

Chairman's Statement

“

In its 60th (Diamond Jubilee) year, your company reported a stellar performance with the highest-ever order book of Rs 1948 Cr in FY 2021-22 compared to Rs 1185 Cr in FY 2020-21 and added new prestigious customers.

Your company also recorded many new milestones like zero debt since 2020, lowest locked working capital, highest billing & collection this year.

”

Ashok Sethi
Chairman



Dear Stakeholder,

As the effects of the COVID19 pandemic fade, and life and business get back to normal, I hope you and your family continue to be safe and healthy. Your company started the year FY 2021-22 amidst peaking of the second wave of COVID19. The employees continued to work from home, and the site workforce continued to work from the site. Over the year, with the help of solid leadership and IT-enabled working from home, the team offered exceptional performance. I am also happy to report that your company has achieved nearly 100% vaccination and all the employees are keeping well as they slowly return to work from the office.

In its 60th (Diamond Jubilee) year, your company has reported a stellar performance in FY 2021-22 with the highest-ever order book of Rs 1948 Cr compared to Rs 1185 Cr in FY 2020-21. Your company's total consolidated income also soared to the highest since inception to reach Rs 895 Cr, compared to Rs 707 Cr in FY 2020-21. Besides this, your company recorded many new milestones like zero debt since 2020, lowest locked working capital, highest billing and collection and many more.

Your Company ranked 118 in the ENR ranking of 'top 225 international engineering firms' in FY 2021-22. As the company continues to engineer infinite possibilities, I am sure soon your company will reach the milestone of ranking within the top 100. It also gives me immense pride to inform you that your Company has been awarded various national and international awards and recognitions by Industry bodies and your customers, further reinforcing the value engineering and customer-focused attributes of our delivery and operation. For the COVID19 efforts of TCE to enable oxygen availability on-site, the company won several awards including an innovation award by IEI, and Best COVID19 Solution for Community Care by World CSR Congress.

As we continue to deliver satisfactory performance on Pride of TCE projects like ITER in France, Copper Smelter in Indonesia, Brass Fertilizer in Nigeria, SABIC in Middle East and projects in India like Ram Janmbhoomi Temple, High-Speed Rail, CIDCO affordable housing, and other projects, we continuously

evolve and strengthen our processes to ensure safety on the sites and timely delivery on milestones.

TCE is organised as:

1. Infrastructure Cluster

Providing Engineering Services for Water & Environment, Urban Infrastructure, Buildings & Facilities, Ports, Transportation, Sustainability Services (via the wholly-owned subsidiary M/s Ecofirst) and Project Management Services across sectors.

In FY 2021-22, the Infrastructure Cluster acquired 65% of the total acquisition as compared to 63% in FY 2020-21 and secured 50% share in revenue as compared to 51% in FY 2020-21.

2. Plant Engineering and Design Cluster

Providing Engineering Services for Oil & Gas, Petrochemicals, Specialty Chemicals, Food and Pharma, Geology & Mining, Ore Beneficiation, Metal Extraction, Material Handling, Power Generation (Nuclear, Green Power (Solar, Wind, Hydro) and Thermal), Transmission & Distribution, New Technologies – (Digital & Hydrogen).

In FY 2021-22, the Plant Engineering and Design Cluster acquired 33% of the total acquisition as compared to 36% in FY 2020-21 and secured 48% share in revenue as compared to 47% in FY 2020-21.

3. Digital and Advanced Services continue to be an important focus area; strategy is being revised to give a momentum this year.

We are hopeful that it is safe to say that we now live in the post-pandemic world. We see the impact of COVID19 led evolution of newer business models, and we are keeping a keen eye on how this evolution can be leveraged to offer more services to our customers. Sustainability, Energy Transition, Hydrogen Economy and Digital are the key themes that we see emerging, and I am happy to report that with its strong domain expertise, your company is already working on a few large niche projects in India and internationally.

For the COVID19 efforts of TCE to enable oxygen availability on-site, the company won several awards including an innovation award by IEI, and Best COVID19 Solution for Community Care by World CSR Congress.

