial statements arising out of audit findings
  - Major accounting entries involving estimates based on exercise of judgment of management
- o) Review of management representation letters to be issued to the Statutory Auditors.
- p) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- q) Reviewing compliances as regards the Company's Whistle Blower Policy.
- r) Approval of the appointment of the Chief Financial Officer (CFO) of the Company after assessing the qualifications, experience & background, etc. of the Candidate.
- s) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- t) Management discussion and analysis of financial condition and results of operations.
- u) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- v) Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- w) Statement of deviations, if any.

### **Composition of the Committee, Name of the Members and the Chairman and Attendance:**

As on March 31, 2018, the Audit Committee comprises of three Directors and majority are of independent Directors.

The Chairman and other Members of the Committee are having ability to read and understand financial statement. Besides, all members have knowledge of finance, accounting and law.

As mentioned above, Audit Committee has been constituted by the Board of Directors under applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') in their meeting held on December 20, 2017. No Audit Committee meeting was held for the financial year ended March 31, 2018.

Composition of the Audit Committee as on March 31, 2018 and status of the attendance of members were as follows:

**Composition of Committee as on March 31, 2018:**

Name of the Directors	Position	Meetings held	Meetings attended
Mr. Niranjana Kumar Roy	Chairman	-	-
Mr. Chaman Lal Lakhanpal	Member	-	-
Mrs. Prerna Sandeep Agarwal	Member	-	-

Company Secretary of the Company acts as a Secretary to the Committee.

**NOMINATION AND REMUNERATION COMMITTEE:**

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 read with the rules made thereunder and Regulation 19 read with part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**i) Terms of Reference:**

The Nomination and Remuneration Committee is empowered to determine, inter-alia, include the following:

- a) Formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) Carry out evaluation of every Director's performance.
- e) Recommend to the Board the appointment and removal of Directors and Senior Management.
- f) Recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel, Senior Management and other employees.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) Devise a policy on Board diversity.
- i) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- j) Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- k) Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- l) Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- m) Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice
- n) Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- o) Perform such other functions as may be necessary or appropriate for the performance of its duties.
- p) Extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**Composition, Name of the Member, Chairman and Attendance at Meeting:**

As on March 31, 2018, the Nomination and Remuneration Committee comprises of three Directors. The Chairman of the Committee is a Non-Executive and Independent Director.

As mentioned above, Nomination and Remuneration Committee has been constituted by the Board of Directors under applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') in their meeting held on December 20, 2017. No nomination and remuneration committee meeting was held for the financial year ended March 31, 2018.

Composition of the Nomination and Remuneration Committee as on March 31, 2018 and status of the attendance of members were as follows:

**Composition of Committee as on March 31, 2018:**

Name of the Directors	Position	Meetings held	Meetings attended
Mr. Niranjana Kumar Roy	Chairman	-	-
Mr. Chaman Lal Lakhanpal	Member	-	-
Mrs. Prerna Sandeep Agarwal	Member	-	-

Company Secretary of the Company acts as a Secretary to the Committee.

**NOMINATION AND REMUNERATION POLICY:**

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The said Policy of the Company, *inter alia*, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The said Policy also includes criteria for making payments to Non-Executive Directors. The policy is available at [www.tarachandindia.in/policies](http://www.tarachandindia.in/policies)

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

In compliance with the Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013, the Company has constituted Stakeholders Relationship Committee on December 20, 2017.

The Committee comprises three directors as members. Ms. Prerna Sandeep Agarwal, Non-Executive Director is the Chairperson of the Committee. Company Secretary of the Company acts as a Secretary to the Committee. No Stakeholders Relationship Committee meeting was held for the financial year ended March 31, 2018.

Composition of the Stakeholders Relationship Committee as on March 31, 2018 and status of the attendance of members were as follows:

**Composition of Committee as on March 31, 2018:**

Name of the Directors	Position	Meetings held	Meetings attended
Mrs. Prerna Sandeep Agarwal	Chairperson	-	-
Mr. Vinay Kumar	Member	-	-
Ms. Ajay Kumar	Member	-	-

**COMPLAINTS/REQUEST RECEIVED FROM SHAREHOLDERS DURING THE PERIOD 23<sup>R</sup> MARCH, 2018 TO March 31, 2018 ('PERIOD') AND ITS STATUS:**

Statuses of Complaints received during the above mentioned period are as follows:

Received during the period	Nil
Disposed during the period	Nil
Pending at the end of the period	Nil

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. However, the Company voluntarily constituted Corporate Social Responsibility Committee on December 20, 2017.

The Committee comprises three directors as members. Mr. Vinay Kumar, Executive Director is the Chairman of the Committee. Company Secretary of the Company acts as a Secretary to the Committee. No Corporate Social Responsibility Committee meeting was held for the financial year ended March 31, 2018.

Composition of the Corporate Social Responsibility Committee as on March 31, 2018 and status of the attendance of members were as follows:

Name of the Directors	Position	Meetings held	Meetings attended
Mr. Vinay Kumar	Chairman	-	-
Mr. Chaman Lal Lakhanpal	Member	-	-
Mr. Ajay Kumar	Member	-	-

Company Secretary of the Company acts as a Secretary to the Committee.

**REMUNERATION TO DIRECTORS:****a. Sitting Fees to Independent Director / Pecuniary relationship with Non-Executive Director:**

During the financial year 2017-2018, the Company has not paid any sitting fees and not entered into any pecuniary relationship with Non-Executive & Independent Directors of the Company. However, on the basis of day to day participation of Mrs. Prerna Aggarwal the Company has paid salary of Rs. 5,40,000/- in the financial year 2017-2018. Further the Company has paid interest of Rs. 1,77,711 /- to Mrs. Prerna Aggarwal for her unsecured lending to the Company.

**b. Remuneration to Executive Directors:**

During the financial year 2017-18, the Company has paid remuneration to all its Executive Directors. Details of the remuneration including other benefits, stock options, bonuses have been disclosed in extract of Annual Return in 'Form MGT-9' which is part of Board Report.

**GENERAL BODY MEETINGS:**

The Annual General Meetings ('AGMs') of the Company have been held at the registered office of the Company at 342, Industrial Area Phase I – 160002, Chandigarh, India in the last three years at the time and date given below:

Year	Day & Date	Time	Special Resolution passed
2014-15	Wednesday, 30 <sup>th</sup> September, 2015	3:30 p.m.	No Special Resolution Passed
2015-16	Monday, 28 <sup>th</sup> September, 2016	3:30 p.m.	No Special Resolution Passed
2016-17	Tuesday, 19 <sup>th</sup> September, 2017	11:00 a.m.	No Special Resolution Passed

No resolution was passed through postal ballot in last year. Resolution(s), if any, to be passed through Postal Ballot during the financial year 2018-19 will be taken up as and when necessary.

**MEANS OF COMMUNICATION:**

- The quarterly (voluntary), half yearly and annual results of the Company are displayed on Company's website at [www.tarachandindia.in](http://www.tarachandindia.in) right after their declaration of stock exchange.
- During the Financial Year 2017-18, the Company has not displayed its results in any official news releases and no presentations were made to any Institutional Investors and analysts.
- Being Listed at SME Exchange, the requirements of publication of financial results in newspapers pursuant to regulation 47 of Listing Regulation is not applicable to the Company. However, the Company on voluntary basis generally publishing its results in "The Economics Times"

**GENERAL SHAREHOLDERS' INFORMATION:****(a) Particulars of ensuing Annual General Meeting:**

<b>Venue</b>	The Fern Residency, Chandigarh 28/8, Phase II, Industrial & Business Park Chandigarh - 160002
<b>Time</b>	10:30 A.M.
<b>Day</b>	Friday
<b>Date</b>	28 <sup>th</sup> September, 2018
<b>Financial Year ended</b>	March 31, 2018
<b>Dividend Payment Date</b>	Not Applicable

**(b) Stock Exchanges where shares are listed:**

<b>Name and address of the stock exchange</b>	<b>ISIN</b>
<b>National Stock Exchange of India Ltd. (NSE)</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No - 'C' Block, G Block Bandra — Kurla Complex, Bandra (E), Mumbai-400051	INE555Z01012

Annual Listing Fees for 2018-2019 has been paid by the Company on 24<sup>th</sup> April, 2018.

