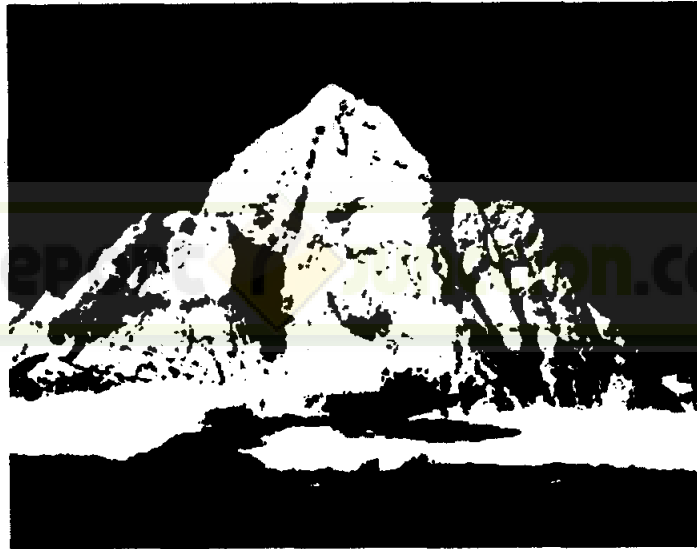




WHAT YOU SEE.

WHAT WE ARE.



ANNUAL REPORT 2000-Q1



Board of Directors

S. N. Agarwal	Chairman
D. P. Agarwal	Vice Chairman & Managing Director
O. Swaminatha Reddy	
K. S. Mehta	
M. P. Sarawagi	Wholetime Director
Vineet Agarwal	Executive Director

Vice President - Finance & Secretary:
A. K. Bansal

CONTENTS

Auditors:
R. S. Agarwala & Company
Chartered Accountants

Bankers:
State Bank of India
Citibank
Bank of India
Canara Bank
State Bank of Mysore

Registered Office:
Flat Nos. 306 & 307, 1-8-271 to 273,
3rd Floor, Ashoka Bhoopal Chambers,
S. P. Road, Secunderabad- 500 003.

Corporate Office:
TCI House, 69, Institutional Area
Sector-32, Gurgaon-122 001, Haryana
Phone: (0124) (from Delhi 91) 6381603 to 607
Fax : (0124) (from Delhi 91) 6381611
E-mail: tci.cfin@tci.sril.in
Internet: www.tcil.com

Particulars	Page No.
Notice	1
Key Financials	5
Management Discussion and Analysis	6
Directors' Report	8
Auditors' Report	12
Balance Sheet	14
Profit & Loss Account	15
Schedules to the Accounts	16
Notes on Accounts	21
Additional Information	22
Cash Flow Statement	24

Notice for Annual General Meeting

Notice is hereby given that the 6th Annual General Meeting of the Company will be held on Friday, the 7th September, 2001 at 10.30 AM at Surana Udyog Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad - 500 004, to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Audited Profit & Loss A/c for the year ended 31st March 2001 and the Balance Sheet as at that date together with the Reports of Directors & Auditors.
2. To declare dividend on Equity shares.
3. To appoint a Director in place of Mr. S.N. Agarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. O. Swaminatha Reddy, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint auditors in place of retiring auditors and to fix their remuneration.

Special Business :

