

REPORT ON CORPORATE GOVERNANCE

1. Company Philosophy on Corporate Governance

The company's philosophy on code of governance is aimed at assisting the Board of Directors inefficient Conduct of The Company's affairs and in meeting its obligations to shareholders. The company has adopted a codified corporate governance charter, inter alia, to discharge its corporate responsibilities and achieve its financial objectives.

Your Company is in compliance with the requirements on Corporate Governance during the FY 2018 – 19.

A Report on compliance with the Corporate Governance provisions as prescribed under SEBI Listing Regulations is given below.

2. Board of Directors

Composition

Your Company has the combination of Executive and Non-Executive Directors in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations, 2015.

The present strength of the Board of Directors is a mix of four Non-Executive Directors including a women director and one Executive Director. Out of four Non-Executive Directors, two are Independent Directors.

The Chairman of the Board is a Non-Executive Director.

Attendance at Board Meetings

During the financial year 2018-19 6 (Six) meetings of the Board of Directors were held on 29.05.2018, 14.08.2018, 14.11.2018, 03.12.2018, 03.01.2019 and 14.02.2019.

The Agenda along with the background notes and supporting documents are circulated to the Directors well in advance of the date of the Board Meetings.

The information on attendance of each director at the meeting of the Board of Directors held during the year ended 31st March, 2019 and last Annual General Meeting of the Company is as under:

Name of Director	Category	No. of Board Meetings held during the year 2018-19		Attendance at last AGM	Directors hips in Other Public Companies	Committee positions Held in other Companies		Number of Shares Held
		Held	Attd.			M	C	
Shri Badal Mittal*	Executive	6	6	No	No	--	-	86441
Shri Nikhil Dalmia	Non-Executive	6	6	Yes	Yes	--	--	----
Shri Anil Mittal	Non-Executive	6	5	No	No	--	--	1600
Shri Narendra Mundra**	Non-Executive & Independent	6	2	No	No	--	-	----
Mrs. Poornima S. Aggarwal	Non-Executive & Independent	6	6	Yes	No	--	--	----

*Shri Badal Mittal (DIN: 00076143) was appointed as a Whole-time Director of the Company with effect from 3rd December, 2018.

** Shri Narendra Mundra (DIN: 00152388) was appointed as Additional and Independent Director of the Company with effect from 3rd December, 2018.



Inter-se relationships among Directors:

There is no inter-se relationship among the directors.

Number of shares and convertible instruments held by Non – Executive Directors:

Name of Director	Category	No. of Shares held
Shri. Anil Mittal	Non-Executive Director	1600
Shri. Nikhil Dalmia	Non-Executive Director	0
Mrs.Poornima S.Aggarwal	Non-Executive & Independent Director	0
Shri Narendra Mundra	Non-Executive & Independent Director	0

The Company has not issued any convertible instruments hence disclosure in this respect is not applicable.

Meeting of Independent Directors:

The meeting of Independent Directors was held on Thursday, 14th February, 2019, inter alia to:

- Review the performance of Non – Independent Directors, and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company taking into account the views of the Executive and Non – Executive Directors;
- Assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this meeting.

Familiarization programme for Independent Directors

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him / her wherein he / she is familiarized with the Company, their roles, rights and responsibilities in the Company, the code of conduct to be adhered, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team members, etc.

COMMITTEES OF THE BOARD

The Committees of the Board plays a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees also makes specific recommendations to the Board on various matters as and when required. Following committees have been constituted by the Board of Directors:

1) Audit Committee

i. Brief description of terms of reference

The terms of reference of the Audit Committee are in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The Audit Committee reviews internal financial controls and Risk Management Systems of the Company. The Committee reviews the unaudited financial results and audited annual financial results before these are presented before the Board.

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ii. **Composition, Name of Members and Chairman**

The Company had re – constituted Audit Committee in Board Meeting held on 3rd December, 2018 in line with the provisions of section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, 2015.

Audit Committee consists of three Directors Viz:

1. Shri Nikhil Dalmia – Non-Executive Director
2. Mrs. Poornima S. Aggarwal – Independent Director
3. Shri Narendra Mundra – Independent Director

Mrs. Poornima S. Aggarwal is the Chairman of Audit Committee who was present at the last Annual General Meeting held on 22nd September, 2019.

iii. **Meeting and Attendance during the year**

The Audit Committee met 5 (Five) times during the year on 29.05.2018, 14.08.2018, 14.11.2018, 03.12.2018 and 14.02.2019. The attendance of each member of the committee is given below:

Name of the Director	Meetings held during the tenure of the Directors	Meetings Attended
*Shri Badal Mittal	4	4
Shri Nikhil Dalmia	5	4
Mrs.Poornima S. Aggarwal	5	4
Shri Narendra Mundra**	2	1

*Shri Badal Mittal was the member of the committee up to 03.12.2018 and Shri. Narendra Mundra was appointed w.e.f. 03.12.2018.

The Company Secretary is the secretary of the committee.

2) **Nomination and Remuneration Committee**

i. **Brief description of Terms of Reference**

The terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013 and provisions of Regulation 19 of SEBI Listing Regulations. The committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

ii. **Composition, Name of Members, Chairman and Attendance**

The Company had re-constituted Nomination and Remuneration Committee in the Board Meeting held on 3rd December, 2018 in line with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, 2015.

Nomination and Remuneration Committee comprises of: -

1. Shri. Anil Mittal - Non-Executive Director
2. Mrs. Poornima S. Aggarwal - Independent Director
3. Shri Narendra Mundra - Independent Director



iii. **Meeting and Attendance during the year**

The Nomination and Remuneration Committee met once during the year on 03.12.2018. The attendance of each member of the committee is given below:

Name of the Director	Meetings held during the tenure of the Directors	Meetings Attended
*Shri Badal Mittal	1	1
Shri Anil Mittal	1	1
Mrs. Poornima S. Aggarwal	1	1
*Shri Narendra Mundra	0	0

*Shri Badal Mittal was the member of the committee up to 03.12.2018 and Shri Narendra Mundra was appointed w.e.f. 03.12.2018.

iv. **Details of Remuneration paid to the Directors for the year ended 31st March, 2019.**

None of the directors of the company was paid any remuneration including sitting fee for attending the meetings of the Board.

Details of Remuneration for the Financial Year 2018 – 19

Name of Key Managerial personnel	Commission (Rs.)	Salary (Rs.)	No of Shares Held
Shri Chandrabhan R. Singh	NIL	286315.00	NIL

Performance Evaluation Criteria for IDs

The performance evaluation criteria for IDs is determined by the NRC. An indicative list of factors on which evaluation was carried out includes participation and contribution by the director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.

Mrs. Poornima S. Aggarwal is the Chairman of the Nomination and Remuneration Committee who was present at the last Annual General Meeting held on 22nd September, 2018.

3) Stakeholders Relationship Committee

i. **Composition, Name of Members, Chairperson & Attendance during the year:**

Stakeholders Relationship Committee comprises of:

1. Shri Badal Mittal – Executive Director
2. Shri Anil Mittal – Non-Executive Director

The Company promptly redresses the complaint of the shareholders. The company's Stakeholders Committee met one time during 2018-19 on 3rd December, 2018.

The attendance of each member of the committee is given below:

Name of the Director	Meetings held during the tenure of the Directors	Meetings Attended
Shri Badal Mittal	1	1
Shri Anil Mittal	1	1

Role

i. The Committee looks into:

- issues relating to shareholders including transfer / transmission of shares;
- issue of duplicate share certificates;
- non receipt of annual report;
- non-receipt of share certificate after transfers;
- delay in transfer of shares;
- any other issues of stakeholders.

ii. Name & Designation of Compliance Officer:

Company Secretary is designated as Compliance Officer of the Company.

iii. A statement of various complaints received and cleared by the Company during the year ended on 31st March, 2019 is given below:

The Company and its Registrar & Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. did not receive any complaint from shareholders'/investors' during the financial year ended 31st March, 2019.

4) Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility (CSR) Committee as an abundant caution consisting of the following members as on March 31, 2019:

1. Shri Nikhil Dalmia, Director
2. Shri Badal Mittal, Director
3. Mrs. Poornima S. Aggarwal, Independent Director

The company's CSR Committee met only once during 2018-19 on 29th May 2018.

The Board has also adopted CSR Policy as recommended by CSR Committee.

As explained in Board's Report, the Company was not required to spend any amount on CSR activities.

5) MANAGEMENT, DISCUSSION AND ANALYSIS:

The shipping industry world-wide is still facing global recessionary trends resulting in under performance. Moreover, due to over capacity of container manufacturing created by China, the prices of container have not improved but has lowered further. Hence, the manufacturing of ISO Marine Freight Cargo Containers in India will remain to be unviable. The Company has not been able to commence the manufacturing of prefabricated and modular accommodation system which was kept on hold earlier as the main end users viz. Real Estate Companies and other Industries are yet to recover from the liquidity crunch and low demands mainly as a result of demonetization declared by the Indian Government. Your Company will have to wait further to recommence this activity till the market conditions improve.

6) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Key Managerial Personnel. The Directors expressed their satisfaction with the evaluation process.

7) General Body Meetings

The date, time and venue of the last 3 General Body Meetings of the Company is given below:

Financial Year ended	Date of AGMs	Time	Venue	Details of Special Resolutions
31.03.2018	22.09.2018	10.00 a.m.	Mulund Industrial Estate ServicesCo-op.SocietyLtd., Nahur Road, Mulund (W), Mumbai 400 080.	NA
31.03.2017	29.09.2017	10.00 a.m.	Mulund Industrial Estate ServicesCo-op.SocietyLtd., Nahur Road, Mulund (W), Mumbai 400 080.	NA
31.03.2016	30.09.2016	10.00 a.m.	Mulund Industrial Estate ServicesCo-op.SocietyLtd., Nahur Road, Mulund (W), Mumbai 400 080.	NA

- There was no Extraordinary General Meeting held during the year under review.
- No Special Resolution was passed last year through postal ballot.
- No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

8. Sexual Harassment:

The Company has robust policy to deal with complaints regarding sexual harassment at workplace and accordingly has constituted an Internal Complaints Committee to address complaints, if any, received relating thereto.

Number of Complaints pending at the beginning of financial year	NIL
Number of Complaints filed during the financial year	NIL
Number of Complaints disposed of during the financial year	NIL
Number of Complaints pending at the end of financial year	NIL

9) Disclosures

i. Related Party Transactions

The Company has not entered in to any transactions with any of the related party during the year under review.

ii. Compliances by the Company

There have been no instances of non-compliance on any matter with the rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital market during the last three years.

iii. Whistle Blower Policy

The Company is yet to adopt Whistle Blower Policy (vigil mechanism).

iv. Compliance with Mandatory Items

The compliance of mandatory requirements regarding the Board of Directors, Audit Committees and other Board committees and other disclosures as required under the provisions of SEBI Listing Regulations, 2015 to the extent applicable have been mentioned hereabove.

10) RE – APPOINTMENT OF DIRECTOR

The information relating to a Director who is retiring by rotation and seeking re- appointment as prescribed under SEBI Listing Regulations, 2015 is furnished under the notes to the Notice of Annual General Meeting.

11) Means of Communication:

i. Quarterly / Half – yearly and Yearly Financial Result

The quarterly / half yearly and audited yearly financial results along with notes appended thereto, were published in newspapers and have also been submitted to the BSE Ltd. to enable it to put the same on its website.

ii. Newspaper where results are published

The Company usually publishes its financial results in following newspapers

1. Free Press Journal (All editions) – In English
2. Nav Shakti, Mumbai. - In Marathi

12) General Shareholders Information

A. Annual General Meeting

The 45th Annual General Meeting of the shareholders will be held on Friday, 30th August, 2019 at 10.30 a.m. at the Mulund Industrial Estate Services Co-op. Society Ltd., Nahur Road, Mulund (W), Mumbai-400080

B. Financial Calendar

For the year ending 31st March, 2020 the Financial Results will be announced on:

1st Quarter	: Within 45 days from the end of the quarter
2nd Quarter	: Within 45 days from the end of the quarter
3rd Quarter	: Within 45 days from the end of the quarter
4th Quarter	: Within 60 days after the end of March, 2020

(Audited yearly results)



- C. **Date of Book Closure:** 24th August, 2019 to 30th August, 2019 (both days inclusive).
- D. **Listing:** BSE Ltd.
PhirozeJeejeebhoy Tower Dalal
Street, Mumbai 400001
- E. **ISINNO.:** INE360D01014
- F. **SCRIP CODE:** 513063
- G. **Market Price Data at Bombay Stock Exchange.**

Market Price Data and Performance in comparison to BSE SENSEX

Month	Company		No of Trades	BSE SENSEX	
	High	Low		High	Low
April, 2018	18.10	13.75	143	35213.30	32972.56
May, 2018	15.75	12.90	36	35993.53	34302.89
June, 2018	13.45	11.40	35	35871.41	34784.68
July, 2018	11.00	9.56	18	37644.59	35106.57
Aug, 2018	11.62	9.03	50	38989.65	37128.99
Sep, 2018	11.04	11.04	3	38934.35	35985.63
Oct, 2018	10.49	8.60	16	36616.64	33291.58
Nov, 2018	8.17	7.77	3	36389.22	34303.38
Dec, 2018	8.13	7.35	19	36554.99	34426.29
Jan, 2019	7.40	6.65	13	36701.03	35375.51
Feb, 2019	8.31	7.00	19	37172.18	35287.16
Mar, 2019	9.45	8.29	24	38748.35	35926.94

H. **Name and Address of the Registrar and Share Transfer Agent**

Sharex Dynamic (India) Pvt. Ltd.
C-101,247 Park ,L.B.S.Road
Vikhroli (W), Mumbai 400 083
Tel. No. 28515606 / 28515644
Fax No. 28512885
Email:sharexindia@vsnl.com / investor@sharexindia.com

I. **Share Transfer System**

4700620 shares (i.e. 64.55%) of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

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J. Distribution of Share Holding as on 31st March, 2019

DISTRIBUTION SCHEDULE AS ON 31/03/2019					
Sr. No	Shareholding of Nominal Shares	No. of Shareholders	% of Total Shareholders	Shares	% of Shares
1	Up to 100	1225	41.70	109387	1.50
2	101 to 200	660	22.46	130471	1.79
3	201 to 500	505	17.19	200589	2.75
4	501 to 1000	261	8.89	216801	2.98
5	1001 to 5000	229	7.79	502541	6.91
6	5001 to 10000	22	0.75	156663	2.15
7	10001 to 100000	26	0.88	814021	11.18
8	100001 to above	10	0.34	5151767	70.74
	Total	2938	100.00	7282240	100.00

K. Dematerialization of Shares

Category	No. of Shares	% of Total Capital
ELECTRONIC FORM	4700620	64.55
PHYSICAL FORM	2581620	35.45
Total:	7282240	100.00

L. The Company has not issued any GDR's / ADR's, Warrants or any other convertible instruments.

M. Disclosure of Accounting Treatment

The Company follows Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs in the preparation of its financial statements.

N. Company's Branches / Locations

Registered Office

Mulund Industrial Estate Services Co-op. Society Ltd.,
Nahur Road, Mulund (W),
Mumbai 400 080.

Corporate Office

72-73 Nariman Bhavan,
Nariman Point,
Mumbai - 400 021

Factory Location:

J-1 M.I.D.C.
Tarapur Industrial Area
Tarapur 401 501 (Via Boisar W.Rly.)



O. **Address for Correspondence:**

Sharex Dynamic (India) Pvt. Ltd.
C-101,247 Park, L.B.S. Road,
Vikhroli (W), Mumbai 400083
Tel.No.28515606/28515644 Fax No.28512885
Email:sharexindia@vsnl.com/investor@sharexindia.com

P. **Declaration regarding compliance with Code of Conduct**

A declaration signed by the Whole-time Director of the Company as required under Part D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 stating that the members of Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and senior management for the financial year 2018-19 is attached as “**Annexure-1**” to this Report.

Q. **MD / CFO Certification**

The Certificate from Chief Financial Officer as required under Part D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 containing declaration as to affirming compliance with the Code of Conduct of Board of Directors and senior management for the financial year 2018-19 is attached as **Annexure-2** to this Report.

R. **Certification from Company Secretary in Practice**

The Company has received a certificate from M/s K.C. Nevatia & Associates, Practicing Company Secretaries, certifying that none of the directors on the Board of the Company as at 31st March, 2019 has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

ANNEXURE – 1

CODE OF CONDUCT

DECLARATION PURSUANT TO SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015

I, Badal Mittal, Whole-time-Director of Trans Freight Containers Limited hereby declare that all Board members and Senior Management personnel have confirmed compliance with Code of Conduct as laid down by the Company during Financial Year 2018-19.

For Trans Freight Containers Ltd.

Badal Mittal

Whole-time Director

Din: 00076143

Place: Mumbai

Date: 7th June, 2019

MD/CFO CERTIFICATION

I Chandrabhan R Singh, Chief Financial Officer the Company certify that:

- (a) I have reviewed the financial results and the cash flow statement of Trans Freight Containers Limited (the Company) for the year ended 31st March, 2019 and that to the best of my knowledge and belief:
 - (i) The statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2019, which are fraudulent, illegal or volatile of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee.
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of
For Trans Freight Containers Ltd.

Chandrabhan R Singh
Chief Financial Officer

Place: Mumbai
Date: 7th June, 2019