**(c) Stock Market data:**

- (i) **Monthly high and low quotations of the Company's shares on NSE during the financial year 2017-2018 are as follows** – During the Financial Year 2017-18 the Company got listed on National Stock Exchange (SME Platform) on 23<sup>rd</sup> March, 2018. The Company has listed 37,20,000 Equity shares of Rs.10/- at an issue price of Rs. 55 /- per Share.

<b>Year 2017-2018</b>	<b>NSE</b>	
	<b>High</b>	<b>Low</b>
<b>March, 2018</b>	51.18	45.75

- (ii) **Performance in comparison to broad based indices such as NSE Nifty, CRISIL Index etc.** - During the year, the Company was in process of listing its shares on National Stock Exchange (NSE) as SME and the Company got its listed status on 23<sup>rd</sup> March, 2018 at SME Exchange of NSE. Hence, comparison of seven days has been not provided, the same will be provided in next year onwards.

**(d) Registrar and Transfer Agents:**

**M/s. Sharex Dynamic (India) Private Limited.**

Unit-1, Luthra Ind. Premises, Andheri-Kurla Road,,

Safed pool, Andheri East-400072, Mumbai.

Tel No: 022 - 28515606

Fax : 022-28512885

Email: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

Web Add: [www.sharexindia.com](http://www.sharexindia.com)

**(e) Share Transfer System:**

The Company's shares being in Demat mode are transferable through the depository system. Shares in physical form are transferable through Company's Registrar & Share Transfer Agent.

**(f) Compliance Officer:**

Till May 31, 2018	From June 1, 2018
Ms. Madhuri Ganesh Batwal Company Secretary Add; 342, Industrial Area, Phase I, Chandigarh-160002, India 0172-2650380 / 0172-2654928 Email: cs@tarachandindia.in	Ms. Nishu Kansal Company Secretary Add; 342, Industrial Area, Phase I, Chandigarh-160002, India 0172-2650380 / 0172-2654928 Email: cs.tarachandlsl@gmail.com

Ms. Madhuri Ganesh Batwal has reigned from the office of Company Secretary & compliance Officer of the Company w.e.f. May 31, 2018 and Ms. Nishu Kansal has been appointed in her place as Company Secretary & compliance Officer of the Company w.e.f. June 1, 2018.

**(g) Distribution of Shareholding as on March 31, 2018:**

Range	Number of Holders	% to Total Holders	Shareholding (Shares)	% to Total Capital
1 - 100	-	-	-	-
101 - 200	-	-	-	-
201 - 500	1	0.12	300	0.00
501 - 1000	2	0.23	2000	0.01
1001 - 5000	813	95.20	1679700	12.31
5001 - 10000	17	1.99	140000	1.03
10001 - 100000	12	1.41	512800	3.76
1000001 and above	9	1.05	11310180	82.89
<b>TOTAL</b>	<b>854</b>	<b>100</b>	<b>13644980</b>	<b>100</b>

**(h) Status of dematerialization of shares and liquidity as on March 31, 2018:**

Details	No. of shares	% of Share Capital
Nationalized Securities Depository Ltd.	15,60,000	11.43%
Central Depository Services (India) Ltd.	12,084,980	88.57%
<b>Total dematerialized</b>	<b>1,36,44,980</b>	<b>100%</b>
Physical	-	
<b>Total</b>	<b>1,36,44,980</b>	<b>100%</b>

**(i) Outstanding GDR/ ADR/ Warrants, any Convertible Instruments, Conversion dates and its likely impact on the equity:**

Your Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2018.

**(j) Commodity Price Risk or Foreign Exchange Risk or Hedging Activities:**

During the year under review, the Company has managed the foreign exchange risk and hedging activities internally.

**(k) Location:**

Location	Address
Mumbai (Corporate Office)	Hotel Pallavi Avida, Site No.6, Sector-10E, Roadpali-Kalamboli, Navi - Mumbai - 410218
Chandigarh	Plot No.342, Industrial Area Phase-1, Chandigarh -160002
Bangalore	35,Penddanna Reddy Layout, Near Hormavu Junction Banaswaddi Ring Road Behind M.K Retail Bangalore-560043
Jamnagar	Tls Complex ,Plot No-19-20, Motikhavadi Jamnagar-361140, Gujrat
Vishakhapatnam	Azad Manjil, D-No.27-3-178, 5 <sup>th</sup> Line, Official Colony Srinagar, Gajuwaka Visakhapatnam-530026
Jabalpur	Khasra No.693/5 On NH-7 Katni Road Gurunanak Dharam Kata Pangar,Jabalpur-483220

**(l) Address for Investor Correspondence:**

No.	For Shares held in Physical Form	For Shares held in Demat Form
1.	<b>M/s. Sharex Dynamic (India) Private Limited.</b> Unit-1, Luthra Ind. Premises, Andheri-Kurla Road.,Safed pool, Andheri East-400072, Mumbai. Tel No: 022 – 28515606 Fax : 022-28512885 Email: <a href="mailto:sharexindia@vsnl.com">sharexindia@vsnl.com</a> Web Add: www.sharexindia.com	<b>To Respective Depository Participant</b>
2.	<b>Registered Office:</b> <b>Tarachand Logistic Solutions Limited</b> 342, Industrial Area Phase I – 160002, Chandigarh, India. Email: <a href="mailto:cs.tarachandlsl@gmail.com">cs.tarachandlsl@gmail.com</a> Tel: 0172-2650380 / 0172-2654928 Web: www.tarachandindia.in	

**DISCLOSURES:****(a) Disclosure on Related Party Transactions:**

Related Party transactions during the year have been disclosed in the Notes to Financial Statements forming part of this Annual Report. None of these transactions have any potential conflict with the interests of the Company. No related party transaction was outside the normal course of business of the Company and all related party transactions were entered on arm's length basis.

**(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:**

During the year, the Company was in process of listing its shares on National Stock Exchange (NSE) as SME and the Company got its listed status on 23<sup>rd</sup> March, 2018 at SME Exchange of NSE. Between the Listed period i.e 23<sup>rd</sup> March, 2018 to 31<sup>st</sup> March, 2018, no penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter relating capital markets.

**(c) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee:**

The Company has adopted the Whistle Blower Policy and placed it on the website of the Company. During the period under review, no personnel of the Company have been denied access to the Audit Committee on any issue falling under the said policy.

**(d) Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements:**

The Company has generally complied with all the mandatory requirements as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

**Non-Mandatory Requirements:**

- The Company has a practice of announcement of its quarterly results on voluntary basis. The results, as approved by the Board of Directors (or Committees thereof) are first submitted to Stock Exchange within 30 minutes (under Regulation 30 of the Listing Regulations) of the approval of the results.

- During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

**(e) Material Subsidiary/(ies):**

Since, the Company does not have any Subsidiary, hence, the policy for determining 'material subsidiary' is not adopted.

**(f) Policy on Dealing with Related Party Transactions:**

Policy for consideration and approval of Related Party Transactions of the Company can be accessed from the following weblink: [www.tarachandindia.in/policies](http://www.tarachandindia.in/policies)

**(g) Adoption of Part – E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

As on 31st March, 2018, the Chairman of the Company is Executive Director. The Auditor has Unmodified Opinion on financial statement for F.Y. 2017-18.

**(h) Evaluation:**

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise will carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The policy for performance evaluation of Board of Directors including Committees of Director, Individual Director, Independent Director has been disclosed on the Company's website [www.tarachandindia.in/policies](http://www.tarachandindia.in/policies)

**(i) Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

Since, the Company is Listed at SME Exchange of National Stock Exchange, Hence, compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 are not applicable to the Company.

**DECLARATION UNDER REGULATION 17 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

As provided under regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2018.