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution :
"RESOLVED THAT M/s. Chitracar Sharma & Co., Chartered Accountants, Kathmandu, be and are hereby appointed as Branch Auditors for auditing the accounts of all the branches of the Company situated in Royal Kingdom of Nepal for the year 2001-02 and to hold office till the conclusion of the Next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company."
7. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution :
"RESOLVED THAT in continuation to the resolution passed by the shareholders in the Annual General Meeting held on 14th October, 1998 and subject to the provisions of Sections 198, 269 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company do hereby revise the remuneration payable to Mr. Vineet Agarwal, Executive Director, w.e.f. 1st October, 2001 as per the details set out in the explanatory statement annexed hereto."
"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts & deeds as may be expedient to give effect to this resolution."
8. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution :
"RESOLVED THAT in accordance with Schedule XIII and the provisions of Sections 198, 269 & 309 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the consents and approvals, if any as may be necessary, the Company hereby approves the terms of appointment of Mr. M.P. Sarawagi as Whole-time Director w.e.f. 1st Jan'2002 to 31st Dec'2003 on the terms & conditions as set out in the explanatory statement in accordance with the agreement to be executed with Mr. M.P. Sarawagi."
"RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year, Mr. M.P. Sarawagi shall be paid the same remuneration as set out in the explanatory statement, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 1956 from time to time."
9. To consider and, if thought fit, to pass, with or without modification, the following resolution as a special resolution :
"RESOLVED THAT in accordance with the provisions of section 198, 309(4), 310 and other applicable provisions, if any, of the Companies Act, 1956 in this behalf, the non-executive directors of the Company be remunerated by way of commission, the aggregate amount whereof shall not exceed 0.50% (half percent) per annum of the net profits of the Company computed in the manner laid down in sections 349 & 350 of the Companies Act, 1956 for a period of five years, commencing from financial year 2001-02, in such amounts or proportions as may be determined by the Board from time to time."

By order of the Board
For Transport Corporation of India Ltd.

Place: Gurgaon
Date: 14th June, 2001

A.K. Bansal
Vice President - Finance & Secretary

Notes:

1.
 - a) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No.6 to 9 set out above is annexed hereto.
 - b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Share Transfer Books and the Register of Members will remain closed from 1st September, 2001 to 7th September, 2001 (both days inclusive). Dividend on equity shares for the year ended 31st March, 2001, will be paid on 12th September, 2001 to those Members whose names appear on the Company's Register of members at the close of working hours of the Company, on 7th September, 2001 to the extent eligible. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
3. The name of the Company has been changed from TCI Industries Ltd. to Transport Corporation of India Ltd. vide fresh Certificate of Incorporation dated 29/01/99, issued by the Registrar of Companies, Andhra Pradesh, Hyderabad.
4. The equity shares of the Company are under Compulsory Demat w.e.f. 27th November, 2000. Those members, who are still holding the shares in physical form, are requested to convert the same into electronic form by sending their request to the Company through their Depository Participant. The ISIN No. of our Scrip is INE-688A01014.
5. The members are requested to intimate any change in their address with Pin Code, if any, immediately and quote Folio Number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.
6. Non-Resident Indian shareholders are requested to inform the Company immediately about :
 - a) The change in the residential status on return to India for permanent settlement.
 - b) The particulars of NRO Bank Account in India, if not furnished earlier.
7. Members are requested to intimate under the signature of the sole/first Joint Holder about the Bank Account Number, Type of Account, Saving (SB) or Current (CA), name and address of the bank, in which they intend to deposit the Dividend Warrants, so that the same can be printed on Dividend Warrants in future, to avoid the incidence of fraudulent encashment of the instrument.
8. As informed earlier, with effect from 01/04/99, Share Transfer Work and other related jobs are being handled in-house by the Company at its Corporate Office at Gurgaon (Haryana). Therefore, the members are requested to address all their communications regarding share/debenture related matters to Corporate Office of the Company for prompt handling.
9. The members may also note that Shweta Computers Ltd., the share registrars of the parent company i.e. TCI Industries Ltd. (Earlier known as Transport Corporation of India Ltd.) were appointed as Trustees for disposal of fractional shares and for remitting the proceeds to be to the respective shareholders. They have already disposed off the shares and the proceeds thereof have also been remitted to the shareholders, wherever applicable.
10. The members are requested to surrender their old certificates (issued by the then Transport Corporation of India Ltd. - Now known as TCI Industries Ltd., the transferor Company under the Scheme of Arrangement) along with set of four signature cards to M/s. Shweta Computers Ltd., Devki Chambers, 1-7-74/79, S.D. Road, Secunderabad-500 003, as requested by the said Company vide their letter dated 25/10/98 and subsequent reminders from our Company as well to obtain their new share certificates of four companies including this Company.
11. As already informed, with a view to bring about operational efficiency and minimizing the related administrative cost in servicing multiple folios of the same shareholders, which are otherwise identical in all respects, the Company has decided to consolidate such folios with immediate effect. Accordingly, in future, you will receive only one consolidated dividend warrant and one Annual Report in respect of your entire holding. There is no need on your part to send your certificates for this purpose nor it is necessary for you to make any correction of folio nos. on the share certificates.
12. The shares of the Company are at present listed on following Stock Exchanges viz. Bangalore, Cochin, Delhi, Hyderabad, Kolkata, Madras & Mumbai. The Company has since paid listing fees to all these Stock Exchanges in respect of the year 2001-02.
13. Pursuant to the requirements of the Listing Agreements of Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed/re-appointed is given in the Annexure to the Notice.
14. An amendment to Section 205 under the Companies (Amendment) Act, 1999 provided for transfer of unpaid / unclaimed dividend, application moneys received by the Company for allotment of any securities and due for refund, matured deposits and debentures with the Company for a period of seven years to Investor Education and Protection Fund. No notification / guidelines has yet been issued by the Central Government in this regard. Hence, the Company shall take appropriate steps as & when the notification comes into force.