Your Company also focuses on offering sustainable design and services across industries. The company also aims to strengthen its asset lifecycle footprint in urban mass transport, low-cost housing, sustainable infrastructure, metal and mining process designs, clean energy, energy transmission, ports, green chemicals, refining and digital services.

Satisfactory Financial Results with a Strong Order Book

TCE maintains its leadership position within the Consulting Industry by promoting excellence, creating value, seeking new and pioneering technologies, and engineering infinite possibilities for the clients, despite market and economic volatility. Your Company achieved total consolidated income of Rs 895 Cr for FY 2021-22, a 26% jump. The domestic component skewed by the high-speed rail project was at 73%, and the international was at 27%. As the global markets emerge from the COVID19 impact, we hope to get back on track with our 50:50 strategy.

The business acquisition for FY 2021-22 far exceeded the last year's milestone by more than 64% to reach Rs 1948 Cr. On its strong order book and credentials, I am optimistic that your Company will scale newer heights.

Governance & Systems

Your Company has always focused on good governance practices and established systems and processes to enforce the same. Anti-bribery & Anticorruption, Prevention of Sexual Harassment (POSH) at the workplace, adherence to the General Data Protection Regulation (GDPR), Whistle-Blower Framework and others have been institutionalised through policies and guidelines. IT systems have strengthened business processes, making for a transparent mechanism

to protect client IPR and build client confidence. The risk management process has been reinforced with a clear focus on addressing and mitigating your company's material risks. It is a matter of pride that systems and procedures led to no governance issues in the company.

I am happy to share that your company was adjudged Best Governed Company Unlisted Segment: Emerging Category by the Institute of Company Secretaries of India and the award was presented by honourable home minister Shri Amit Shah.

Corporate Social Responsibility

As a responsible corporate citizen, your company is working with the communities it serves to create sustainable livelihood opportunities including infrastructure development and healthcare and education. This FY 2021-22, your company reported 2426 volunteers investing 8513 person-hours and touching 25005 lives. I am proud to see the on-ground impact of the program which has resulted in increased income and reduced immigration by 49% in the beneficiary districts.

Your company won the Global CSR Excellence Award for Rural Development / Upliftment organised by the World CSR Congress.

Under the CSR strategy, this year your company has decided to focus on the following UN Sustainable Development Goals (SDGs):

- Quality Education
- Good Health and Well-being
- Industry, Innovation and Infrastructure
- Sustainable Cities and Communities



People

TCE is among the few organisations with a large engineering talent pool that forms the backbone of the Company's success. The immensely talented and passionate workforce has, time and again, helped deliver significant value to its customers. With the increased focus on people development, your company stressed on imparting key leadership and people management training to the employees. These programs will help employees deliver value to the customers and enhance the customer experience and project deliverables.

This FY 2021-22, your company invested 16 person-hours per employee on training, including training on digital engineering delivery mechanisms. Your company was awarded for HR Excellence in Training in Asia's Best Employer Brand Awards 2021 organised by World HRD Congress.

Attrition and succession planning continue to be the HR focus area for your company in the coming year as well.

Conclusion

Globally, the coming years will continue to see disruptions in redefining businesses in many ways. The post COVID19 bet will undoubtedly lead to an enhanced focus on digital and entire asset lifecycle management opportunities. As the world continues to fight climate change, sustainability will regain focus. Self-sustenance and self-preservation philosophies of nations around the globe will bring forward newer opportunities and challenges for us. I assure you that your company is poised to take up these opportunities and is adept at converting any challenges into newer service opportunities with the help of a relentless focus on value, innovation, and excellence.

It has been a historic year for your Company - my best wishes to all employees, customers and partners who have placed their trust in us. I also thank the Management and the Board members of TCE for their valuable contribution to the success of the Company.

I look forward to TCE delivering enhanced value for you in the year ahead and beyond. I want to convey my sincere appreciation to the Board of Directors for their guidance and express my heartiest gratitude to all stakeholders for their enduring faith in TCE.

Sincerely yours,
Ashok Sethi