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:**

Pursuant to sub-regulation 2 of regulation 15 of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance of provision of Corporate Governance is not applicable to the Company. Hence, the Company has not obtained the Compliance Certificate on Corporate Governance from the Auditor /Company Secretary in Practice as per the provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**On behalf of the Board of Directors**

**Tara Chand Logistic Solutions Limited**

SD/-

**Vinay Kumar**

**Chairman & Managing Director**

**DIN: 00151567**

**Add: C/O: 342 Industrial Area, Phase I,**

**Chandigarh – 160002**

**Date: August 31, 2018**

**Place: Chandigarh**

**SANGEET KUMAR & ASSOCIATES**

CHARTERED ACCOUNTANTS

S.C.O-59, TOP FLOOR SECTOR-32 C & D CHANDIGARH, CHANDIGARH-160032

**INDEPENDENT AUDITORS' REPORT**

**TO,**

**THE MEMBERS OF TARA CHAND LOGISTIC SOLUTIONS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **TARA CHAND LOGISTIC SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2018**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2018**, and its **Profit and it's cash flows** for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

**As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.**

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and **the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2018** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2018** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
- (g) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 30/05/2018

Place : Chandigarh

**FOR SANGEET KUMAR & ASSOCIATES**

**(Chartered Accountants)**

**Reg No. :011954N**

**DHEERAJ KUMAR GARG**

**Partner**

**M.No. : 533845**

## Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2018

To,

**The Members of TARA CHAND LOGISTIC SOLUTIONS LIMITED**

**(i) In Respect of Fixed Assets**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) The title Deeds of immovable properties are held in the name of company

**(ii) In Respect of Inventories**

Physical verification of inventory has been conducted at reasonable intervals by the management.

**(iii) Compliance under section 189 of The Companies Act, 2013**

As informed, the company, company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

- (a) In our opinion and according to the information and explanations given to us. The rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest to the company.
- (b) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

**(iv) Compliance under section 185 and 186 of The Companies Act , 2013**

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

**(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits**

The company has not accepted any Deposits.

**(vi) Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**(vii) Deposit of Statutory Dues**

- (a) According to the records of the company and information and explanation given to us, the is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- (b) There is no dispute with the revenue authorities regarding any duty or tax payable.

**(viii) Repayment of Loans and Borrowings**

Based on our audit procedures and according to the information and explanation given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution, bank or Government.

**(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

The company has raised Rs. 20.46 Cr. by way of initial public offer during the financial year. The process of IPO was completed on 15<sup>th</sup> March 2018. Out of total IPO proceeds Rs 6.17 Crores have been used for the purpose for which those were raised and balance of Rs 14.29 Crores remained unutilized on the reporting date.

**(x) Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

**(xi) Managerial Remuneration**

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

**(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

**(xiii) Related party compliance with Section 177 and 188 of companies Act - 2013**

In our opinion and according to the information and explanation given to us by the management, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

**(xiv) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

According to the records of the company and information and explanation given to us, The Company has made private placement of shares during the year and complied with the section 42 of the companies Act-2013

**(xv) Compliance under section 192 of Companies Act - 2013**

The company has not entered into any non-cash transactions with directors or persons connected with him.

**(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

Date : 30/05/2018

Place : Chandigarh

**FOR SANGEET KUMAR & ASSOCIATES**

**(Chartered Accountants)**

**Reg No. :011954N**

**DHEERAJ KUMAR GARG**

**Partner**

**M.No. : 533845**

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of TARA CHAND LOGISTIC SOLUTIONS LIMITED Company limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of TARA CHAND LOGISTIC SOLUTIONS LIMITED Company Limited

(“The Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 30/05/2018

Place : Chandigarh

**FOR SANGEET KUMAR & ASSOCIATES**

**(Chartered Accountants)**

**Reg No. :011954N**

**DHEERAJ KUMAR GARG**

**Partner**

**M.No. : 533845**

<b>BALANCE SHEET AS ON 31st MARCH, 2018</b>				
<b>PARTICULARS</b>		<b>Note No.</b>	<b>As at 31 March, 2018 (Amount in Rs)</b>	<b>As at 31 March, 2017 (Amount in Rs)</b>
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	(a) Share capital	2	136,449,800	93,259,300
	(b) Reserves and surplus	3	272,510,896	59,256,003
	<b>Share application money pending allotment</b>		-	-
	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	339,285,049	274,198,748
	(b) Deferred tax liabilities (net)		11,080,864	6,112,326
	(c) Other long-term liabilities	5	96,975,610	33,588,924
	(d) Long-term provisions	6	2,183,848	-
	<b>Current liabilities</b>			
	(a) Short-term borrowings	7	211,383,350	140,136,307
	(b) Trade payables	8	47,252,981	19,514,556
	(c) Other current liabilities	9	36,627,574	28,345,144
	(d) Short-term provisions	10	12,715,000	8,268,000
	<b>TOTAL</b>		<b>1,166,464,971</b>	<b>662,679,307</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	11	639,908,154	386,941,777
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Fixed assets held for sale		-	-
	(b) Non-current investments		-	-
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets	12	3,321,067	-
	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories	13	20,944,203	14,314,813
	(c) Trade receivables	14	287,291,014	142,846,036
	(d) Cash and cash equivalents	15	172,220,918	62,046,704
	(e) Short-term loans and advances	16	15,560,257	15,052,752
	(f) Other current assets	17	27,219,358	41,477,226
	<b>Notes to the financial statement &amp;</b>	1		
	<b>Summary of significant accounting policies</b>			
	<b>TOTAL</b>		<b>1,166,464,971</b>	<b>662,679,307</b>
<b>Notes referred above form an integral part of the financial statements</b>				

For Sangeet Kumar & Associates  
Chartered Accountants

Dheeraj Kumar Garg  
M.NO.533845  
Partner

Place : Chandigarh  
Date :-30.05.2018

For and on behalf of the Board of Directors  
Tara Chand Logistic Solutions Limited

Vinay Kumar  
Managing Director  
DIN:-00151567

Himanshu Aggarwal  
Chief Financial Officer  
DIN:-001806026

Ajay Kumar  
Director  
DIN:-00151477

Madhuri Ganesh Batwal  
Company Secretary  
PAN:-ATXPB5965H

<b>STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2018</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>31.03.2018 (Amount in Rs)</b>	<b>31.03.2017 (Amount in Rs)</b>
Revenue from operations	18	802,577,564	517,553,094
Other Income	19	26,873,677	10,147,009
<b>Total Revenue</b>		<b>829,451,242</b>	<b>527,700,103</b>
<b>Expenses:</b>			
Cost of materials consumed			
Purchase of Stock-in-Trade	20	165,884,675	100,159,762
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-4,871,564	-2,593,778
Employee benefit expense	22	158,234,670	95,372,792
Financial costs	23	42,290,924	32,532,855
Depreciation and amortization expense		63,455,671	42,349,077
Other expenses	24	340,276,974	219,740,984
<b>Total Expenses</b>		<b>765,271,349</b>	<b>487,561,691</b>
Profit before tax		64,179,892	40,138,411
Tax expense:			
Current tax		12,715,000	8,268,000
Deferred Tax		4,968,538	4,192,431
Tax Adjustment Relating to Earlier Years		439,382	-
Profit/(Loss) after tax for the period		<b>46,056,973</b>	<b>27,677,980</b>
<b>Earning per equity share:</b>			
(Par Value Per Share Rs.10)			
Basic		<b>4.93</b>	<b>2.97</b>
Diluted		<b>4.93</b>	<b>2.97</b>
<b>Notes to the financial statement &amp; Summary of significant accounting policies</b>	<b>1</b>		
<b>Notes referred to above form an integral part of Financial Statements</b>			

For Sangeet Kumar & Associates  
Chartered Accountants

Dheeraj Kumar Garg  
M.NO.533845  
Partner

Place : Chandigarh  
Date :-30.05.2018

For and on behalf of the Board of Directors  
Tara Chand Logistic Solutions Limited