Explanatory Statement u/s 173(2) of the Companies Act, 1956

Special Business :

Item No. 6

M/s. Chitracar Sharma & Co., Chartered Accountants, Kathmandu, have been the Branch Auditors for auditing the accounts of all the branches of the Company situated in Royal Kingdom of Nepal. They have also intimated about their willingness to carry on the work as Branch Auditors for the year 2001-02. The Board recommends the appointment of M/s. Chitracar Sharma & Co., Chartered Accountants as Branch Auditors for the year 2001-2002.

None of the directors is interested or concerned in the resolution.

Item No. 7

The members may be aware that Mr. Vineet Agarwal was appointed as Executive Director for a period of five years w.e.f. 1st July, 1998, as per the terms and conditions set out in the resolution passed in the AGM held on 14th October, 1998. The said terms envisaged payment of salary and other usual perquisites subject to the provisions of Schedule XIII and Sections 198, 269 & 309 of the Companies Act, 1956.

Keeping in view the excellent services being rendered by Mr. Vineet Agarwal, the Board of Directors in its meeting held on 14th June, 2001 has proposed to revise the remuneration payable to him w.e.f. 1st October, 2001, which is also in line with the present industry scenario and prevailing remuneration structure for top management personnel :

Salary : In the range of Rs. 1,00,000 to Rs. 2,00,000 per month

The Board or any Committee thereof, be and is hereby authorized in its absolute discretion and from time to time, to fix within the range stated above, the salary payable to Mr. Vineet Agarwal.

Perquisites :

Perquisites (evaluated as per Income-Tax Rules, wherever applicable, and at actual cost to the Company in other cases) like the benefit of the Company's furnished accommodation, gas, electricity, water and furnishings, club fees, personal insurance, use of car and telephone at residence or reimbursement of expenses in lieu thereof, medical reimbursement, leave and leave travel concession, educational benefits, provident fund, superannuation fund, gratuity and other benefits in accordance with the scheme(s) and rule(s) applicable to the members of the staff from time to time.

In case Company-owned accommodation is not provided, Mr. Vineet Agarwal shall be eligible for house rent allowance as permissible to the managerial personnel and maintenance of accommodation including furniture, fixtures and furnishings, as may be provided by the Company.

The Directors recommend the adoption of the Resolution at Item No. 7 of the Notice. Except for Mr. Vineet Agarwal himself, Mr. S.N. Agarwal, Chairman and Mr. D.P. Agarwal, Vice Chairman & Managing Director by virtue of being his relatives, no Director is in any way concerned or interested in the Resolution at Item No. 7 of the Notice.

This may also be treated as an abstract pursuant to Sec. 302 of the Companies Act, 1956 of the terms and conditions of the appointment. The relevant documents regarding his terms are available for inspection up to the date of Annual General Meeting at the Regd. Office of the Company on any working day between 11 a.m. to 1 p.m.

Item No. 8

The members may be aware that Mr. M.P. Sarawagi was appointed as Whole-time Director for the period w.e.f. 1st July, 1998 to 31st December, 2001, as per the terms and conditions set out in the resolution passed in the AGM held on 14th October, 1998.

The tenure of appointment of Mr. M.P. Sarawagi as Whole-time Director is expiring

on 31st December, 2001. Keeping in view the excellent services being rendered by Mr. M.P. Sarawagi, the Board of Directors in its meeting held on 14th June, 2001 has proposed to re-appoint him as Whole-time Director for a further period of two years effective 1st January, 2002 on the following remuneration :

Salary: In the range of Rs. 75,000 to Rs. 1,00,000 per month. The Board or any Committee thereof, be and is hereby authorized in its absolute discretion and from time to time, to fix within the range stated above, the salary payable to Mr. M.P. Sarawagi.

Perquisites :

Perquisites (evaluated as per Income-Tax Rules, wherever applicable, and at actual cost to the Company in other cases) like the benefit of the Company's furnished accommodation, gas, electricity, water and furnishings, club fees, personal insurance, use of car and telephone at residence or reimbursement of expenses in lieu thereof, medical reimbursement, leave and leave travel concession, educational benefits, provident fund, superannuation fund, gratuity and other benefits in accordance with the scheme(s) and rule(s) applicable to the members of the staff from time to time.

In case Company-owned accommodation is not provided, Mr. M.P. Sarawagi shall be eligible for house rent allowance as permissible to the managerial personnel and maintenance of accommodation including furniture, fixtures and furnishings, as may be provided by the Company.

The Directors recommend the adoption of the Resolution at Item No. 8 of the Notice. Except for Mr. M.P. Sarawagi himself, no Director is in any way concerned or interested in the Resolution at Item No. 8 of the Notice.

This may also be treated as an abstract pursuant to Sec. 302 of the Companies Act, 1956 of the terms and conditions of the appointment. The relevant documents regarding his appointment are available for inspection up to the date of the Annual General Meeting at the Regd. Office of the Company on any working day between 11 a.m. to 1 p.m.

Item No. 9

Section 309(4) of the Companies Act, 1956 provides that in case of a Director who is neither in the whole-time employment of the Company nor a managing director, may be paid remuneration by way of commission if the Company by passing a special resolution in its general meeting authorizes such payment.

Keeping in view the size of the organisation and magnitude of transactions with a high business growth potential, the Directors are subjected to put more time and attention to guide the Company in attaining its objectives in the fast changing environment. Therefore, the Board of Directors, in its meeting held on 14th June 2001 had decided to remunerate the non-executive directors by way of commission not exceeding 0.50% (half percent) of the net profits calculated in accordance with the provisions of the Companies Act 1956 for a period of five years beginning financial year 2001-02, subject to the approval of the shareholders in such manner and proportion as may be approved by the Board of directors from time to time. Such remuneration will be in addition to the sitting fees already being paid to the non-executive directors.

Mr. S. N. Agarwal, Mr. O Swaminatha Reddy and Mr. K. S. Mehta being non-executive directors of the Company, may be deemed to be interested to the extent of the remuneration that may be received by them.

By order of the board
For Transport Corporation of India Ltd.

Place: Gurgaon
Date: 14th June, 2001

A.K. Bansal
Vice President - Finance & Secretary

Annexure to the Notice

Pursuant to clause 49 of the listing agreement with the stock exchanges, following information is furnished about the directors proposed to be appointed/re-appointed

Mr S N Agarwal: is an Engineering graduate, has also done Graduation in Management from Davenport College of Business, Michigan, USA. He has also completed Advanced Management Program (AMP) from Harvard Business School, USA. Mr. Agarwal has over 30 years of rich experience in industry, commerce and business.