Vinay Kumar  
Managing Director  
DIN:-00151567

Himanshu Aggarwal  
Chief Financial Officer  
DIN:-001806026

Ajay Kumar  
Director  
DIN:-00151477

Madhuri Ganesh Batwal  
Company Secretary  
PAN:-ATXPB5965H

<b>Cash Flow Statement for the year ended 31st March, 2018</b>				
Particulars	For the year ended 31 March, 2018		For the year ended 31 March, 2017	
	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		64,179,892		40,138,411
<i>Adjustments for:</i>				
Depreciation and amortisation	63,455,671		42,349,077	
Provision for impairment of fixed assets and intangibles				
Amortisation of share issue expenses and discount on shares				
(Profit) / loss on sale / write off of assets	-7,040,164		-7,285,733	
Expense on employee stock option scheme				
Finance costs	42,290,924		32,532,855	
Interest income	-2,279,222		-903,477	
Dividend income				
Net (gain) / loss on sale of investments				
Rental income from investment properties				
Rental income from operating leases				
Share of profit from partnership firms				
Share of profit from AOPs				
Share of profit from LLPs				
Liabilities / provisions no longer required written back				
Adjustments to the carrying amount of investments				
Provision for losses of subsidiary companies				
Provision for doubtful trade and other receivables, loans and advances				
Provision for estimated loss on derivatives				
Provision for warranty				
Provision for estimated losses on onerous contracts				
Provision for Deferred Tax	-4,968,538		-4,192,431	
Provision for Gratuity	39,009,990			
Taxation of earlier years	-439,382			
Expenses Written off	-		130,372	
Provision for contingencies				
Tax Provision	-12,715,000		-8,268,000	
Other non-cash charges (specify)				
F&O Trading	-		-	
Net unrealised exchange (gain) / loss				

<b>Cash Flow Statement for the year ended 31st March, 2018</b>				
<b>Particulars</b>	<b>For the year ended 31 March, 2018</b>		<b>For the year ended 31 March, 2017</b>	
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
		117,314,279		54,362,662
Operating profit / (loss) before working capital changes		<b>181,494,172</b>		<b>94,501,074</b>
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	-6,629,390		-2,593,778	
Trade receivables	-144,444,979		-39,730,572	
Short-term loans and advances	-3,828,573		-18,337,787	
Deferred Tax Asset	-		-	
Other current assets	14,257,868		-15,630,688	
Other non-current assets		-140,645,073		-76,292,825
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	27,738,425		1,700,476	
Other current liabilities	8,282,430		17,633,268	
Deferred Tax Liability	4,968,538		4,192,431	
Short-term provisions	4,447,000		3,566,510	
Long term Liabilities	63,386,686		31,236,719	
Long-term provisions		108,823,079		58,329,404
		149,672,177		76,537,653
Cash flow from extraordinary items		-		-
Cash generated from operations		149,672,177		76,537,653
Net income tax (paid) / refunds		-		-
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>149,672,177</b>		<b>76,537,653</b>
<b>B. Cash flow from investing activities</b>				
Capital Expenditure on fixed assets	-322,947,295		-150,033,745	
Proceeds from sale of fixed assets	13,565,411		8,601,000	
Inter-corporate deposits (net)				
Long term Loans and Advances	-		77,700	
Bank balances not considered as Cash and cash equivalents				
- Placed				

<b>Cash Flow Statement for the year ended 31st March, 2018</b>				
<b>Particulars</b>	<b>For the year ended 31 March, 2018</b>		<b>For the year ended 31 March, 2017</b>	
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
- Matured				
Current investments not considered as Cash and cash equivalents				
- Purchased				
- Proceeds from sale				
Purchase of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others				
Proceeds from sale of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others				
Loans given				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Loans realised				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Interest received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others	2,279,222		903,477	
Dividend received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others	-		-	
Rental income from investment properties				

<b>Cash Flow Statement for the year ended 31st March, 2018</b>				
<b>Particulars</b>	<b>For the year ended 31 March, 2018</b>		<b>For the year ended 31 March, 2017</b>	
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Rental income from operating leases				
Amounts received from partnership firms				
Amounts received from AOPs				
Amounts received from LLPs		-307,102,662		-140,451,568
Cash flow from extraordinary items				
Net income tax (paid) / refunds				
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>-307,102,662</b>		<b>-140,451,568</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	223,769,600			
Proceeds from issue of preference shares				
Redemption / buy back of preference / equity shares				
Proceeds from issue of share warrants				
Share Issue Expenses	-13,381,180			
Share application money received / (refunded)				
Proceeds from long-term borrowings	65,086,301		90,344,167	
Repayment of long-term borrowings				
Net increase / (decrease) in working capital borrowings				
Proceeds from other short-term borrowings	71,247,043		24,888,760	
Repayment of other short-term borrowings				
Finance cost	-42,290,924		-32,532,855	
Dividends paid				
Tax on dividend		304,430,840		82,700,071
Cash flow from extraordinary items				
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>304,430,840</b>		<b>82,700,071</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>147,000,356</b>		<b>18,786,157</b>
Cash and cash equivalents at the beginning of the year		<b>62,046,703</b>		<b>43,260,546</b>

<b>Cash Flow Statement for the year ended 31st March, 2018</b>				
<b>Particulars</b>	<b>For the year ended 31 March, 2018</b>		<b>For the year ended 31 March, 2017</b>	
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
<b>Cash and cash equivalents at the end of the year</b>		209,047,058		62,046,703
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)				
<b>Less:</b> Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i> (give details)		46,562,245		12,200,800
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i> ) included in Note 19				
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i> ) (Refer Note (ii) to Note 16 Current investments)				
<b>Cash and cash equivalents at the end of the year*</b>		162,484,814		49,845,903
* Comprises:				
(a) Cash on hand		1,659,446		2,088,158
(b) Cheques, drafts on hand		1,054,979		47,725,516
(c) Balances with banks				
(i) In current accounts		122,944,247		32,230
(ii) In EEFC accounts				
(iii) In deposit accounts with original maturity of less than 3 months				
(iv) In earmarked accounts (give details) (Refer Note (ii) below)				
(d) Others (specify nature)				
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)				
<b>Notes:</b>				
(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.				
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.				

**For Sangeet Kumar & Associates**  
Chartered Accountants

**Dheeraj Kumar Garg**  
M.NO.533845  
Partner

Place : Chandigarh  
Date :-30.05.2018

**For and on behalf of the Board of Directors**  
Tara Chand Logistic Solutions Limited

**Vinay Kumar**  
Managing Director  
DIN:-00151567

**Himanshu Aggarwal**  
Chief Financial Officer  
DIN:-001806026

**Ajay Kumar**  
Director  
DIN:-00151477

**Madhuri Ganesh Batwal**  
Company Secretary  
PAN:-ATXPB5965H

**NOTE - 2 - SHARE CAPITAL**

PARTICULARS	31.03.2018	31.03.2017
<b>AUTHORISED</b>		
1,50,00,000 Equity shares of Rs. 10/-each	150,000,000	100,000,000
PreviousYear (1,00,00,000 Equity shares of Rs. 10/-each)		
<b>ISSUED, SUBSCRIBED, CALLED UP &amp; FULLY PAID UP</b>		
13644980 Equity shares of Rs. 10/- each Fully Paid Up	136,449,800	93,259,300
Previous Year (9325930 Eq.shares of Rs. 10/- each Fully Paid Up)		
<b>TOTAL</b>	<b>136,449,800</b>	<b>93,259,300</b>

**Disclosure: Details of Shareholder holding more than 5% Shares**

NAME OF SHAREHOLDER	31.03.2018		31.03.2017	
	NO. OF SHARES	% OF HOLDING	NO. OF SHARES	% OF HOLDING
Sh. Vinay Kumar	8,129,680	59.58	7,935,930	85.10
Sh. Ajay Kumar	1,694,500	12.42	1,382,000	14.82
<b>TOTAL</b>	<b>9,824,180</b>	<b>72.00</b>	<b>9,317,930</b>	<b>99.92</b>

**Reconciliation of Equity Shares**

PARTICULARS	31.03.2018		31.03.2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	9,325,930	93,259,300	9,325,930	93,259,300
Shares Issued during the year	4,319,050	43,190,500	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>13,644,980</b>	<b>136,449,800</b>	<b>9,325,930</b>	<b>93,259,300</b>

**\*IPO - Fresh issue of shares**

The Company has completed the Initial Public offering (IPO) of fresh issue of 37,20,000 equity shares of ₹ 10 each at an issue price of ₹ 55 per share. The equity shares of the Company were listed on National Stock Exchange (NSE) w.e.f. 23rd March, 2018.

**Utilisation of IPO Proceeds are as follows**

Particulars	Proposed as per Prospectus	Utilized till 31.03.2018	Balance to be Utilized
Share Issue Expenses	11,934,000	11,934,000	-
Purchase of Capital Asset/Equipments	20,000,000	4,093,059	15,906,941
General Coporate Purposes	41,000,000	7,805,496	33,194,504
Repayment of Certain Secured Borrowings Aailed	51,045,000	9,000,024	42,044,976
Working Capital	80,621,000	28,878,442	51,742,558
<b>Total</b>	<b>204,600,000</b>	<b>61,711,021</b>	<b>142,888,979</b>

Expenses incurred by the Company aggregating to Rs 1,33,81,180, in connection with IPO have been adjusted towards share premium reserve.