A Bangalore based leading industrialist, Mr. S. N. Agarwal has interest in Power and Gases. He is the Chairman/ Vice Chairman/ Director in number of prominent companies. Mr. Agarwal also takes active interest in various chambers of association viz FICCI etc.

OTHER DIRECTORSHIPS	COMMITTEE MEMBERSHIPS
Name of the Company	Name of the Committee
TCI Industries Ltd., Chairman	Transport Corporation of India Ltd.
Bhoruka Gases Ltd., Chairman	1. Audit Committee - Member
Bhoruka Textiles Ltd., Chairman	2. Shareholders/Investors Grievance Committee - Member
Bhoruka Steel Ltd., Chairman	Kirloskar Electric Company Ltd.
Bhoruka Power Corporation Ltd., Vice Chairman	Operations Committee - Member
Bhoruka Aluminium Ltd., Director	Bhoruka Steel Ltd.
Daurala Organics Ltd., Director	Share Transfer Committee - Member
RSI Power Ltd., Director	
Wadi Power Company Ltd., Director	
Iruppu Power Pvt. Ltd., Director	
Jamuna Power Corporation Ltd., Director	
Kirloskar Electric Co., Ltd., Director	
TCI Realty Pvt. Ltd., Director	

Mr. O. Swaminatha Reddy: Being a Chartered Accountant, Mr. Reddy is a renowned financial and management consultant. He has been the past Chairman of Andhra Bank. Besides, he has also held the position of the Chairman / Managing Director of A.P. State Finance Corporation.

Presently, he is on the Board of various reputed companies as Chairman/ Director. He is the Chairman – Governing Body of the Indian Institute of Economics, Hyderabad and Member-Management Committee of Federation of A.P. Chamber of Commerce & Industry.

OTHER DIRECTORSHIPS	COMMITTEE MEMBERSHIPS
Name of the Company	Name of the Committee
M/s. Sagar Cements Ltd., Chairman	- Transport Corporation of India Ltd.
M/s. Swan Vacuum Systems Ltd.,	Audit Committee - Chairman

Chairman	- Bhagya Nagar Metals Ltd.
M/s. TCI Finance Ltd., Chairman	Audit Committee- Chairman
M/s. Sujana Resorts Ltd., Chairman	- Sagar Cements Ltd.
M/s. Sagar Power Ltd., Chairman	Audit Committee- Chairman
M/s. VBC Industries Ltd., Director	- Khaitan Tiberwala Electricals
M/s. KCP Ltd., Director	Audit Committee- Chairman
M/s. Surana Telecom Ltd., Director	- V.B.C Industries Ltd.
M/s. Bhagyanagar Metals Ltd., Director	Audit Committee - Member
M/s. Khaitan Tiberwala Electricals Ltd., Director	- K.C.P Ltd.
M/s. Surana Strips Ltd., Director	Audit Committee - Member
M/s. HBC Flex Tech Ltd., Director	

Mr. Vineet Agarwal: Mr Agarwal has done graduation in Economics and Industrial Management from USA. He has been with the Company for over five years. He has been instrumental in creating IT/Computer awareness amongst the people working with the Company across the country.

With Mr. Agarwal's thrust on further exploiting the core capability of the Company, XPS has established itself amongst the major players in express cargo segment. His continued attention on fast growing segments in the industry like logistics will certainly yield positive results to the Company.

OTHER DIRECTORSHIPS	COMMITTEE MEMBERSHIPS
Name of the Company	Name of the Committee
Transsystem Logistics International Ltd., Chairman	Transport Corporation of India Ltd.
Transcorp International Ltd., Director	1. Shareholders/Investors Grievance Committee - Member
Etralog.com Solutions Ltd., Director	2. Share Transfer Committee - Member
Apnatransport.com Ltd., Director	

Mr. M. P. Sarawagi: Being a senior executive, he has been working with the Company for the last over 36 years. He possesses rich experience in the legal and commercial aspects concerning the transport industry.