<b>NOTE 3 -RESERVES &amp; SURPLUS</b>		
<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
<b>Retained Earnings</b>		
Balance brought forward from previous year	59,256,003	31,578,021
Add: Profit & Loss for the year	46,056,973	27,677,982
<b>Balance available for Appropriations</b>	<b>105,312,976</b>	<b>59,256,003</b>
<b>Share Premium Reserve</b>		
Balance brought forward from previous year	-	-
Add:-Other than Initial Public Offer	13,179,100	-
Add:-Initial Public Offer	167,400,000	-
	<b>180,579,100</b>	-
Less:-Share Issue Expenses related to Initial Public Offer	13,381,180	
<b>Balance available</b>	<b>167,197,920</b>	-
<b>TOTAL</b>	<b>272,510,896</b>	<b>59,256,003</b>
<b>Securities premium reserve</b>		
Share premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.		

<b>NOTE - 4 - LONG TERM BORROWINGS</b>		
<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
<b>Term loans</b>		
SECURED		
TERM LOANS:		
From Banks :	278,891,904	177,374,629
From Others Financial Institutions including NBFC's	38,160,755	48,726,474
LOANS AND ADVANCES FROM RELATED PARTIES		
Unsecured Loans	22,232,389	48,097,644
<b>TOTAL</b>	<b>339,285,049</b>	<b>274,198,748</b>

<b>1</b>	<b>Disclosure: Details of Security for secured Long Term Borrowings:-</b>	
<b>a)</b>	Axis Bank, HDFC Bank, ICICI Bank, Indusind Bank, State Bank of India, Srei Equipment Finance Ltd. Sundaram Finance, Tata Capital Financial Services Ltd., Dailmer Services Financial Services Ltd. TERM LOAN-----Hypothication of Cranes, truck ,trailors & other equipments & Cars	
<b>b)</b>	Equitable Mortagage of Residential House No. 543, Sector 21, Panchkula measuring 459 sq. mt. in the name of Anita Aggarwal to HDFC Bank against LAP	
<b>2</b>	<b>Secured Loans From Banks &amp; NBFC'S</b>	
<b>a)</b>	loans from banks & NBFC's ARE Secured by hypothecation of specific vehicles, cranes and lorries etc.	
<b>b)</b>	Loans are repayable in Equatedd Monthly Instalments of varying amounts (including interest) within maximum tenor of 60 months and the rate of interest ranges from 8.60% to 11% p.a.	

**NOTE - 5 - OTHER LONG TERM LIABILITIES**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Advance for sale of fixed assets	6,100,000	6,100,000
Payables for purchase of fixed assets	89,771,384	26,012,788
Trade / security deposits received	1,104,226	1,476,136
<b>TOTAL</b>	<b>96,975,610</b>	<b>33,588,924</b>

**NOTE - 6 - LONG TERM PROVISIONS**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Provision for Gratuity	2,183,848	-
<b>TOTAL</b>	<b>2,183,848</b>	<b>-</b>

**NOTE - 7 - SHORT TERM BORROWINGS**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
<b>Loans Repayable on Demand</b>		
<b>From Banks- Secured</b>		
ICICI (001305009650)	1,933,971	402,969
SBI (Kanthi Road)	-	250,816
SBI Cc (32244547583)	63,989,047	34,782,916
SBI Cc (32271297299)	3,669,227	3,649,311
SBI Cc (32271297471)	892,711	913,892
SBI Cc (36550312574)	1,769,982.56	-
Term Loans From Banks	104,407,912	78,826,836
Term Loans From Other Financial Institutions	34,720,500	21,309,568
<b>TOTAL</b>	<b>211,383,350</b>	<b>140,136,307</b>

**Disclosure: Details of Security for CC Limits & Bank Guarantees-**

<b>1</b>	<b>PRIMARY SECURITY - FOR- C/C Limits</b>
	Hypothecation of entire current assets of the company including stocks, Stores & Spares, Bills, Books Debts and receivables, both present and future.
<b>2</b>	<b>COLLATERAL SECURITY</b>
	<b>STATE BANK OF INDIA : C/C Limit , BG Limit :</b>
<b>a)</b>	Equitable Mortgage of Residential House No. 965, Sector 9, Panchkula measuring 307.50 sq. mt. in the name of Mr. Vinay Kumar.
<b>b)</b>	Extension of charge on building measuring 1450 Sq. Mtrs bearing Plot No. 6, Sector -10E, Kalamboli, Taluka Panvel, Navi Mumbai in the name of Mr. Vinay Kumar
	<b>ICICI BANK : C/C Limit , BG Limit :</b>
<b>a)</b>	Extension of charge on building measuring 297 Sq. Mtrs bearing SCO No. 16, sector-5, Panchkula in the name of Mr. Vinay Kumar & Ajay Kumar
<b>b)</b>	Equitable Mortgage of Residential House No. 537, Sector 21, Panchkula measuring 459 sq. mt. in the name of Anju Aggarwal
<b>3</b>	<b>Guarantors of Limit &amp; BG with SBI :</b>
	Mr. Vinay Kumar, Mr. Ajay Kumar
	<b>with ICICI :</b>
	Mr. Vinay Kumar, Mr. Ajay Kumar, Mrs Anju Aggarwal
<b>4</b>	<b>BANK GUARANTEES As on 31st March 2018</b>
	<b>(a) SBI (Industrial Estate Phase-1 Chd.</b>

	<b>PARTICULARS</b>	<b>SANCTIONED</b>	<b>UTILIZED</b>
	Fund Based	80,000,000	70,320,967
	Non-Fund Based	180,000,000	152,024,570
	<b>Total</b>	<b>260,000,000</b>	<b>222,345,537</b>

**(b) ICICI Bank Ltd. (Madhya Marg, Chd)**

	<b>PARTICULARS</b>	<b>SANCTIONED</b>	<b>UTILIZED</b>
	Fund Based	2,500,000	1,933,970
	Non-Fund Based	24,000,000	23,451,992
	<b>Total</b>	<b>26,500,000</b>	<b>25,385,962</b>

**NOTE - 8 - TRADE PAYABLES**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
<b>Trade payables for material &amp; services</b>		
- Total outstanding dues to micro and small enterprises	-	-
- Total outstanding dues to other than micro and small enterprises	46,809,888	14,175,873
Cheque issued but not presented	443,093	5,338,683
<b>TOTAL</b>	<b>47,252,981</b>	<b>19,514,556</b>

**NOTE - 9 - OTHER CURRENT LIABILITIES**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Statutory remittances	5,267,644	4,074,215
Advances from Customers	1,360,522	1,341,168
Payables For purchase of fixed assets	5,341,800	-
Other payables	24,657,608	22,929,760
<b>TOTAL</b>	<b>36,627,574</b>	<b>28,345,144</b>

**NOTE - 10- SHORT TERM PROVISIONS**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Provision for tax	12,715,000	8,268,000
<b>TOTAL</b>	<b>12,715,000</b>	<b>8,268,000</b>

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01.04.2017	ADDITIONS DURING THE YEAR	DED. DURING THE YEAR	TOTAL AMOUNT	UP TO 01.04.2017	FOR THE YEAR	DED. DURING THE YEAR	UP TO 31.03.2018	AS ON 31.03.2018	AS ON 31.03.2017
<b>I. TANGIBLE ASSETS</b>										
<b>PLANT &amp; MACHINERY</b>	518,389,189	314,708,297	14,004,109	819,093,377	164,113,948	59,732,583	8,106,897	215,739,634	603,353,743	354,275,241
<b>COMPUTER</b>	1,020,762	231,654	-	1,252,416	613,406	305,365	-	918,771	333,645	407,356
<b>FURNITURE &amp; FIXTURE</b>	1,444,147	83,816	-	1,527,963	686,024	199,401	-	885,426	642,537	758,123
<b>CAR</b>	11,854,953	998,812	2,488,289	10,365,476	6,741,568	776,410	1,860,254	5,657,724	4,707,752	5,113,385
<b>SHED - RINL</b>	5,098,706	-	-	5,098,706	2,068,074	285,041	-	2,353,115	2,745,591	3,030,632
<b>SHED TALOJA</b>	25,853,207	-	-	25,853,207	2,496,167	2,156,870	-	4,653,037	21,200,170	23,357,040
Stock Yard Under Progress	-	6,924,716	-	6,924,716	-	-	-	-	6,924,716	-
<b>T O T A L</b>	563,660,964	322,947,295	16,492,398	870,115,861	176,719,187	63,455,671	9,967,151	230,207,707	639,908,154	386,941,777
<b>PREVIOUS YEAR</b>	423,388,579	150,033,745	9,761,360	563,660,964	142,816,203	42,349,077	8,446,093	176,719,187	386,941,777	280,572,376

<b>NOTE - 12 - OTHER NON-CURRENT ASSETS</b>		
<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Securities & EMDs	3,321,067	-
<b>TOTAL</b>	<b>3,321,067</b>	<b>-</b>
<b>NOTE - 13 - INVENTORIES</b>		
<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Raw materials		
Work-in-progress	-	-
Finished goods	13,079,091	8,207,527
Stores and spares	-	-
-Spare Parts In Hand	179,612	1,851,022
-Fuel & Lubricants In Hand	7,685,500	4,256,264
<b>TOTAL</b>	<b>20,944,203</b>	<b>14,314,813</b>
<b>NOTE - 14 - TRADE RECEIVABLES</b>		
<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
<b>Unsecured considered Good</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	51,168,008	15,166,924
Other Trade Receivables	236,123,006	127,679,111
<b>TOTAL</b>	<b>287,291,014</b>	<b>142,846,036</b>
<b>NOTE - 15- CASH &amp; CASH EQUIVALENTS</b>		
<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Cash In hand	1,659,446	2,088,158
Cheques In Hand	1,054,979	47,725,516
Balances with banks in Current Accounts	43,371	32,230
Indusind Bank-FDR	7,700,000	-
SBI - FDR	15,123,513	10,104,748
ICICI-FDR (Including FDR of Rs 2 Cr. out of IPO Proceeds)	23,738,732	2,096,052
SBI MOD- 37611362363 (Balance out of IPO Proceeds)	99,785,596	-
Current(Escrow) A/c (Balance out of IPO Proceeds)	23,115,280	-
<b>TOTAL</b>	<b>172,220,918</b>	<b>62,046,704</b>

**NOTE - 16- SHORT TERM LOANS & ADVANCES**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
<b>Capital advances</b>		
Unsecured, considered good	7,106,220	7,391,648
<b>Security deposits &amp; EMDs</b>		
Unsecured, considered good	8,454,037	7,661,104
<b>TOTAL</b>	<b>15,560,257</b>	<b>15,052,752</b>

**NOTE - 17 - OTHER CURRENT ASSETS**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Advance Income Tax	4,000,000	-
Advances to Suppliers	3,019,915	7,391,847
Balances with Revenue authorities	10,481,358	23,769,647
Fees & Taxes Recoverable	-	95,400
Imprest Account	344,536	-
Interest Accrued on FDR	2,010,123	658,697
Prepaid expenses	2,501,884	4,695,628
Silver Coils In Hand (For Business Promotion)	-	361,592
Staff Advance	4,569,089	120,844
TDS Recoverable-NBFCs	292,453	4,383,571
<b>TOTAL</b>	<b>27,219,358</b>	<b>41,477,226</b>

**NOTE - 18 - REVENUE FROM OPERATIONS**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Sale of products	163,933,213	104,229,036
Handling & Transportation Income	364,239,757	196,143,505
Business Auxiliary Service	10,609,834	10,838,020
Tangible Goods Services	263,794,759	206,342,534
<b>TOTAL</b>	<b>802,577,564</b>	<b>517,553,094</b>

**NOTE - 19 - OTHER INCOME**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Interest income FDR	1,535,806	903,477
Interest on Income Tax Refund	743,416	-
Rebate & Discount	2,887,393	1,193,242

Reimbursement SAIL YARD	648,476	354,575
Insurance Claim Received	24,406	375,957
Demmorage & Warfage	-	29,025
Miscellaneous Income	53,204	-
Rate Difference Compensation	13,825,813	-
Rental Income	115,000	5,000
Profit on Sale of Fixed Assets	7,040,164	7,285,733
<b>TOTAL</b>	<b>26,873,677</b>	<b>10,147,009</b>

#### NOTE-20 -PURCHASE OF STOCK IN TRADE

PARTICULARS	31.03.2018	31.03.2017
Purchases of Traded Goods	165,884,675	100,159,762
<b>TOTAL</b>	<b>165,884,675</b>	<b>100,159,762</b>

#### NOTE - 21- CHANGES IN FINISHED GOODS & WORK IN PROGRESS

PARTICULARS	31.03.2018	31.03.2017
Opening Finished Goods	8,207,527	5,613,749
Closing Finished Goods	13,079,091	8,207,527
<b>Net Increase/Decrease</b>	<b>-4,871,564</b>	<b>-2,593,778</b>

#### NOTE -22 - EMPLOYEE BENEFITS

PARTICULARS	31.03.2018	31.03.2017
Salaries, Bonus and Wages	135,003,801	86,784,297
Contributions to provident and other funds	9,848,446	3,012,652
Staff welfare expenses	13,382,423	5,575,844
<b>TOTAL</b>	<b>158,234,669.83</b>	<b>95,372,792</b>

#### NOTE - 23 - FINANCIAL COSTS

PARTICULARS	31.03.2018	31.03.2017
Interest expense on:		
Borrowings	36,947,637	32,115,876
Bank Charges	5,343,287	416,979
<b>TOTAL</b>	<b>42,290,923.94</b>	<b>32,532,855</b>

**NOTE - 24 - OTHER EXPENSES**

<b>PARTICULARS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Audit Fees	346,000	354,000
Bad Debts	-	3,451,420
Corporate Social Responsibility	166,550	110,120
Electricity & Water Exp.	1,945,214	1,691,546
Fees Taxes & Subscription	1,365,462	273,587
Handling Expenses	20,827,078	11,987,880
Insurance	2,315,372	2,250,199
Interest on Service Tax	56,920	75,297
Labour Charges	90,262,314	86,377,951
Legal Expenses	466,042	42,178
Miscellaneous Expenses	10,385,147	6,246,986
Mobilisation & Transportation Charges	78,228,147	52,548,677
Penalty/Interest on Statutory Payments	53,612	52,125
Power & Fuel	38,403,432	11,546,114
Prior Period Expenses	606,558	1,217
Professional Fees	1,867,700	1,273,612
Provision for Gratuity	1,577,290	-
Rent	10,144,834	4,712,155
Repairs and maintenance	51,512,080	23,408,438
Road & Goods Tax	7,629,877	4,296,584
Telephone Expenses	1,239,767	973,055
Travelling and conveyance	18,861,145	7,584,069
Vehicle Expenses	2,016,434	483,773
<b>TOTAL</b>	<b>340,276,974</b>	<b>219,740,984</b>

**25 EARNING PER SHARE :****Weighted Average Number of Shares**

	<b>No. of Equity Shares Outstanding</b>	<b>Weighted Average</b>
01.04.2017 To 29.08.2017	9,325,930	3,860,935
30.08.2017 To 15.03.2018	9,924,980	5,488,514
15.03.2018 TO 31.03.2018	13,644,980	450,284
		9,349,449
<b>Computation of Earning Per Share</b>		
<b>Net Profit for the Period</b>	=	46,056,973
<b>Weighted Average No. of Shares</b>	=	9,349,449
<b>Basic Earning Per Share</b>	=	4.93
<b>Diluted Earning Per Share</b>	=	4.93

<b>26</b>	In accordance with <b>AS- 18 " Related Party Disclosure"</b> are as are as follows:
	<b>Key Management Personnel</b> : Mr. Vinay Kumar, Mr. Ajay Kumar, Mr. Himanshu Aggarwal
	Ms. Prerna Aggarwal, Sh. Chaman Lal Lakhanpal & Sh. Niranjana Kumar Roy
	<b>Enterprises over which key management personnel or their relatives are able to exercise significant influence</b> : M/s. Tara Chand Industries Limited & M/s. TCA Steels.

<b>i)</b>	<b>Transactions with associates -</b>			
	<b>NAME OF PARTY</b>	<b>NATURE OF TRANSACTION</b>	<b>31.03.2018(₹)</b>	<b>31.03.2017(₹)</b>
	M/s. Tara Chand Industries Limited	Handling Exp.	4,451,182	5,362,534
	M/s. Tara Chand Industries Limited	Conveyance Exp.	-	584,000
	M/s. Tara Chand Industries Limited	Rent	2,238,000	2,046,000
	M/s. Tara Chand Industries Limited	Crane Sale	6,500,000	-
<b>ii)</b>	<b>Transactions with key management personnel, their relatives HUF and others:</b>			
	<b>PARTICULARS</b>	<b>NATURE OF TRANSACTION</b>	<b>31.03.2018(₹)</b>	<b>31.03.2017(₹)</b>
	Mr. Vinay Kumar	Salary	2,400,000	2,400,000
		Interest	2,304,503	2,405,320
	Mr. Ajay Kumar	Salary	1,200,000	1,200,000
		Interest	1,320,280	403,470
		Rent	180,000	180,000
	Mr. Peeyush Aggarwal	Rent	420,000	420,000
	Mrs. Ankita Aggarwal	Professional Charges	220,000	239,000
	Mrs. Prerna Aggarwal	Salary	540,000	720,000
		Interest	177,711	114,750
	Mr. Himanshu Gupta	Salary	360,000	-
	Mr. Himanshu Aggarwal	Salary	750,000	-
		Rent	180,000	-
	Ms. Pallavi Aggarwal	Salary	-	150,000
	M/s. TCA Steels	Sales	11,306,640	2,972,526
	M/s. TCA Steels	Purchases	44,957,204	31,316,916

<b>Deposits - Balance Outstanding at the year end:</b>		
<b>PARTICULARS</b>	<b>31.03.2018(₹)</b>	<b>31.03.2017(₹)</b>
Mr. Vinay Kumar	15,934,616	29,722,548
Mr. Ajay Kumar	6,298,073	15,381,821
Mrs. Prerna Aggarwal	-	2,993,275
<b>Total</b>	<b>22,232,689</b>	<b>48,097,644</b>

<b>27</b>	<b>REMUNERATION TO AUDITOR (excluding ST) are as follows:</b>		
	<b>PARTICULARS</b>	<b>2017-18(₹)</b>	<b>2017-16 (₹)</b>
	As:		
	auditor	400,000	300,000
	for taxation matter & other services	-	-
	<b>TOTAL</b>	<b>400,000</b>	<b>300,000</b>

<b>28</b>	<b>As per AS - 15 "Employee benefits" the disclosures of the employee benefits as defined in the Accounting Standard are given below:</b>		
		<b>For Current Year</b>	<b>For Prevoius Years</b>
	<b>Provision for Gratuity in Current Period</b>	1,577,290	606,558
	<b>(On the Basis of Valuation Report Given by the Actuary)</b>		

**Calculation of the Same is as under:-**

<b>2.1: Table Showing Changes in Present Value of Obligations:</b>			
<b>Period</b>	<b>From: 1/4/2018 To: 31/3/2018</b>	<b>From: 1/4/2016 To: 31/03/2017</b>	
Present value of the obligation at the beginning of the period	606,558	533,681	
Interest cost	55,977	40,026	
Current service cost	918,799	606,558	
Past Service Cost	0	0	
Benefits paid (if any)	0	0	
Actuarial (gain)/loss	602,514	-573707	
Present value of the obligation at the end of the period	2,183,848	606,558	

<b>2.2: Key results (The amount to be recognized in the Balance Sheet):</b>			
<b>Period</b>	<b>As on: 31/3/2018</b>	<b>As on: 31/03/2017</b>	
Present value of the obligation at the end of the period	2,183,848	606,058	
Fair value of plan assets at end of period	0	0	
Net liability/(asset) recognized in Balance Sheet and related analysis	2,183,848	606,058	
Funded Status	-2,183,848	606,058	

<b>2.3: Expense recognized in the statement of Profit and Loss:</b>			
<b>Period</b>	<b>From: 1/4/2017 To: 31/3/2018</b>	<b>From: 1/4/2016 To: 31/03/2017</b>	
Interest cost	55,977	40,026	
Current service cost	918,799	606,558	
Past Service Cost	0	0	
Expected return on plan asset	0	0	
Net actuarial (gain)/loss recognized in the period	602,514	-573707	
Expenses to be recognized in P&L	1,577,290	72,877	
<b>2.4: Experience adjustment:</b>			
<b>Period</b>	<b>From: 1/4/2017 To: 31/3/2018</b>	<b>From: 1/4/2016 To: 31/03/2017</b>	
Experience Adjustment (Gain ) / loss for Plan liabilities	1,906,807.00	-573,707.00	
Experience Adjustment Gain / (loss ) for Plan assets	-	-	
<b>3.1: Summary of membership data at the date of valuation and statistics based thereon:</b>			
<b>Period</b>	<b>As on: 31/3/2018</b>	<b>As on: 31/03/2017</b>	
Number of employees	457	356	
Total monthly salary	5,589,208	3,726,972	
Average Past Service(Years)	1.6	0.5	
Average Future Service (yr)	32.8	35.3	
Average Age(Years)	25.2	22.7	
Weighted average duration (based on discounted cash flows) in years	21	35	
Average monthly salary	12,230	10,469	
<b>3.2: The assumptions employed for the calculations are tabulated:</b>			
Discount rate	7.00 % per annum	7.75 % per annum	
Salary Growth Rate	5.00 % per annum	5.00 % per annum	
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	
Expected rate of return	0	0	
Withdrawal rate (Per Annum)	37.50% p.a.	5.00% p.a.	
<b>3.3: Benefits valued:</b>			
Normal Retirement Age	58 Years	58 Years	
Salary	Last drawn qualifying salary	Last drawn qualifying salary	
Vesting Period	5 Years of service	5 Years of service	
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)	

Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000	1000000

**3.4: Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013) :**

Period	As on: 31/3/2018	As on: 31/03/2017
Current Liability (Short Term)*	342,818	2,141
Non Current Liability (Long Term)	1,841,030	604,417
Total Liability	2,183,848	606,558

**3.5: Projection for next period:**

Best estimate for contribution during next Period	384,706	
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**3.6: Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:**

Period	As on: 31/3/2018
Defined Benefit Obligation (Base)	21,83,848 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in Discount Rate	21,36,907; x=1.00% [Change (2)% ]
Liability with x% decrease in Discount Rate	22,32,964; x=1.00% [Change 2% ]
Liability with x% increase in Salary Growth Rate	22,33,417; x=1.00% [Change 2% ]
Liability with x% decrease in Salary Growth Rate	21,35,518; x=1.00% [Change (2)% ]
Liability with x% increase in withdrawal Rate	21,40,424; x=1.00% [Change (2)% ]
Liability with x% decrease in withdrawal Rate	22,28,379; x=1.00% [Change 2% ]

**Other Defined Contribution Plan:**

Contribution to the plan are recognised as expenses for the year as under :		
	<b>PARTICULARS</b>	<b>2017-18 (₹)</b>
		<b>2016-17 (₹)</b>
	Employers contribution to PF	6,173,824
	Employers contribution to ESI	3,674,622
		2,690,378
		760,225

**29 FOREIGN CURRENCY EXCHANGE** Fluctuation in foreign currency exchange : NIL

**30 EXPENDITURE IN FOREIGN CURRENCY**

USD	940500
EURO	745000

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<b>31</b>	There is no Contingent Liability except outstanding Bank Guarantee with SBI and ICICI Bank as on 31.03.2018 and 31.03.2017 .
<b>32</b>	<b>Previous year figures</b> have been regrouped/ rearranged where ever necessary to correspond with the current year's classification/disclosures. Figures have been rounded off to the nearest of rupee.

**TARA CHAND LOGISTIC SOLUTIONS LIMITED**

342, INDUSTRIAL AREA, PHASE – I, CHANDIGARH

CIN:- L63090CH2012PLC033556

**Note – 1- Notes to the Financial Statement & Summary of Significant Accounting Policies****I. HISTORY:-**

TARA CHAND LOGISTIC SOLUTIONS LIMITED is a unique integrated facility established in year February, 2012 and is engaged in providing cargo handling and logistic services. Its equity shares are listed in India on National Stock Exchange (NSE). The Company has complied with the Accounting Standards as applicable to such a Company.

**II. ACCOUNTING POLICIES:-****(i) Basis of preparation of financial statements:-**

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended), the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**(ii) Basis of Accounting:-**

Transactions are recorded on accrual basis of accounting. Accrual Accounting allows for revenue to be recognized when earned and expenses to be recognized when Goods or Services are received.

**(iii) Use of Estimates:-**

The preparation of financial statements requires certain estimates & assumptions to be made that effect the reported amount of assets/liabilities as on the date of financial statement and the reported amounts of revenues and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialized.

**(iv) Revenue Recognition:-**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes provision of services. The company have been awarded the handling contract at Faridabad and the company have made investments for operations to start , but revenue generation will start from next financial year. So, therefore the investment /expenses made till date at yard have been capitalized .

**(v) Fixed Assets:-**

Fixed assets are stated at cost net of cenvat & less accumulated depreciation. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits.

**(vi) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its Recoverable Amount.

Recoverable Amount is higher of an asset's Net selling price or its Value in Use. Value in Use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net Selling Price is the amount obtainable from the sale of an asset in an arms length transaction between knowledgeable, willing parties, less the cost of disposal.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

**(vii) Depreciation:-**

Depreciation on tangible fixed assets and intangible assets is provided on the Written Down value method as per the rates prescribed under Part 'C' of Schedule II of the Companies Act, 2013 which is also as per the useful life of

## ANNUAL REPORT YEAR 2017-2018

the assets estimated as prescribed under Part 'C' of Schedule II of the Companies Act, 2013. Useful life of Cranes Viz: Zoomlion, Ace Crawler, Ace FX-150, Escorts F-15 and Indo Power 14 FNX15 is taken as 20 years as per the technical evaluation by M/s. Omkar Industrial Engineering Inspection Services dt. 26.03.2015.

### (viii) Borrowing Cost:-

Borrowing costs attributable to the acquisition or construction of qualifying asset are capitalized as a part of cost of such asset up to the date when such asset is ready for its intended use. All other borrowing costs are charged to revenue.

### (ix) Inventories:-

Items of inventories are valued at cost or NRV whichever is less. Cost of inventories include cost of purchase, cost of conversion & other costs incurred in bringing them to their respective present location & condition, including octroi and other levies, transit insurance and receiving charges.

### (x) Foreign Currency Transactions

- i. All transactions in foreign currency are recognized at the exchange rate prevailing on the date of the transaction.
- ii. Foreign currency monetary items are reported using the exchange rate prevailing at the close of the financial year.

Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. Foreign currency fluctuation related with capital expenditure has been capitalized with the related asset.

### (xi) Employee Benefit:-

PROVIDENT FUND & E.S.I.- Retirement benefit in the form of PF & ESI is a defined contribution scheme & the contributions are charged to Profit & Loss account of the year when the contributions to the fund are paid/due. There is no other obligation other than the contributions to be remitted to Provident Fund and E.S.I Authorities. Further Provision for Gratuity is provided as per Actuarial valuation of Rs 15,77,290/- for current year and Rs 6,06,558/- for earlier years.

### (xii) Segment Reporting:-

As the company operates in a single segment engaged in three verticals i.e. Transport & Warehousing Services, Equipment Rental Services and Steel Processing & Distribution, Accounting Standards 17 on Segment Reporting is not applicable.

### (xiii) Claims:-

In accordance with the consistent practice, insurance and other claims, to the extent considered recoverable, are accounted for in the year relevant to claim while the balance is accounted for on settlement.

### (xiv) Other income

Other income is accounted on accrual basis. Other income also includes an amount of Rs 1.38, 25,813/- being rate difference compensation awarded by Indian Council of Arbitration. The interest on compensation will be accounted on receipt of payment.

### (xv) Income Tax

Current Income Tax liability is provided for in accordance with provisions of the Income Tax Act, 1961.

As per our report of even date attached

**For Sangeet Kumar & Associates**  
**Chartered Accountants**

**Dheeraj Kumar Garg**  
**M.NO.533845**  
**Partner**

**For and on behalf of the Board of Directors**  
**Tara Chand Logistic Solutions Limited**

**Vinay Kumar**  
**Managing Director**  
**DIN:-00151567**

**Ajay Kumar**  
**Director**  
**DIN:-00151477**

**Place : Chandigarh**  
**Date :-30.05.2018**

**Land Mark: Hotel – The Fern Residency**

**ROUTE MAP:**



**FORM NO MGT-11**  
**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the  
Companies (Management and Administration) Rules, 2014

CIN: L63090CH2012PLC033556

Name of the Company: Tara Chand Logistic Solutions Limited

Regd. Office: 342, Industrial Area, Phase I, Chandigarh -160002, India.

Email: cs@tarachandindia.in

Website: www.tarachandindia.in

Tel. 0172 - 2650380

Name of the Member(s):	
Registered Address:	
E mail Id:	
Folio No / Client ID:	
DP ID:	

I / We, being the member(s) of shares of the above named company, hereby appoint:

Name: ..... Address: ..... or failing him

Name: ..... Address: ..... or failing him

Name: ..... Address: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 28<sup>th</sup> September, 2018 at 10:30 a.m. at The Fern Residency, 28/8, Phase II, Industrial & Business Park, Chandigarh - 160002, India and at any adjournment thereof in respect of the such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1	To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditor there on.		
2.	To appoint Director in place of Mrs. Prerna Sandeep Agarwal (DIN: 06955080), who retires by rotation and, being eligible, offers herself for re-appointment		
<b>Special Business</b>			
3.	To authorize the Board of Directors of the Company to borrow money in excess of Paid up Share Capital, Free Reserves and Securities Premium of the Company for an amount not exceeding of Rs. 100 Crores (Rupees One Hundred Crores Only)		
4.	To authorize the Board of Directors of the Company to create charges on assets of the Company for an amount not exceeding of Rs. 100 Crores (Rupees One Hundred Crores Only)		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

Signature of the Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

**Please affix  
the Revenue  
Stamp of  
Re. 1**

**Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**

**TARA CHAND LOGISTIC SOLUTIONS LIMITED**

CIN: L63090CH2012PLC033556

Regd. Office: 342, Industrial Area, Phase I, Chandigarh -160002, India

Tel. 0172 - 2650380 Email: cs@tarachandindia.in Website: www. tarachandindia.in

**6<sup>TH</sup> ANNUAL GENERAL MEETING**

Please fill this attendance slip and hand it over at the entrance of the venue of the meeting.

<b>Name</b>	
<b>Address</b>	
<b>No. of Shares held</b>	
<b>DP ID No.</b>	
<b>Client Id No</b>	
<b>Regd. Folio No</b>	

I certify that I am a member/ proxy / authorized representative for the member of the Company.

I hereby record my presence at the 6<sup>th</sup> Annual General Meeting of Tara Chand Logistic Solutions Limited on Friday, 28<sup>th</sup> September, 2018 at 10:30 a.m. at The Fern Residency, 28/8, Phase II, Industrial & Business Park, Chandigarh – 160002.

\_\_\_\_\_  
Name of the Member / proxy (in block letters)

\_\_\_\_\_  
Signature of the Member / Proxy

**Note: Please read the instructions printed overleaf carefully before exercising your votes**

**INSTRUCTIONS:**

1. Proxy form shall be deposited with the Company either in person or through post not later than forty-eight hours before the commencement of the Meeting in relation to which they are deposited.
2. A Proxy form which does not state the name of the Proxy shall not be considered valid.
3. Undated Proxy shall not be considered valid.
4. An instrument of Proxy is valid only if it is properly stamped as per the applicable law.
5. Client ID/DP ID is not required to fill. Fill only Folio No. in Proxy Form and Attendance Slip.
6. Proxy form should be signed by the Shareholders and Proxy Holder. Attendance Slip should be signed by members/proxy holder along with name in block letters.
7. The Proxy-holder shall prove his identity at the time of attending the Meeting.
8. Polling Paper for voting will be provided at the venue of the Meeting.
9. If multiple proxies received for the same Member, the Proxy which is dated last shall be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple Proxies shall be treated as invalid.

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