Mr. Sarawagi is a law graduate from Calcutta University and has been instrumental in taking care of wide range of legal complexities inherent in transportation sector. He is also associated with The Calcutta Goods Transport Association & All India Motor Union Congress and other Cultural associations.

OTHER DIRECTORSHIPS	COMMITTEE MEMBERSHIPS
Name of the Company	Name of the Committee
TCI India Ltd., Director	Transport Corporation of India Ltd.
Transport Corporation International Ltd., Director	Share Transfer Committee - Member
Bhoruka Finance Corporation of India Ltd., Director	
Bhoruka Investment Ltd., Director	
Orissa Tyres Ltd., Director	

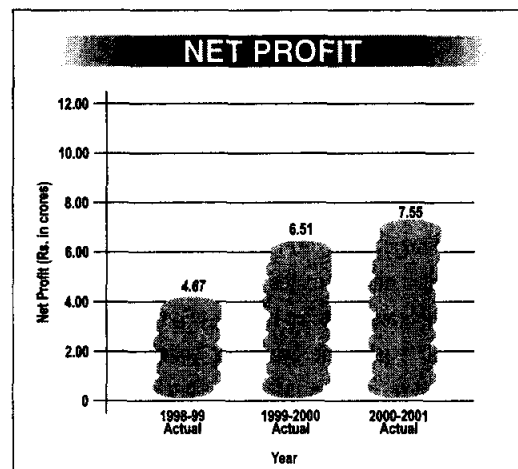
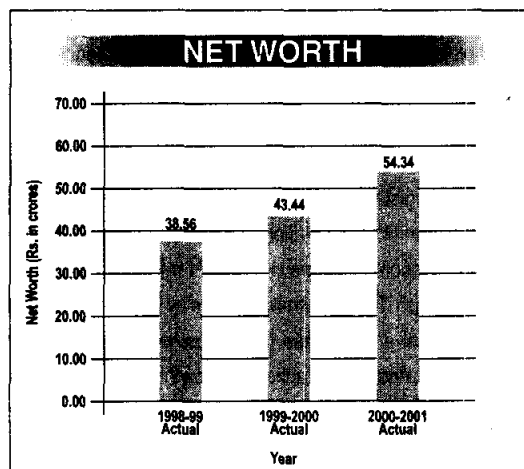
Key Financials

(in Rs. Lacs)

PARTICULARS	FINANCIAL YEARS				
	2000-01	1999-00	1998-99	1997-98	1996-97
OPERATIONAL					
1 Turnover	49910	43573	37788	33658	33399
2 Profit before interest ,depreciation & tax	2710	2402	2042	1967	2163
3 Interest (net)	1029	1044	1005	861	1054
4 Depreciation	851	612	510	491	459
5 Profit before tax	830	746	527	615	650
6 Tax	75	95	60	70	90
7 Net profit	755	651	467	545	560
8 Cash profit	1607	1263	977	1036	1019
9 Dividend Per Share (Rs.)	1.80	1.80	1.50	1.50	1.50
10 Earnings Per Share (Rs.)	8.49*	8.93	6.41	7.48	7.68
FINANCIAL					
11 Gross Block	13333	12444	11419	8941	9337
12 Net Block	11049	10879	10237	8137	8906
13 Net worth	5434	4344	3856	3509	3085
14 Total Debts	7613	7209	7165	6443	6668
15 Avg. Capital Employed	12300	11287	10486	9853	9753
16 Return on net worth	13.90%	14.99%	12.11%	15.53%	18.15%
17 Return on Capital Employed	15.11%	15.86%	14.61%	14.98%	17.47%
18 Debt Equity ratio (Times)	1.40	1.66	1.86	1.84	2.16
19 Interest cover (Times)	2.63	2.30	2.03	2.28	2.05
20 Book Value Per Share (Rs.)	51.75	59.59	52.90	48.14	42.32
21 Share Capital	1050	729	729	729	729

*On weighted average basis

No. of Shareholders: 19,832



Management Discussion and Analysis

Economic Scenario

Economic reforms being pursued by the Indian Government have played a critical role in the performance of the economy in the last decade. The average growth rate in the last six years ended fiscal 1999-00 was about 6.5%, which is higher than the average growth rate of 5.6% achieved in the 1980s.

The overall performance of the industrial sector during fiscal 2000-01 however, was somewhat lower than that in the previous year. Combined with the continued good performance of the service sector, the economy is estimated to grow at 6% in fiscal 2001-02, despite low agricultural growth.

The export markets were buoyant, with exports showing a growth of 19.8% in fiscal 2000-01 compared with the 18% target set by the Government. Inflation rate based on point-to-point variation in the Wholesale Price Index, reduced sharply to 4.9% by the end of fiscal 2000-01 from 6.5% a year ago.

Indian Road Freight Transport Sector

The size of the Indian road freight transport sector is estimated at US\$ 10 Billion in which the majority (close to 80%) is unorganized and extremely fragmented. An estimated composition of the industry is as follows:

75%	Individuals owning 1-5 trucks
10%	Individuals owning 5-20 trucks
10%	Corporate/ Government
5%	Single owner and driver

Poor road infrastructure conditions, bureaucratic delays at state borders and trucks functioning on older technology have resulted in poor productivity and increased transit times. The Government of India's announcement to construct a National express highway network by 2007 is expected to bring about far reaching changes to the road freight sector.

The year 2000-01 was one of the severest for the Indian Road Transport Sector. A 25% diesel hike followed by rapid increases in all input costs – spare parts, lubricants, tyres and tubes coupled with lower freight rates put extreme pressure on the already wafer-thin margins. In the last 2 financial years according to the Indian Road Freight Index (IRFI[®]), an analysis of freight rates on the fifty highest cargo traffic density routes in India, inspite of a 65% increase in diesel prices, freight rates went up by only 11% notwithstanding the increase in all other input costs. The two major commercial vehicle manufacturers recorded negative growths last year signaling an excess capacity in the market.

Business Strategy

The steady integration of the Indian economy with the global markets has accelerated the need for better Supply Chain Management and Logistics management. Logistics ensures that the right product reaches the right place at the right time and in the right quantity and quality. The outsourcing of Logistics to third party logistics (3 PL) providers helps companies to concentrate on their core competencies of manufacturing, marketing and customer servicing. We believe that the demand for 3PL services will grow aggressively in the near future.

Transport Corporation of India Ltd. (TCI) has been the pioneer in the science of freight movement in the Country and has constantly been introducing new service offerings for better customer satisfaction. Today, TCI is the only Company in the Indian market that can offer an integrated logistics solution with our presence in all modes of transport (road, rail, air, sea), company owned warehousing, computerized systems, on line tracking of cargo and value added services.

The Company's strategy for the future is to establish a strong presence in the integrated logistics sector and to attain higher growths in the road and express cargo businesses. With a focus on global quality standards, customer delight and employee effectiveness, the Company is well positioned to achieve the challenges set forth.

Financial / Operational Performance

TCI is India's largest road transport Company with a nationwide reach of 1000 Company owned offices and distribution network in 95% of districts. The Company's established position in the organized transport industry, its increasing focus on high margin value-added services and ability to maintain profitability despite difficult market conditions have helped to improve the bottom line. The Company owns a fleet of more than 600 trucks including specialized vehicles for movement of industrial gases, automobiles, defence and others. TCI handled more than 5.5 million tonnes of cargo and 4 million consignments last year. The Company became the first road transport organization to get the ISO 9002 for service quality in operations.

TCI has registered a growth of 14.54% (15.31% in previous year) in total income from Rs.4357 million in FY 2000 to Rs.4991 million in FY 2001. The operating income also grew to Rs.271 million in FY 2001 by a healthy 12.82% over FY 2000. This growth was driven by increase in business volumes in both conventional and express cargo businesses. Net margin is maintained on enhanced turnover and achieved growth in PAT by 16%. Division wise results are as follows: