



9<sup>th</sup> August, 2018 .

**Listing Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400001

**Scrip Code: 532349**

**Listing Department**  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051

**Scrip Symbol: TCI**

Dear Sir/Madam,

**SUB: SUBMISSION OF ANNUAL REPORT FOR THE FY 2017-18**

In terms of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith the Annual Report for the Financial Year 2017-18 duly approved and adopted by the members in the 23<sup>rd</sup> Annual General Meeting held on 2<sup>nd</sup> August, 2018.

Hope you shall find the above in order & request you to kindly take the same on records.

Thanking you,

Yours faithfully,

**For Transport Corporation of India Limited**

  
**Archana Pandey**  
**Company Secretary & Compliance Officer**

Encl: A/a



**Transport Corporation of India Limited**

**Corporate Office :** TCI House, 69, Institutional Area, Sector-32, Gurugram -122001, Haryana (India)

Ph. No.: +91 124-2381603, Fax.: +91 124-2381611 E-mail : corporate@tcil.com Web : www.tcil.com

**Regd. Office:-** Flat Nos. 306 & 307, I-8-271 to 273, Third Floor, Ashoka Bhoopal Chambers, S P Road, Secunderabad - 500 003 (Telangana)

Tel: +91 40 27840104 Fax: +91 40 27840163

CIN : L70109TG1995PLC019116

# NAVIGATING TOMORROW

## CORPORATE INFORMATION

### Board of Directors

Mr. S M Datta	Chairman
Mr. D P Agarwal	Vice Chairman & Managing Director
Mr. O Swaminatha Reddy	Director
Mr. S N Agarwal	Director
Mr. K S Mehta	Director
Mr. Ashish Bharat Ram	Director
Mr. Vijay Sankar	Director
Mrs. Urmila Agarwal	Director
Mr. M P Sarawagi	Director
Mr. Chander Agarwal	Director
Mr. Vineet Agarwal	Managing Director

### Other Information

#### Group CFO

Mr. Ashish Tiwari

#### Company Secretary

Ms. Archana Pandey

#### Statutory Auditors

M/s Brahmayya & Co, Chartered Accountants

#### Registrar & Share Transfer Agent

M/s Karvy Computershare Pvt. Ltd.

Karvy Selenium Tower B, Plot number 31 & 32,  
Financial District Gachibowli, Hyderabad 500 032,  
Tel: +91 040 67161524

Email: [rajeev.kr@karvy.com](mailto:rajeev.kr@karvy.com)

Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

### Corporate Office

TCI House, 69, Institutional Area,  
Sector 32, Gurugram - 122001  
Tel: 0124-238 1603-07  
Email: [corporate@tcil.com](mailto:corporate@tcil.com)  
Website: [www.tcil.com](http://www.tcil.com)

### Registered Office

Flat Nos. 306 & 307, 1-8-201 to 203,  
3<sup>rd</sup> Floor, Ashoka Bhopal, Chambers,  
SP Road, Secunderabad 500003  
Tel: 040-278 40104

### Corporate Identification No.

L70109TG1995PLC019116

### Bankers

State Bank of India

HDFC Bank Ltd.

HSBC (Hongkong & Shanghai Banking Corporation Ltd.)

ICICI Bank Ltd.

DBS Bank Ltd.

### Rating & Certifications

- ISO 9001: 2008
- ICRA: A1 + short term debt/CP program
- CRISIL: AA-/Stable for Long Term Credit Facilities
  - AA-/Stable for Short Term Credit Facilities
  - A1 + for Commercial Papers
- IATA Certified

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# ***Navigating Tomorrow***

***The world is transforming with unprecedented speed.....***

At TCI, we are addressing the evolving needs of this dynamic sector through proactive investments in people, processes, transportation modes and service standards for the past 60 years.

The result is that even as we work in the real world of today, we are always Navigating Tomorrow.

At TCI, Navigating Tomorrow is not a convenient theme line; it is our driving philosophy.

Marked by a consistent understanding of how customers are investing in their businesses today.

*So that we may be prepared tomorrow.*

Marked by how countries, economies and needs keep evolving.

*So that we may be at the right place at the right time – with the right service.*

Marked by an understanding of how we need to move faster and more differently.

*So that we may continue to lead the markets of our presence.*

Marked by a strategic clarity on the needs of our diverse stakeholders.

*So that we may enrich stakeholder experience, reflected in superior returns.*

## ABOUT TCI

### Background

Transport Corporation of India Limited (Incepted in 1958) is an integrated multi-modal logistics and supply chain solutions provider in India with a global presence. The company moves value of freight equivalent to ~2.5% of India's GDP.

### Location

The company is headquartered in Gurugram, India.

### Growth

The company has grown from a single truck plying on a single route into a formidable player comprising 9,000 trucks and 900 branches across India. The Company also manages 12 million square feet of warehousing space.

### Legacy

Founded by Mr. P. D. Agarwal, TCI has emerged as one of the most respected and distinguished companies in the industry. It is guided by a Board of Directors comprising of seasoned individuals from various industries. In the past sixty years, TCI has built strong trust through continued customer delight and stakeholder engagement.

### Credit rating and certifications

The Company received AA-/Stable rating

for long-term debt instruments and A1+ for short-term rating from CRISIL. ICRA rated A1+ rating for its commercial paper. The Company was also accredited with ISO 9001:2008, reflecting its conformance with quality standards. It was also certified by IATA.

### Listing

Transport Corporation of India Limited is listed on BSE Ltd. (scrip code: 532349) and National Stock Exchange of India Ltd. (scrip code: TCI).

### HSE commitment

The company is committed to provide a safe, healthy and eco-friendly work environment: strive for zero accident at the workplace, ensure the safe movement of people and material, control environmental pollution from business activities within permissible limits and strive to reduce further, reuse and recycle waste wherever possible, conserve energy and natural resources, create awareness of health, safety and environment at all levels, create a responsible work environment through enhanced safety and health and promote continuous improvement.

### Ethical pedigree

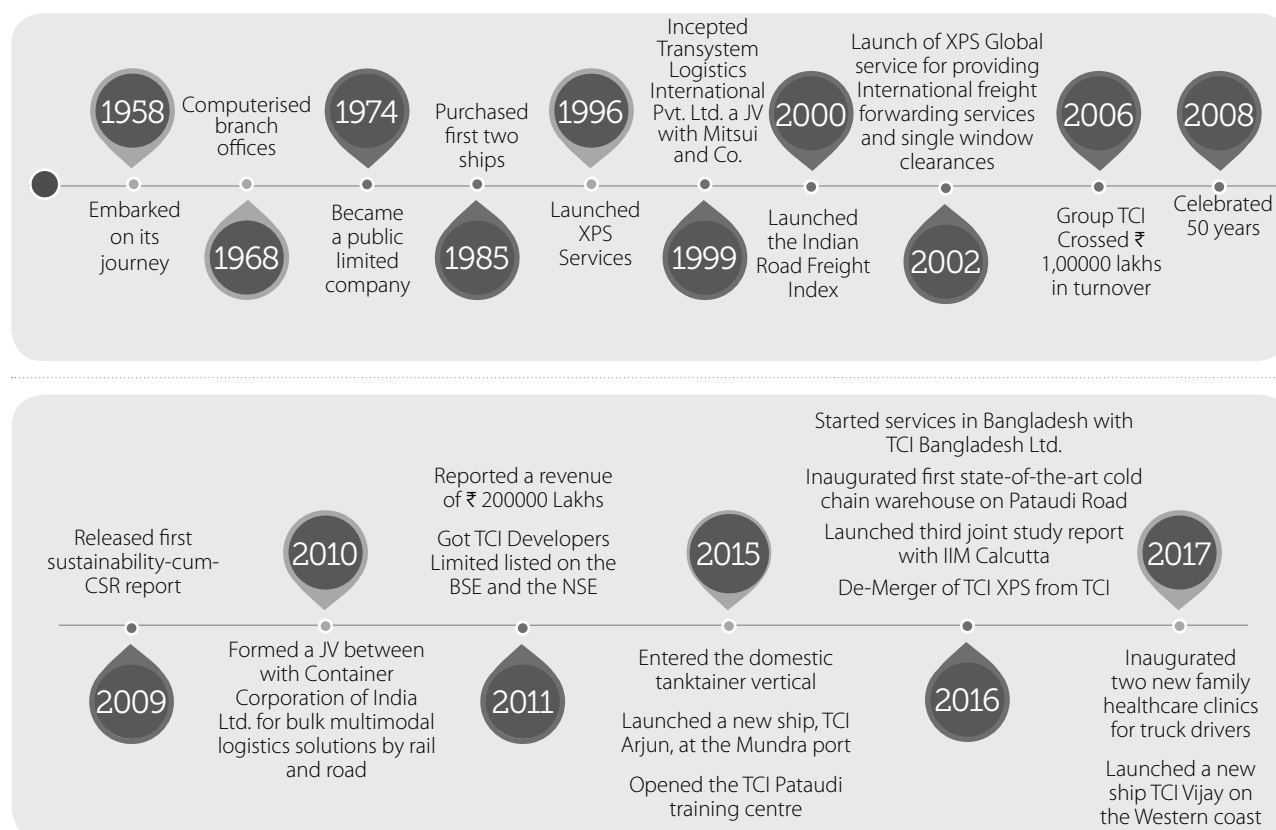
*Vision:* Transport Corporation of India Limited aims to be a customer oriented, multi-

technology, multi-specialist transport system in the Indian and international markets, with a proven commitment to excellence in every facet of activity and pursuit of value based policies to satisfy aspirations of society, customers, vendors, employees, shareholders and the transport industry.

*Values:* We believe that a brand is a living entity and it should be reflected in its behavior. This identity is governed by a set of values in TCI communicated by the acronym CORE:

- **Customer focus:** We are there for the customer and with the customer.
- **Ownership:** To work with the passion of an entrepreneur, be self-motivated and take pride in belonging with the Company.
- **Responsiveness:** To make customer responsiveness our core competency and align all aspects of business to deliver our best.
- **Empathy:** To incorporate emotional intelligence into our day to day operations and create an enabling work environment ruled by respect for one and all.

## TCI GROUP MILESTONES





**S M Datta**  
Chairman



**D P Agarwal**  
Vice Chairman & Managing Director

## Board of **Directors**



**O Swaminatha Reddy**  
Director



**S N Agarwal**  
Director



**K S Mehta**  
Director



**Ashish Bharat Ram**  
Director



**Vijay Sankar**  
Director



**Urmila Agarwal**  
Director



**M P Sarawagi**  
Director



**Chander Agarwal**  
Director



**Vineet Agarwal**  
Managing Director

# Leaders' Speak

From the Desk of Vice Chairman & Managing Director



## Dear Shareholders and Readers,

Having started our journey in 1958, this is the sixtieth year of our company. The one reason why we have endured is, in our business, the customer came first. We did not just offer services to the customer in the expectation of generating an income; we provided services that would take the customer's business ahead – and that made all the difference.

## Performance review, FY 2017-18

I am pleased to report that the sixtieth year

of your company was also one of the momentous and record-breaking.

TCI on a consolidated basis reported 21% revenue growth to ₹ 236,431 lakhs. We enhanced our EBITDA margin 25,334 lakhs bps to 11% and we increased our profit after tax by 52% to ₹ 12,382 lakhs. The improvement in our performance was the result of a high operational efficiency, focus on costs, proactive investment in assets and services, a continuous investment in our people and operating culture.

I am pleased to report that we continued to invest in our future. We acquired another coastal container ship that is expected to become operational during the current financial year on the west-to-south sector. Besides, we reinforced our sectoral thought leadership through the launch of a joint study on insurance requirements of the Indian logistics and warehousing sector, which was unveiled by the Hon'ble Minister of Road Transport and Highways of India.

Through these initiatives, TCI reinforced its 'leaders in logistics' positioning, offering business-strengthening services, innovating constantly and expanding prudently.

## A rebounding economy

TCI's stellar performance rode India's economic growth during the year under review.

The country recovered from the transitory disruption caused by the 2016 demonetisation as well as 2017 GST implementation. Even as growth was muted in the first two quarters of the year under review, the Indian economy recovered substantially to report 7.7% GDP growth during the last quarter, regained its position as the world's fastest-growing economy.

It took India sixty years to become a \$ 1000 billion economy; it took only seven years thereafter to replicate this and is expected to emerge as \$ 7000 billion economy in 2030 according to informed estimates.

We are optimistic that India's growth will be facilitated by its vibrant logistics industry. The industry on its part will endeavor to leverage the national infrastructure backbone to

moderate costs: from ~14% share of the GDP to the level of 8% of GDP as in developed countries.

I am pleased to report that the year under review was marked by the single most important indirect tax reform in the country's history with a significant trickle-down impact for the country's logistics sector. More than 62% of India's domestic freight movement takes place through roads; a bulk is inter-state in nature where the incidence of multiple taxes and State Government levies had in the past entailed long queues at check-posts with transportation vehicles idling unproductively for around 40% of the transit time. This delay translated into higher logistic costs for the related companies and the nation. The irony then is that the country's extant tax regime dictated logistics decisions, including the choice of setting up inventory and distribution centres rather than business reasons.

The GST implementation has proved to be a game changer for businesses in general in India and organised logistics players in particular. The GST regime replaced state and federal tariffs to a single tax payable at the

point of sale. We believe that the successful and extensive implementation of this tax can strengthen the businesses of warehousing agents, supply chain managers and third-party logistic players leading to capacity investments across the sectoral ecosystem. In return, this will inspire the absorption of modern technologies (automatic storage and retrieval, material handling equipment and RFID, among others) that minimize manual intervention and errors, optimize costs and encourage a quicker transition of business from unorganized to organised players.

GST introduction is also encouraging manufacturers to graduate from warehouse ownership in different states to the creation of centralised regional warehouses, strengthening operational and logistical efficiency. The introduction of the E-way bill is expected to strengthen organised sector prospects through complete transparency across the value chain.

### **Navigating tomorrow**

As the country's logistics sector enters a new sectoral era, I am optimistic that TCI is attractively placed to climb into a new orbit.

The company provides customers a range of exciting services. It intends to enhance the cross-sale of these services. The company possesses adequate infrastructure to scale the business. It intends to invest in state-of-the-art technologies, setting up multi-user and multi-product warehouses and widening through access to ships, trucks and trailers.

With "Navigating Tomorrow" being the inherent philosophy that we carry forward, our vision for the future is to continue to strive hard to fulfil TCI's destiny and contribute to the growth of the world's largest democratic nation, economically, socially and sustainably. TCI will continue to work with all stakeholders to support India's solid growth.

Before I conclude, I would like to thank our "TCI Parivar" and all other stakeholders for their consistent commitment, engagement, support, and encouragement in our 60 years journey. We will continue to seek our shareholders' interest and support, as we make our way to create new pathways to progress.

**D P Agarwal**  
*Vice Chairman & Managing Director*



# Management Discussion And Analysis

## Global economic overview

In 2017, a decade after the global economy spiraled into a meltdown, a revival became visible. Every major economy expanded and a growth wave created jobs. This reality was marked by ongoing Euro-zone growth, modest growth in Japan, late revival in China and improving realities in Russia and Brazil leading to an estimated 3.7% global economic growth in 2017, some 60 bps higher than the previous year. Crude oil prices increased in 2017, the prices at the beginning of the year being US\$54.13 per barrel, declining to a low of US\$46.78 per barrel in June 2017 and closing the year at US\$61.02 per barrel, the highest since 2013.

The US economy entered its ninth straight year of growth in 2017 (2.3% compared to 1.6% in 2016) catalysed by the spillover arising out of government spending by the previous administration coupled with US\$1500 billion worth of tax cuts stimulating investments. In 2017, Euro zone grew by 2.4% compared with 1.8% in 2016, the broad-based growth visible in all Euro-zone economies and sectors. The Chinese economy grew faster than expected in the fourth quarter (October to December) of 2017 at 6.8%, aided by a recovery in exports. This helped China celebrate its first annual growth in seven years. GCC countries were affected by the oil price decline (~60% since 2013), resulting in macro-economic instability that affected job creation and growth. Russia seems to have exited a 2 year recession and Brazil grew at 1.1% following a deceleration of 3.5% in 2016. (Source: [imf.org](http://imf.org) (<https://bit.ly/2qitlK7>))

## Indian economic overview

After registering GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy headed for slower growth estimated at 6.7% in 2017-18. Even with this lower growth for 2017-18, GDP growth averaged 7.3% for the period 2014-15 to 2017-18, achieved through lower inflation, improved current account balance and reduction in fiscal deficit to GDP. The year under review was marked by various structural reforms by the Government. In addition to GST introduction, the year witnessed significant resolution of problems associated with bank non-performing assets, FDI liberalisation, bank recapitalisation and privatisation of coal mines. (Source: CSO, economic survey 2017-18)

## Global logistics industry overview

Logistics is a large global sector with a market value of >US\$ 4000 billion in 2017. The global express market is estimated to be ~US\$ 198 billion in 2016. The market posted a CAGR of 4% between 2014 and 2016. The global logistics market, in terms of revenue, is set to expand from US\$8100 billion in 2015 to US\$15500 billion by 2023, registering a CAGR of 7.5% between 2015 and 2024. In volume terms, the market is expected to clock a CAGR of 6% between 2016 and 2024. The growth of the global logistics market is directly correlated to the development of international trade flow and the current global economic environment.

(Source: PRNewswire, Deloitte)

## Indian logistics industry overview

The country's logistics industry was worth ~US\$160 billion during

FY2017-18. In 2016, India was ranked 35th on the World Bank's Logistics Performance Index, moving up from the 54th spot in 2014. India spends ~14.4% of its GDP on logistics and transportation as compared to countries such as the US (9.5%) and Germany (8%).

The Indian logistics industry provides employment to 22 million people and has been growing at a CAGR of 7.8% between 2013 and 2018. The result is that India's logistics sector now finds a place in the harmonised master list of the infrastructure sub-sectors. This inclusion is set to benefit the logistics industry by providing access to cheaper long-term credit. Such a move will also lead to simplification of the approval process for the construction of multimodal logistics parks.

## Outlook

The Indian logistics sector is set to touch the US\$215-billion-mark in revenues by 2020, growing at a CAGR of 10.5%, following the implementation of GST. India expects to sustain exports growth. India intends to make a more efficient use of its coastline and river network (cost for coastal shipping is ₹0.15-0.2 per tonne per kilometre compared to ₹1.5 for railways and ₹2.5 for roadways). Addressing these anomalies alone should lower logistics costs by ₹21,000-27,000 crore by 2025.

India's logistics sector is expected to grow at 1-1.5x GDP growth and at a CAGR of 16% between 2016 and 2020. (Source: Financial Express, NITI Aayog)

## Warehousing and storage segments

**Containers:** Total installed container capacity in India stood at 21 million twenty-foot equivalent units in 2017. Container handling at the non-major ports grew at a CAGR of 22% (2015-2017), outpacing growth at major ports. Container traffic grew at a CAGR of 9% (2015-17).

**Cold storages:** Cold storage capacity in India 2017 stood at 36.6 million tonnes across an area of 42.3 million square feet.

## Challenges

In 2016, India was ranked 35th in The World Bank LPI Index, moving up from 54th in 2014. However, multiple challenges of infrastructure deficiency, lack of integration amongst stakeholders, lack of skilled manpower and slow adoption of technology affect its growth.

**Inadequate infrastructure:** Inadequate infrastructure is one of the biggest hurdles affecting the growth of the logistics sector, reflected in inadequate and low-quality modal and terminal transport infrastructure, sub-optimal modal mix, inefficient and ill-designed storage facilities for cargo and containers and inefficient operational and maintenance protocols, and poor adoption/adaptation of technology. This leads to high and inconsistent cargo transit time, inefficient use of resources, and poor fleet management.

**Skill development:** India enjoys a demographic advantage but the availability of appropriately skilled manpower remains a challenge. This is particularly so in the logistics sector as it is seen more as a support industry than a mainline one. The sector needs to build a pool of personnel comprising truck drivers, seafarers, warehousing managers, quality inspection supervisors, among others.

**Outdated technology:** Slow adoption of new technologies has been another big constraint. Awareness about the economic benefits of using digital technology is low and collaboration among stakeholders far from satisfactory. As a result, the logistics ecosystem is fraught with operational inefficiencies and poor asset utilisation.

Who carries India's freight?	
Shipping	12 Major and 187 non-major ports handle about 95% of the country's foreign trade by volume and 70% by value. Inland waterways carry only 0.15% of the cargo transported within India.
Roads	3.83 million Km long, 2nd largest in the world. Carries 85% of passenger traffic and 65% of freight.
Railways	Carries about 1.1 billion tonnes of freight annually. It accounts for 26% of total freight.
Aviation	Air freight accounts for 2% of logistics movement in terms of volume, and 30% in terms of value.
Warehousing	It accounts for 5% of Indian logistics market (excluding inventory carrying costs).

**Performance standards:** Customers demand personalised, flexible and faster services. Due to these complexities and prevalence of fragmented suppliers, there is a need for services integration, standardised services, transparency and compliance. Initiatives such as real-time track-and-trace and other value-added services could help service providers cut costs, raise productivity and optimise the supply chain.

**Inadequate Insurance Coverage:** Logistics Service Providers (LSPs) continue to be highly vulnerable due to the often unfair allocation of risk between them and shippers. Shippers are sometimes absolved of liability even where they are at fault, and these costs are borne by the LSPs. *(Source: Insurance requirements of the Indian Logistics and Warehousing Industry and their customers a joint study by TCI and Insurance Institute of India)*

## Opportunities & Emerging trends

**Emerging markets:** With the rising awareness about the need of logistics in a country and how transport and logistics sector are fundamental to the development of a country, new market opportunities are emerging.

**Infrastructure status:** The Central Government granted infrastructure status to the logistics sector, enhancing access to infrastructure lending at easier terms with enhanced limits, larger amounts of funds as external commercial borrowings and longer tenure funds from insurance companies and pension funds.

**Incoming investments:** The country's transport and logistics sector took the third and fourth spots, respectively, with US\$528 million and US\$271 million in funding. The logistics startups received >US\$271 million funding across 18 deals in the first half of 2017.

**E-commerce boom:** E-commerce aims towards making life easier for people and making goods and services easily available and accessible to the masses.

**Demonetisation impact:** The logistics sector comprised 80% players from the unorganised sector who were affected by demonetisation. Thereafter, there was a paradigm shift with vendors and customers embracing digital ways of making payments resulting in better

transparency, regulation and governance.

**GST impact:** The GST aims to remove the cascading effect of tax and unite everything under one single tax. India's logistics sector would gain the most from the goods and services tax as costs would fall by ~20%. The average speed of freight transportation has increased from 20-25 kilometres per hour to 40 kilometres per hour. GST will make most transactions transparent and attract investments in warehousing, supply chain management and third party logistics. The introduction of E-way bill will ensure accountability and easier verification. Recording of every stock transfer and sale will be done through the system linkages to physical movement of trucks and storage in warehouses, enhancing transparency across transactions.

## Technology adoption

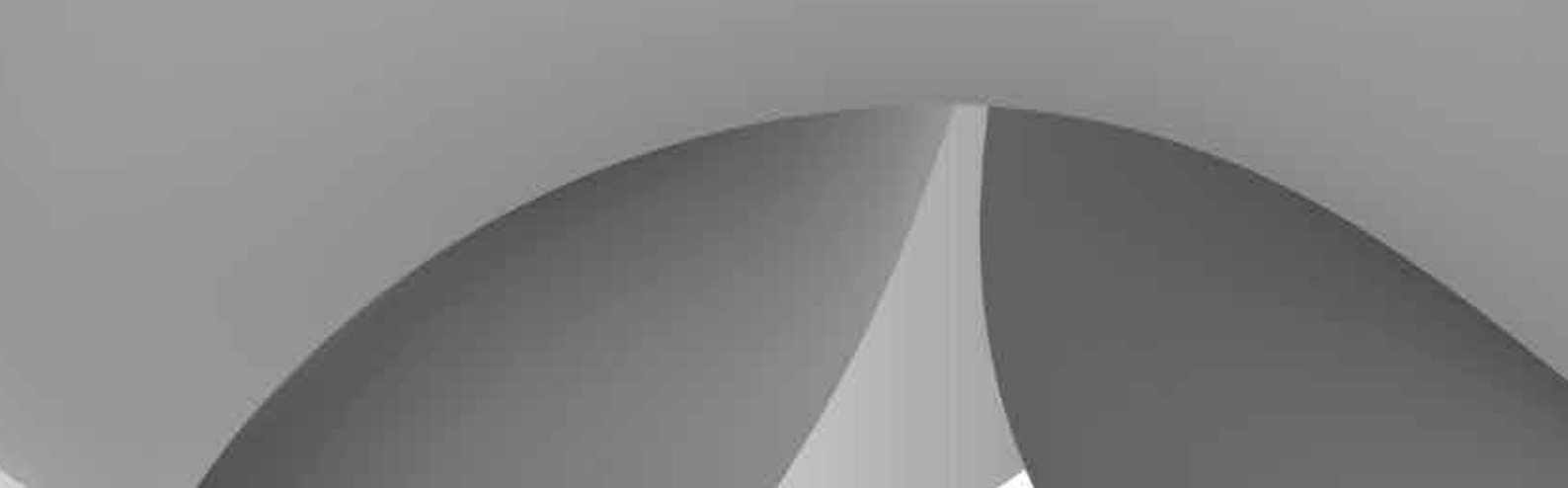
The Indian logistics sector is adopting new-age technologies (cold chain logistics, warehousing etc) and digitalisation in addressing challenges. Digital transformation possesses the potential to have far-reaching payoffs for a leaner and smarter logistics by ensuring smoother interface among logistics stakeholders for seamless delivery. Digital transformation of the logistics sector could translate into value of US\$1500 billion for players in the logistics sector and an additional US\$2400 billion worth of societal benefits by 2025. *(Source: World Economic forum report)*

IoT may be used to monitor the status of assets in real time throughout the value chain. In several countries, advanced sensors are being used to monitor and detect risks pertaining to breakdowns, helping avoid process delays and fatal accidents. Additionally, IoT, which includes GPS and RFID systems, is being used to provide logistics carriers with real-time information on key location stats. Artificial Intelligence in the logistics sector allows the use of control systems for operating machinery, processes, vehicles, vessels, and aircraft through the use of artificial intelligence. From the use of robots to self-driven vehicle and drones, automation technology can be adopted in the logistics sector for reducing manual intervention to bring down costs.

Blockchain technology becomes especially relevant in the Indian context, given the fragmented nature of the sector and lack of common platforms to exchange information. It may be used for synchronising multi-party logistics value chain. Cloud technology can help the Indian logistics sector by optimising asset utilisation. As logistics in the country aims towards becoming leaner, optimising asset utilisation is important to enhance operational efficiency. Cloud computing can help service providers use assets more efficiently by collaborating with each other to share fleets and networks. Adoption of Drones and smart-glasses could increase the operational efficiency of first and last-mile logistics along with flexibility and speed of delivery in complex and congested metro cities. By using big data algorithms and data visualizing techniques thus anticipating the demand and studying the data-patterns, companies can predict the demand, plan and align the operations well in advance.

## Government initiatives

**Infrastructure status granted to logistics parks:** In a bid to develop an integrated logistics framework in the country including industrial parks, cold chains and warehousing facilities, the Central Government



has granted infrastructure status to the logistics sector, enabling the industry to access cheaper finances. The Central Government has defined 'logistics infrastructure' to include a multimodal logistics parks comprising inland container depots with a minimum investment of ₹ 5000 lakhs and minimum area of 10 acres, a cold chain facility with a minimum investment of ₹15 crore and minimum area of 20,000 square feet and a warehousing facility with a minimum investment of ₹2500 lakhs and a minimum area of 100,000 square feet. (Source: [ibef.org](http://ibef.org), *Hindu Businessline*, *Livemint*)

**Digital India:** The Central Government has doubled the budgetary allocation towards Digital India to ₹3,07,300 lakhs. The Central Government will be encouraging investment, training, and skilling in robotics, digital manufacturing, big data analytics and IoT, led by the NITI Aayog, launching a nationwide programme in the realm of AI. These investments strongly will lend a boost to the logistics industry by catalysing the adoption of cutting-edge technologies.

**Sagarmala:** The Sagarmala project aims at doubling the share of seaways in the transport mix over the next decade by executing multiple projects related to the expansion and modernisation of various ports.

**E-way bill:** The Central Board of Excise and Customs has released a revised draft policy on the generation of e-way bills. The Central Government has made amendments and relaxed conditions which will address concerns of logistics companies, express cargo companies and LTL operators. The Central Government targets to increase jobs in logistics sector to 40 million by 2019, from 22 million and bring down the logistics cost from 14% to 10% of the GDP. (Source: *NITI aayog*, *Economics Times*)

**Union Budget allocations:** For the upcoming financial year, the Ministry of Civil Aviation, the Ministry of Railways, the Ministry of Road Transport and Highways, and the Ministry of Shipping have been collectively allocated approximately ₹2.76 lakh crore — comprising 46.3 per cent of the total capital outlay on infrastructure. Of this, the Government has allocated approximately ₹1.2 lakh crore for the Ministry of Road Transport and Highways, which comprises an investment of ₹91,663 crore in National Highways Authority of India (NHAI) and ₹29,76,200 lakhs in roads and bridges. (Source: *Economic Times*, *KPMG Report*)

#### Omni-channel retail and e-commerce

Omni-channel retail is a modern approach to commerce that focuses on designing a cohesive user experience for customers at every touchpoint. Consumer buying behavior are changing drastically as a result of the growing adoption of smartphones and handheld devices worldwide, especially in Asia. The surge in sales and in consumers using

different channels to evaluate products, order, pay, collect, and return their purchases has driven companies to investigate the omni-channel approach. Retailers and manufacturers in all industries will need to adapt to this new reality to thrive. From being an emerging trend, omni-channel will be a key requirement in the future, presenting challenges and significant opportunities to all businesses. Logistics is the key enabler for the growth of the e-commerce retail sector and in terms of customer service and satisfaction, it is emerging as a differentiator. By 2018, the Indian retail sector is likely to grow at a CAGR of 13 percent to reach US\$950 billion. Online retail is expected to be at par with the physical stores in the next five years and has grown 23 per cent to \$17.8 billion in 2017 (Source: <http://www.ibef.org/industry/retail-india.aspx>) With the changing trends, the retail market will see more interest by investors even as the Indian Government is keen to allow the FDI in B2B e-commerce.

#### Coastal Shipping

India has approved state grants worth ₹ 2,302 crore (about \$355 million) for coastal shipping berth development at various gateways under its flagship Sagar Mala port-led development program. Increasing the share of coastal shipping and inland navigation in the transport modal mix is one of the key objectives of the Sagarmala Project. Sagarmala programme envisages to double current share of coastal shipping in India's overall modal mix from 6% to 12% by 2025. The shift to coastal shipping should help improve the financial performance of port and logistics companies too. (Source: *JOC*, *MERCPL*)

#### Chemical logistics

The Indian chemical industry is growing at an annual growth rate of 12%. The chemical industry is a complex and dynamic industry where products range from gaseous to liquid state and the nature may vary from inert to hazmat. The complexity of handling such products, transporting them and storing them is compounded with the fragmentation of the industry and the lack of standards. (Source: [www.chemicallogisticsindia.com](http://www.chemicallogisticsindia.com))

#### SAARC and SAFTA

Establishment SAPTA and SAFTA framework embarked the beginning of a dynamic association with a further stimulated intra-regional trade and integration. SAARC empowered the ease of trade among its members marked by reasonable tax rates and lenient policies towards each other. This has brought down the logistics costs and has helped in timely delivery of goods and services across the countries. Furthermore, this has promoted trade among the countries and accounted for growth in logistics industry for all the member countries characterised by free flow of goods and reasonable costs.

# What differentiates TCI

- Among India's most trusted logistics companies
- Moving nearly 2.5% of India's GDP
- Multimodal integration capabilities
- Auto supply chain designing and solutions
- Large scale warehousing
- Technology-driven enabled
- High level of customer interface and customized solutions
- Strong network of 900 branches
- Proven track record with customers, vendors and partners
- Driven by cutting-edge technologies (ERP, WMS, RFID, VTS, Web track and trace)
- Dedicated and motivated team
- Respected as a thought leader (studies, innovations and patents)
- Innovative solutions

## Business Verticals

### **TCI Freight**

TCI Freight, one of the largest divisions of the TCI Group, is India's foremost surface transportation services provider. The division provides best-in-class multimodal transport solutions across dimensions and product segments (full truck load, less than truck load, small packages and consignments, over dimensional cargo, project heavy haul and rail).

- Revenues: ₹ **102,909 lakhs**
- Growth: **12%**
- Contribution to revenues: **47%**
- EBITDA: ₹ **3,875 lakhs**

### **TCI Supply Chain Solutions**

TCI Supply Chain Solutions is a single-window enabler of integrated logistics and supply chain solutions for value-seeking progressive clients, from conceptualisation to implementation. TCI Supply Chain Solutions provides bespoke solutions for key verticals such as Automobiles, Telecom, Healthcare, Retail and Consumer products and Chemicals, among others.

- Revenues: ₹ **91,102 lakhs**
- Growth: **24%**
- Contribution to revenues: **41%**
- EBITDA: ₹ **9,415 lakhs**

### **TCI Seaways**

TCI Seaways extended the Company's footprint along the Eastern coast of India to Andaman & Nicobar Islands and beyond. The division is well-equipped with 5500 containers and 6 vessels. It provides coastal container and bulk cargo movement along with liner, charter, multi-modal and transportation services.

- Revenues: ₹ **23,920 lakhs**
- Growth: **62%**
- Contribution to revenues: **11%**
- EBITDA: ₹ **8,247 lakhs**

## Enterprise Risk Management

### Internal Control

The Company has an effective and reliable internal control system commensurate with the size of its operations which are constantly assessed. The efficacy of the internal checks and control systems is validated by internal as well as statutory auditors. The Audit Committee reviews the internal audit plan, adequacy and effectiveness of the internal control system. It also reviews functioning of the Whistle Blower mechanism and monitors the action taken on the cases reported.

The Audit Committee of the Board of Directors, Statutory Auditors

and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

The company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed

### Risk Management

Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

Risk evaluation and management is an ongoing process. As a process, risks associated with the business such as strategic, financial, market, IT, legal, regulatory, reputational and other risks are identified and prioritized based on the Company's overall risk appetite, strategy, severity and probability of occurrence.

As a diversified enterprise, your Company continues to focus on a system-based approach to business risk management. A strong and independent Internal Audit function at the Corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk management processes may need to be strengthened. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. The Audit Committee is also updated on the effectiveness of your Company's risk management systems and policies.

# BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty-Third Annual Report of Transport Corporation of India Limited ('your Company' or 'the Company' or 'TCI') along with the Audited Standalone and Consolidated Financial Accounts and the Auditors' Report thereon for the Year ended 31<sup>st</sup> March, 2018.

## FINANCIAL RESULTS

The highlights of Consolidated as well as Standalone Financial Results of your Company are as follows:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Total Income from Operations	236,431.41	195,469.91	220,227.17	182,196.54
Total Expenses	223,425.57	186,979.61	206,670.85	173,321.03
Exceptional Item	-	-	400	-
Add: Profit From JV	2,241.99	1,546.58	-	-
Profit Before Tax	15,247.83	10,036.88	13,156.32	8,875.51
Less: Provision for Tax-Current & deferred	2,816.18	1,910.41	2,731.30	1,849.21
- For earlier years	49.88	-	49.88	-
Profit after Tax (PAT)	12,381.77	8,126.47	10,375.14	7,026.30
Other Comprehensive Income	301.51	42.24	300.62	42.25

## DIVIDEND & TRANSFER TO RESERVES

The Company has a Dividend Policy in terms of Securities and Exchange Board of India (SEBI) Circular No. SEBI/LAD-NRO/6N/2016-17/008 and the same is available on the website of the Company ([www.tcil.com](http://www.tcil.com)).

In line with the policy, during the year under review, the Board has declared dividends as under:

Date of Declaration	Dividend Type	%age of Dividend Declared	Dividend per Share (in ₹)
2 <sup>nd</sup> November, 2017	1 <sup>st</sup> Interim	30%	0.60
8 <sup>th</sup> February, 2018	2 <sup>nd</sup> Interim	50%	1.00

Since the total dividend outflow has achieved targets in line with the Dividend Policy of the Company, your Board does not recommend any final dividend for the Financial Year 2017-18.

During the year, ₹ 6,000 Lakhs were transferred to the General Reserves.

## TRANSFER OF UNPAID / UNCLAIMED DIVIDENDS & SHARES TO IEPF

The details of unpaid/unclaimed dividend(s) & shares transferred to IEPF during the year and the dividend(s), which are due for transfer to IEPF in the forthcoming years, are provided in the Corporate Governance Report forming part of this report.

## SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

A statement in Form AOC-I pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder (the Act) containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures forms a part of this report. The Company has adopted Ind AS from April 1, 2016 and, accordingly, the consolidated financial statements of the Company and its subsidiaries are prepared in accordance with the recognition and measurement principles stated therein.

During the year, following subsidiary companies have been incorporated/liquidated:

S. No.	Name of the Company	% of Shareholding	Status	Subsidiary/ Step down Subsidiary
1	TCI Nepal Pvt. Ltd.	100%	Incorporated	Subsidiary
2	Stratsol Logistics Pvt. Ltd.	100%	Incorporated	Step-down Subsidiary
3	PT. TCI Global Indonesia	48%	Liquidated	Step-down Subsidiary
4	PT. TCI Global	100%	Liquidated	Step-down Subsidiary
5	TCI Global (Thailand) Co. Ltd.	49%	Liquidated	Step-down Subsidiary

The audited accounts of the subsidiaries will be provided on request to any shareholder desiring to have a copy, on receipt of such request addressed to the Company Secretary. These documents will also be available for inspection by any shareholder at the registered office of the Company and will be available on the website of the Company.

The Company's Policy on Material Subsidiaries may be accessed on the website at the following link: <http://www.tcil.com/tcil/tci-policies.html>.

## ABRIDGED ANNUAL REPORT

In line with the provisions of the Act, the Abridged Annual Report is being sent to all the shareholders who have not registered their email address(es). The comprehensive Annual Report for the year 2017-18 is being sent via email to all shareholders who have registered their email address(es) and is also available on the website of the Company. It is also available for inspection at the Registered Office of the Company during working hours upto the date of ensuing Annual General Meeting (AGM).

Any member requiring full Annual Report may write to the Company Secretary.

## EMPLOYEE STOCK OPTION SCHEME

During the year under review, the shareholders approved the Employee Stock Option Plan-2017.

The Company also has another ESOP Scheme running since 2006, called Employee Stock Option Scheme-2006 for the employees of the Company and its subsidiaries.

During the year under review, the Compensation/ Nomination & Remuneration Committee of the Board of Directors granted options under Employee Stock Option Scheme-2006, Part IX.

The details with regard to ESOP Scheme as on 31<sup>st</sup> March, 2018 as required to be disclosed pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014, are set out in **Annexure A** to this Report.

## STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements.

During the year under review, such controls were tested and no reportable material weakness in the policy or procedures was observed.

## RISK MANAGEMENT

The Company has established a well-documented and robust risk management framework which identifies risks across all business processes of the Company on a continuous basis.

The details of risk management are given in a separate section forming part of this Annual Report.

## WHISTLE BLOWER MECHANISM

The Company has a structured Vigil Mechanism via the Whistle Blower Policy for reporting instances of alleged wrongful conduct including instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

The Whistle Blower Policy is available on the website of the Company.

## DIRECTORS & KEY MANAGERIAL PERSONNEL (KMPs)

As per the provisions of Section 152 of the Act, Mr. S N Agarwal and Mrs. Urmila Agarwal, Non-executive Directors, retire by rotation and being eligible, offer themselves for re-appointment.

Further, the current tenure of Mr. D P Agarwal, Vice Chairman & Managing Director, and Mr. Vineet Agarwal, Managing Director, is expiring on 31<sup>st</sup> July, 2018 and 30<sup>th</sup> June, 2018 respectively. Based upon recommendation of the Compensation/ Nomination & Remuneration Committee, it is proposed to appoint them for a further period of 05 (five) years each, subject to the approval of shareholders in the ensuing AGM.

Brief resume of director seeking appointment/re-appointment alongwith other details as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations' or 'the Regulations'), is provided in the Notice convening the Annual General Meeting.

None of the Company's directors are disqualified from being appointed as a director as specified in Section 164 of the Act.

The Independent Directors of the Company have furnished the declaration under the Act and the SEBI Listing Regulations that each of them meets the criteria of independence, as provided in the Act/ Regulations and during the year, there has been no change in the circumstances which may affect their position as Independent Director.

The terms and conditions of appointment of the Independent Directors are placed on the Company's website, <http://cdn.tcil.in/website/tcil/corporate-governance/terms-and-conditions-of-independent-directors/terms-and-conditions-of-independent-directors.pdf>.

The Company has also placed the Director's familiarisation programme on its website and the same can be accessed on <http://cdn.tcil.in/website/tcil/corporate-governance/familiarisation-programme-of-independent-directors/familiarisation-programme-for-independent-directors.pdf>.

As on 31<sup>st</sup> March, 2018, the Key Managerial Personnel of the Company were Mr. Ashish Kumar Tiwari, Group CFO, Ms. Archana Pandey, Company Secretary, Mr. Jasjit Singh Sethi, CEO- TCI Supply Chain Solutions (a Division of the Company) and Mr. Ishwar Singh Sagar, CEO- TCI Freight (a Division of the Company). There has been no change in the KMPs during the period under review.

## BOARD MEETINGS

During the year, 04 (four) Meetings of the Board of Directors were held. The details of the meetings are laid out in the Corporate Governance Report.

## AUDIT COMMITTEE MEETINGS

The composition of the Audit Committee is in compliance with the provisions of the Act & the SEBI Listing Regulations. The detailed information regarding the Audit Committee forms part of the Corporate Governance Report.

The Board has accepted all the recommendations made by the Audit Committee during the year.

## INDEPENDENT DIRECTORS' MEETING

For the Financial Year 2017-18, 01 (one) separate meeting of the Independent Directors was held. The details of the meeting are laid out in the Corporate Governance Report.

## PERFORMANCE EVALUATION OF THE BOARD

During the year under review, the annual evaluation of performance of the Board, its Committees and of individual Directors was carried out pursuant to the provisions of the Act and the SEBI Listing Regulations.

In the meeting of independent directors, the performance of the Board as a whole, its committees and the Chairman was evaluated. The conclusions were discussed in the meeting of the Compensation/ Nomination & Remuneration Committee where the performances of the Board, its committees and individual directors were reviewed.

Thereafter, the Board, based on the update by the Chairman and the Compensation/ Nomination & Remuneration Committee, discussed the assessment of the Board, its committees and the Chairman.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual financial statements for the Financial Year ended 31<sup>st</sup> March, 2018, all the applicable accounting

standards have been followed and that there is no material departure from the same;

- b) For the Financial Year ended 31<sup>st</sup> March, 2018, the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the Financial Year ended 31<sup>st</sup> March, 2018;
- c) The directors have 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) The annual accounts have been prepared on a going concern basis;
- e) The internal financial controls have been followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in the prescribed Form MGT-9, which forms part of the Board's Report as **Annexure B**.

## STATUTORY AUDITORS

During the year under review, M/s. R S Agarwala & Co., (Firm Registration No. 304045E), Chartered Accountants, Kolkata, retired in line with the provisions of Section 139 of the Act.

Accordingly, the shareholders, based upon recommendations of the Audit Committee & the Board of Directors, appointed M/s. Brahmayya & Co., Chartered Accountants, (Firm Registration No. 000511S) as Statutory Auditors of the Company in place of M/s. R S Agarwala & Co., to hold office from the conclusion of 22<sup>nd</sup> AGM till the conclusion of 27<sup>th</sup> AGM to be held in the calendar year 2022.

The Company has obtained a written consent from the Auditors for such continued appointment and that they are eligible for such continuation of their appointment.

The report of the Statutory Auditors along with notes & Schedules is enclosed to this Report. The observations made in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

During the year under review, the Auditors have not reported any matter under Section 143(12) of the Act and, therefore, no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

## SECRETARIAL AUDITORS

Secretarial Audit for the Financial Year 2017-18 was conducted by M/s Vinod Kothari & Associates, Company Secretaries. The Report on Secretarial Audit in the prescribed format of MR- 3 is attached as **Annexure C** to this report.

The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

## CORPORATE SOCIAL RESPONSIBILITY

The Company has formed Corporate Social Responsibility (CSR) Committee of the Board of Directors to overview and supervise the CSR initiatives of the Company. The details regarding the CSR Committee are laid down in the Corporate Governance Report.

The brief outline of the CSR Policy of the Company and the initiatives undertaken regarding CSR activities during the year are set out in **Annexure D** of this report in the format prescribed in the Act. The CSR policy is available on the website of the Company.

## RELATED PARTY TRANSACTIONS

During the year, there were no transactions with related parties which were not at arm's length or materially significant or which were in conflict with the interests of the Company and that require an approval of the Company's shareholders in terms of the SEBI Listing Regulations. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

Further, details on the policy of the company with respect to the transactions with related parties are given in the Corporate Governance Report.

The detailed policy on Related Party Transactions is available on the website of the Company.

## DETAILS OF LOANS/GUARANTEES/INVESTMENTS MADE BY THE COMPANY

The particulars of loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilized as per the provisions of Section 186 of the Act, are provided in the financial statement forming part of the Annual Report.

## REMUNERATION POLICY

The objective of the Remuneration Policy is to attract, motivate and retain qualified and proficient individuals that the Company needs in order to attain its strategic and operational objectives.

The summary of the remuneration policy has been given in the Corporate Governance Report.

## COMPLIANCE WITH SECRETARIAL STANDARDS

During the year, the company has duly complied with all the applicable Secretarial Standards as issued by ICSI and MCA from time to time.

## PARTICULARS OF EMPLOYEES

Disclosure pertaining to the remuneration and other details as required under the Act are attached as **Annexure E** to this Report.

Details of employee remuneration as required under provisions of Section 197 of the Act are available at the Registered Office of the Company during working hours, 21 days before the AGM and shall be made available to any shareholder on request. Such details are also available on your Company's website.

## CORPORATE GOVERNANCE REPORT

Pursuant to the SEBI Listing Regulations, the Management Discussion

and Analysis Report, Corporate Governance Report and Auditors' Certificate regarding compliance with conditions of corporate governance form part of this Annual Report.

## **POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT**

Your Company has adopted a policy for prevention, prohibition and redressal of sexual harassment. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted an Internal Complaints Committee.

During the year, no complaint with allegations of sexual harassment was filed with the Company.

## **HUMAN RESOURCES**

The Indian logistics industry is growing not only in terms of numbers but also in complexity and scope. With the inclusion of Logistics Sector under Infrastructure Industry, career opportunities have opened up & hence, there is a strong emphasis to attract and retain talent.

At TCI, we continuously strive to adopt the best Human Resource Management practices across industries through the development of employee's knowledge, skills, attitudes, and being a cohesive team, which are the primary building blocks of organizational capabilities & culture.

Our endeavor is to continuously attract, recruit and nurture the best talent pool of the industry and create a benchmark in the field of Logistics.

## **FIXED DEPOSITS**

During the year under review, your Company has not accepted any fixed deposit within the meaning of the Act.

## **SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS**

There was no material litigation outstanding as on 31<sup>st</sup> March, 2018. Details of litigation on tax matters are disclosed in the financial statements.

## **CHANGE IN NATURE OF BUSINESS**

During the year under review, there was no change in general character or nature of business.

## **CONSERVATION OF ENERGY & RESEARCH AND DEVELOPMENT**

In keeping up with the Company's commitment towards conservation of energy, the following optimization and innovative measures were taken by the Company during this fiscal :

### **Fleet Management**

- New BS IV vehicles were purchased for reducing emissions and carbon footprint.

- The conversion of National Capital Region (NCR) Delivery vehicles to CNG was 100% completed during this fiscal.
- Recycling of Radial Tyres for extracting the steel and rubber for alternative usage was initiated this year.

### **Warehouses**

- Warehouse audit for energy consumption and electrical safety was strengthened with re-audit by in-house Audit team.
- Use of day-light sensors, timers that help in controlling street area lighting and prevent electricity consumption when not in use.
- Extensive use of energy sub-metering to measure and to have check over use of energy for different purposes.

### **Solar Power generation plant**

- Have started using solar power generated at one of the warehousing facility to reduce consumption of grid and diesel generator energy.
- Cold Chain warehouse in Gurugram was outfitted with a 160KVA roof-top Solar panels with 60 KVA backup.

These are in addition to the measures adopted in yesteryears.

## **TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION**

- The Company undertook massive steps in the last year in ERP enhancement at all levels for readiness on GST from 1<sup>st</sup> July, 2017.
- Various initiatives for digital transformation helped in improving the internal efficiency and improving customer experience.
- Telematics was taken to another level by Integration of ERP and GPS systems.
- A new automated warehouse for goods to man was inaugurated, making a new benchmark in the industry.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Details of earnings accrued and expenditure incurred in foreign currency are given in the Notes to the financial statements.

## **ACKNOWLEDGMENT**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment which enabled the Company to persist as industry leaders.

The Board also extends its gratitude for the support and cooperation your Company has been receiving from its customers, vendors, suppliers and others associated with the Company. The Company always strives to build and nurture relations with all its stakeholders.

The Directors also take this opportunity to acknowledge the support and assistance extended to us by the Ministries and Departments of Government of India, various State Governments, financial institutions, bankers, stock exchanges, communities, shareholders and investors at large for their continued support.

For and on behalf of Board of Directors

Place: Gurugram  
Date: 16<sup>th</sup> May, 2018

**S. M. Datta**  
Chairman



## ANNEXURE-A

### Details of ESOP as per the provisions of Companies Act, 2013 & SEBI (Share Based Employee Benefits) Regulations, 2014

Sl. No	Particulars	Employee Stock Option Scheme-2006, Part IX	Employee Stock Option Plan-2017
1	Date of Shareholder's approval	23 <sup>rd</sup> October, 2006	2 <sup>nd</sup> August, 2017
2	Total number of options approved	5% of the total paid up capital existing as on 31 <sup>st</sup> March, 2006 aggregating to 5,25,000 options which were later on converted into 26,25,000 options post split of face value of Equity Shares from ₹ 10/- to ₹ 2/-.	5% of the total paid up capital existing as on 31 <sup>st</sup> March, 2017 aggregating to 3,828,873 option.
3	Vesting requirements	There shall be a minimum period of one year between the grant of options and the vesting of options. The vesting period may extend upto 4 years. The vesting shall happen in one or more tranches as may be decided by the Compensation/ Nomination & Remuneration Committee.	There shall be a minimum period of one year between the grant of options and vesting of options. The vesting period may extend upto 03 years from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Compensation/ Nomination & Remuneration Committee.
4	Exercise price or pricing formula	The exercise price for the purpose of the grant of options is decided by the Compensation/ Nomination & Remuneration Committee, provided that the Exercise Price per option shall not be less than the par value of the Equity Share of the Company and shall not be more than the price prescribed under chapter XIII of SEBI (Disclosure and Investor protection) Guidelines, 2000, the relevant date being the date of grant.	Exercise Price will be based upon the Market Price of the Shares one day before the date of the meeting of the Compensation/ Nomination & Remuneration Committee wherein the grant of options of that particular year will be approved. Suitable discount may be provided or premium may be charged on the price as arrived above, as deemed fit by the Compensation/ Nomination & Remuneration Committee for the finalization of the Exercise Price. However, in any case, the Exercise Price shall not go below the par value of Equity Share of the Company.
5	Maximum term of Options granted	Exercise period will commence from the vesting date & extend upto the expiry period of the options as decided by the Compensation/ Nomination & Remuneration Committee. The expiry period may extend upto 7 years from the date of grant of options.	All options will get vested within a maximum period of 5 (Five) years from the date of grant.
6	Sources of shares (Primary, Secondary or Combination)	Primary	Primary
7	Variation in terms of Option	Subject to applicable laws, the Compensation/ Nomination and Remuneration Committee will, at its absolute discretion, have the right to modify/ amend the ESOP 2006 Scheme in such a manner and at such a time or times as it may deem fit, subject however that any such modification/ amendment shall not be detrimental to the interest of the Grantees/ Employees and approval, wherever required, for such modification/amendment is obtained from the shareholders of the Company in terms of the SEBI Regulations.  During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.	Subject to applicable laws, the Compensation/ Nomination and Remuneration Committee will, at its absolute discretion, have the right to modify/amend the ESOP 2017 Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees/ Employees and approval, wherever required, for such modification/amendment is obtained from the shareholders of the Company in terms of the SEBI Regulations.  During the year, no options have been granted by the Company under this Plan.
8	Method used for accounting of ESOS (Intrinsic or fair value)	Fair Value method or any other method as may be prescribed under Ind-AS or SEBI Regulations from time to time.	Fair Value method or any other method as may be prescribed under Ind-AS or SEBI Regulations from time to time.

### Options Movement during 2017-18

1	Number of options outstanding at the beginning of the period i.e. 1 <sup>st</sup> April, 2017	-
2	Number of options granted during FY 2017-18	293,750
3	Number of options forfeited/ lapsed during FY 2017-18	-
4	Number of options vested during FY 2017-18	-
5	Number of options exercised during the FY 2017-18	-
6	Number of shares arising as a result of exercise of options	-
7	Money realized by exercise of options if scheme is implemented directly by the Company (In ₹)	-
8	Loan repaid by the Trust during the year from exercise price received	Not Applicable
9	Number of options outstanding at the end of the year i.e. 31 <sup>st</sup> March, 2018	293,750
10	Number of options exercisable at the end of the year i.e. 31 <sup>st</sup> March, 2018	293,750
11	Employee's details who were granted options during the year:	

(a) Key Managerial Personnel/ Senior Managerial Personnel

I. Mr. Ashish Kumar Tiwari, Group CFO	15,000
II. Mr. Ishwar Singh Sigar, CEO-TCI Freight (A Division of the Company )	25,000
III. Mr. Jasjit Singh Sethi, CEO- TCI Supply Chain Solutions (A Division of the Company)	70,000

(b) Any other employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year

I. Mr. Rajkiran Kanagala, Group Head-Business Development & Marketing	15,000
II. Mr. Ajit Singh, CEO-TCI-CONCOR Multimodal Solutions Pvt. Ltd. , A Subsidiary of the Company	15,000

(c) Identified Employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant

12	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options (In ₹)	13.53
13	Where the Company has calculated employees compensation cost using the intrinsic value of stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if they had used fair value of the options. The impact of this difference on EPS of the Company.	Not Applicable
14	Weighted average exercise price of Options whose Exercise price is less than market price (In ₹)	140.00
15	Weighted average fair value of options whose Exercise price is less than market price (In ₹)	135.51
16	Method and Assumptions used to estimate the fair value of options granted during the year:	

The fair value has been calculated using the Black-Scholes Option Pricing model. The assumptions used in the model are as follows:

Date of grant	16 <sup>th</sup> May, 2017		
Vesting particulars	1 <sup>st</sup> Vesting	2 <sup>nd</sup> Vesting	3 <sup>rd</sup> Vesting
Vesting %age	30	30	40
Risk Free Interest Rate (In %age)	6.43	6.61	6.71
Expected Life (In years)	1.08	2.08	3.08
Expected Volatility (In %age)	37.15	44.01	47.14
Dividend Yield (In %age)	0.86	0.86	0.86
Price of the underlying share in market at the time of the option grant (In ₹)	254.15	254.15	254.15

## ANNEXURE-B

### FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31<sup>st</sup> March, 2018

Pursuant to Section 92 (3) of the Companies Act, 2013 & Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I	REGISTRATION & OTHER DETAILS:					
1.	CIN	L70109TG1995PLC019116				
2.	Registration Date	2 <sup>nd</sup> January, 1995				
3.	Name of the Company	Transport Corporation of India Ltd.				
4.	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non- Government Company				
5.	Address of the Registered office & contact details	Flat Nos. 306 & 307, 3 <sup>rd</sup> Floor, 1-8-271 to 273, 3 <sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S.P.Road, Secunderabad- 500003 (Telangana) Phone: +91 402784104, Email: <a href="mailto:secretarial@tcil.com">secretarial@tcil.com</a>				
6.	Whether listed company	Yes				
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032. Phone: 040- 67161524.				
II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY					
S. No.	Name & Description of main products/services		NIC Code of the Product/service		% to total turnover of the company	
1	TCI Freight		4923		47	
2	TCI Supply Chain Solutions		5210		41	
3	TCI Seaways		5012		11	
III	PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES					
S. No	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	TCI-CONCOR Multimodal Solutions Pvt. Ltd.	DPT 625/626, DLF Prime Tower, Okhla Phase-1, New Delhi- 110020	U60231DL2007PTC216625	Subsidiary	51	2(87) (ii)
2.	Transsystem Logistics International Pvt. Ltd.	Transport House, 57/58, II <sup>nd</sup> Cross, 2 <sup>nd</sup> Floor, Kalasi-Palyam New Extn, Bangalore, Karnataka-560002	U63023KA1999PTC024769	Joint Venture	49	2(6)
3.	TCI Ventures Ltd.	DPT 625/626, DLF Prime Tower, Okhla Phase-1, New Delhi- 110020	U65999DL2016PLC303211	Subsidiary	100	2(87) (ii)
4.	Stratsol Logistics Pvt. Ltd.	10, Ram Bagh Road, Old Rohtak Road, New Delhi New Delhi -110006	U60100DL2017PTC326340	Subsidiary	100	2(87) (ii)
5.	TCI Global (Shanghai) Co. Ltd.	North Sichuan Road No. 888, Hi-Time International Building Room 1102, Hongkou- 200080	NA	Subsidiary	100	2(87)(ii)
6.	TCI Global Pte (Singapore) Ltd.	435, Orchard Road, # I I-F, Wisma Atria, Singapore-238 877	NA	Subsidiary	100	2(87) (ii)
7.	TCI Holdings Asia Pacific Pte Ltd.	435, Orchard Road, # I I-F, Wisma Atria, Singapore-238 877	NA	Subsidiary	100	2(87) (ii)
8.	TCI Global Brazil Logistica Ltd.	Rua Jeronimo da-Veiga 45, 5 Andar-Parte, jd Europa, Sao Paulo, SP Brasil	NA	Subsidiary	100	2(87) (ii)
9.	TCI Holdings Netherlands B.V	C/o Regus Amsterdam Singel 540, Office 518 Campus 02, 1017 AZ Amsterdam, The Netherlands	NA	Subsidiary	100	2(87) (ii)
10.	TCI Holdings SA & E Pte Ltd.	435, Orchard Road # 11-F, Wisma Atria, Singapore-238877	NA	Subsidiary	100	2(87) (ii)
11.	TCI Transportation Company of Nigeria Ltd.	Plot 33, Mobolaji, Jhonson Road, Eleganza Industries Complex, Opposite 7up Bottling Company, Oregun, Ikeja, Lagos	NA	Joint Venture	50	2(6)
12.	TCI Bangladesh Ltd.	UTC Building, 19 <sup>th</sup> Floor. Kawran Bazar, Dhaka-1215, Bangladesh	NA	Subsidiary	100	2(87) (ii)
13.	TCI Nepal Pvt. Ltd.	Sankardeep Building, 4 <sup>th</sup> Floor, Khichapokhari, Kathmandu, Nepal-446000	NA	Subsidiary	100	2(87) (ii)

**(IV) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

**(i) CATEGORY WISE SHAREHOLDING**

Category Code	Category Of Shareholder	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	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>Promoter and promoter group</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individual /HUF	16,496,032	-	16,496,032	21.54	16,496,032	-	16,496,032	21.54	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	34,104,908	-	34,104,908	44.54	34,131,358	-	34,131,358	44.57	0.03
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(1) :</b>	<b>50,600,940</b>	<b>-</b>	<b>50,600,940</b>	<b>66.08</b>	<b>50,627,390</b>	<b>-</b>	<b>50,627,390</b>	<b>66.11</b>	<b>0.03</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(2) :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total A=A(1)+A(2)</b>	<b>50,600,940</b>	<b>-</b>	<b>50,600,940</b>	<b>66.08</b>	<b>50,627,390</b>	<b>-</b>	<b>50,627,390</b>	<b>66.11</b>	<b>0.03</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds /UTI	4,517,836	500	4,518,336	5.90	5,729,799	-	5,729,799	7.48	1.58
(c)	Alternative Investment Fund	136,009	-	136,009	0.18	121,788	-	121,788	0.16	(0.02)
(d)	Financial Institutions /Banks	16,564	20,680	37,244	0.05	30,716	19,260	49,976	0.07	0.02
(e)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(f)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-
(h)	Foreign Institutional Investors	19,100	5,520	24,620	0.03	-	2,845	2,845	-	(0.03)
(i)	Foreign Portfolio Investors	1,689,634	-	1,689,634	2.21	1,791,437	-	1,791,437	2.34	0.13
(j)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(k)	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(l)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(1) :</b>	<b>6,379,143</b>	<b>26,700</b>	<b>6,405,843</b>	<b>8.37</b>	<b>7,673,740</b>	<b>22,105</b>	<b>7,695,845</b>	<b>10.05</b>	<b>1.68</b>
<b>(2)</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate	2,011,923	47,760	2,059,683	2.69	1,536,006	40,350	1,576,356	2.06	(0.63)
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹1 Lakh	8,774,381	2,108,190	10,882,571	14.21	8,173,763	1,458,860	9,632,623	12.58	(1.63)
	(ii) Individuals holding nominal share capital in excess of ₹1 Lakh	2,324,776	-	2,324,776	3.04	2,203,796	-	2,203,796	2.88	(0.10)
(c)	Others									
	I E P F	-	-	-	-	659,984	-	659,984	0.86	100
	NRI- Repatriable	1,003,124	245,165	1,248,289	1.63	900,615	198,690	1,099,305	1.44	(0.19)
	NRI- Non-Repatriable	1,013,681	-	1,013,681	1.32	1,050,684	-	1,050,684	1.37	0.05
	Overseas Corporate Bodies	-	2,030,965	2,030,965	2.65	-	2,030,965	2,030,965	2.65	-
	Trusts	10,702	-	10,702	0.01	502	-	502	-	(0.01)
(d)	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(2) :</b>	<b>15,138,587</b>	<b>4,432,080</b>	<b>19,570,667</b>	<b>25.56</b>	<b>14,525,350</b>	<b>3,728,865</b>	<b>18,254,215</b>	<b>23.84</b>	<b>(1.72)</b>
	<b>Total B=B(1)+B(2) :</b>	<b>21,517,730</b>	<b>4,458,780</b>	<b>25,976,510</b>	<b>33.92</b>	<b>22,199,090</b>	<b>3,750,970</b>	<b>25,950,060</b>	<b>33.89</b>	<b>(0.03)</b>
	<b>Total (A+B) :</b>	<b>72,118,670</b>	<b>4,458,780</b>	<b>7,657,7450</b>	<b>100.00</b>	<b>72,826,480</b>	<b>3,750,970</b>	<b>76,577,450</b>	<b>100.00</b>	<b>-</b>
<b>(C)</b>	<b>Shares held by custodians, against which Depository Receipts have been issued</b>									
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A+B+C) :</b>	<b>72,118,670</b>	<b>4,458,780</b>	<b>7,657,7450</b>	<b>100.00</b>	<b>72,826,480</b>	<b>3,750,970</b>	<b>76,577,450</b>	<b>100.00</b>	<b>-</b>

**(ii) SHAREHOLDING OF PROMOTERS**

S. No.	Name of the Promoter	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Bhoruka Finance Corporation of India Ltd.	15,904,679	20.77	-	15,904,679	20.77	-	-
2	Bhoruka International (P) Ltd	10,561,755	13.79	-	10,588,205	13.83	-	0.03
3	D P Agarwal- TCI Trading	4,974,995	6.50	-	4,974,995	6.50	-	-
4	TCI India Ltd.	4,045,564	5.28	-	4,045,564	5.28	-	-
5	TCI Global Logistics Ltd.	2,306,910	3.01	-	2,306,910	3.01	-	-
6	Mr. Chander Agarwal	2,104,262	2.75	-	2,104,262	2.75	-	-
7	Dharm Pal Agarwal-HUF	2,039,756	2.66	-	2,039,756	2.66	-	-
8	Mr. Vineet Agarwal	1,982,935	2.59	-	1,982,935	2.59	-	-
9	Mrs. Priyanka Agarwal	1,945,208	2.54	-	1,945,208	2.54	-	-
10	Mrs. Urmila Agarwal	1,850,591	2.42	-	1,850,591	2.42	-	-
11	XPS Cargo Services Ltd.	972,855	1.27	-	972,855	1.27	-	-
12	Mr. Dharmal Agarwal	828,628	1.08	-	828,628	1.08	-	-
13	Mrs. Chandrima Agarwal	741,057	0.97	-	741,057	0.97	-	-
14	TCI Exim (P) Ltd.	313,145	0.41	-	313,145	0.41	-	-
15	Vineet Agarwal- HUF	20,765	0.03	-	20,765	0.03	-	-
16	Master Vihaan Agarwal	7,000	0.01	-	7,000	0.01	-	-
17	Master Nav Agarwal	835	0.00	-	835	0.00	-	-
<b>Total</b>		<b>50,600,940</b>	<b>66.08</b>		<b>50,627,390</b>	<b>66.11</b>	-	<b>0.03</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING**

S. No.	Name of the Promoter	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
1.	<b>Bhoruka International (P) Ltd</b>				
	At the beginning of the year	10,561,755	13.79	-	-
	Bought during the year	26,450	-	10,588,205	13.83
	At the End of the year	-	-	10,588,205	13.83

Note: There was no change in promoter's shareholding other than the one mentioned hereinabove.

**(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR AND ADR:**

S. No.	Name of the Shareholder	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
1.	<b>ARCEE HOLDINGS LTD.</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	2,030,965	2.65	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	2,030,965	2.65
2.	<b>IDFC PREMIER EQUITY FUND</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	2,002,191	2.61	-	-
	Bought during the year	606,634	-	2,608,825	3.40
	Sold during the year	(202,191)	-	2,406,634	3.14
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	2,406,634	3.14
3.	<b>CANARA ROBECO MUTUAL FUND</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	1,815,953	2.37	-	-
	Bought during the year	1,214,804	-	3,030,757	3.96
	Sold during the year	(155,500)	-	2,875,257	3.75
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	2,875,257	3.75
4.	<b>SANGEETA NIRMAL BANG-HUF</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	867,921	1.13	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	867,921	1.13

S. No.	Name of the Shareholder	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>5.</b>	<b>HDFC TRUSTEE COMPANY LTD.</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	699,692	0.91		
	Bought during the year	-	-		
	Sold during the year	(473,541)	-	226,151	0.30
	Closing Balance 31 <sup>st</sup> March, 2018			226,151	0.30
<b>6.</b>	<b>MRS. SUSHMA CHAMARIA</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	674,665	0.88	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	674,665	0.88
<b>7.</b>	<b>PADMAVATI PROPERTIES &amp; TRUST PVT. LTD.</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	507,432	0.66	-	-
	Bought during the year	-	-	-	-
	Sold during the year	(31,554)	-	475,878	0.62
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	475,878	0.62
<b>8.</b>	<b>NEW HORIZON OPPORTUNITIES MASTER FUND</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	473,000	0.62	-	-
	Bought during the year	-	-	-	-
	Sold during the year	(126,000)	-	347,000	0.45
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	347,000	0.45
<b>9.</b>	<b>TATA INVESTMENT CORPORATION LTD.</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	340,128	0.44	-	-
	Bought during the year	-	-	-	-
	Sold during the year	(340,128)	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	-	-
<b>10.</b>	<b>MR. PRADEEP PHULCHAND AGARWAL</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	317,608	0.41	-	-
	Bought during the year	-	-	-	-
	Sold during the year	(99,908)	-	217,700	0.28
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	217,700	0.28

**(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

S. No.	Name of the Director/KMP	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>1.</b>	<b>MR. D P AGARWAL</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	828,628	1.08	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	828,628	1.08
<b>2.</b>	<b>MRS. URMILA AGARWAL</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	1,850,591	2.42	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	1,850,591	2.42
<b>3.</b>	<b>MR. CHANDER AGARWAL</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	2,104,262	2.75	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	2,104,262	2.75
<b>4.</b>	<b>MR. VINEET AGARWAL</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	1,982,935	2.60	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	1,982,935	2.60

S. No.	Name of the Director/KMP	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
5.	<b>MR. ISHWAR SINGH SIGAR</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	30,055	0.04	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	30,055	0.04
6.	<b>MR. JASJIT SINGH SETHI</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	47188	0.06	-	-
	Bought during the year	-	-	-	-
	Sold during the year	(1,011)	-	46,177	0.06
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	46,177	0.06
7.	<b>MR. ASHISH KUMAR TIWARI</b>				
	Opening Balance 1 <sup>st</sup> April, 2017	22,716	0.03	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	Closing Balance 31 <sup>st</sup> March, 2018	-	-	22,716	0.03

Note: Apart from above, no other Director or KMP holds any shares in the Company.

#### (VI) INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	20,851.48	19,805.74	-	40,657.22
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	95.58	-	-	95.58
<b>Total (i+ii+iii)</b>	<b>20,947.06</b>	<b>19,805.74</b>	<b>-</b>	<b>40,752.80</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	10,802.59	-	-	10,802.59
Reduction	(4,784.69)	(4,300.68)	-	(9,085.37)
Net Change	6,017.90	(4,300.68)	-	1,717.22
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	26,878.03	15,505.06	-	42,383.09
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	86.92	-	-	86.92
<b>Total (i+ii+iii)</b>	<b>26,964.95</b>	<b>15,505.06</b>	<b>-</b>	<b>42,470.01</b>

#### (VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole time director and or Manager

(₹ in Lakhs)

Particulars	Mr. D.P. Agarwal	Mr. Vineet Agarwal	Total
<b>Gross salary</b>			
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	475.00	380.00	855.00
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	16.58	10.67	27.25
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
Stock option	-	-	-
Sweat Equity	-	-	-
Commission as % of profit	297.00	150.00	447.00
Others (Gratuity & Employers' contribution to Provident Fund)	50.67	40.58	91.25
<b>Total</b>	<b>839.25</b>	<b>581.25</b>	<b>1420.50</b>
<b>Ceiling as per Companies Act, 2013</b>	<b>₹ 1504.07 Lakhs (10% of the Net Profit as computed u/s 198 of the Companies Act, 2013)</b>		

**B. Remuneration to other Directors****I. Independent Directors**

(₹ in Lakhs)

Sl. No	Particulars	Mr. S.M Datta	Mr. O Swaminatha Reddy	Mr. K.S Mehta	Mr. Ashish Bharat Ram	Mr. Vijay Sankar	Total
(a)	Fee for attending Board/Committee meetings	2.25	2.25	2.55	1.50	0.90	9.45
(b)	Commissions	6.00	6.00	6.00	6.00	6.00	30.00
	<b>Total (I)</b>	<b>8.25</b>	<b>8.25</b>	<b>8.55</b>	<b>7.50</b>	<b>6.90</b>	<b>39.45</b>

**II. Non-Executive Non Independent Directors**

Sl. No	Particular	Mrs. Urmila Agarwal	Mr. M.P Sarawagi	Mr. S.N Agarwal	Mr. Chander Agarwal	Total
(a)	Fee for attending Board/Committee meetings	-	-	-	-	-
(b)	Commission	6.00	-	6.00	6.00	18.00
	<b>Total (II)</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>	<b>6.00</b>	<b>18.00</b>

Ceiling as per Special Resolution dated 4<sup>th</sup> November, 2016 ₹ 75.20 Lakhs (0.5% of the Net Profit as computed u/s 198 of the Companies Act, 2013)

Total Managerial Remuneration (A+B)\* ₹ 1477.95 Lakhs

Overall Ceiling as per Companies Act, 2013 ₹ 1579.27 Lakhs (10.5% of the Net Profit as computed u/s 198 of the Companies Act, 2013)

\*excluding sitting fee

**C. Remuneration of Key Managerial Personnel (Other than MD/Manager/WTD)**

(₹ in Lakhs)

Particulars	Mr. Jasjit Sethi, CEO-Supply Chain Solutions	Mr. Ishwar Singh Sagar, CEO-TCI Freight	Mr. Ashish Tiwari, Group CFO	Ms. Archana Pandey, Company Secretary	Total
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	154.34	47.83	47.99	12.04	260.41
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.21	2.24	0.55	0.04	3.05
(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-
Stock option	-	-	-	-	-
Sweat Equity	-	-	-	-	-
Commission as % of profit	-	-	-	-	-
Others*	21.34	5.90	5.91	0.67	33.82
<b>Total</b>	<b>175.91</b>	<b>55.96</b>	<b>54.45</b>	<b>12.75</b>	<b>297.27</b>

\* Gratuity, employers' contribution to PF & payment of Car EMI by the Company.

**(VIII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

There were neither any penalties levied on the company nor were there any punishment/compounding of offences initiated against it under the Companies Act, 2013.



## ANNEXURE-C

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

(FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2018)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Transport Corporation of India Limited  
Flat Nos. 306 & 307, 1-8-201 to 203, 3<sup>rd</sup> Floor,  
Ashoka Bhoopal Chambers, SP Road, Secunderabad 500 003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Transport Corporation of India 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 as specified in Annexure I 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 period covered by our audit, that is to say, from April 01, 2017 to March 31, 2018 (hereinafter referred to as "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 Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
5. 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
  - c. 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;
  - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - a. The Indian Carriage of Goods by Sea Act, 1925;
  - b. The Indian Carriage of Goods by Road Act, 2007;
  - c. Motor Vehicles Act, 1988.

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

- a. Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

#### Management Responsibility:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test 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 regulation and happening of events etc;
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 procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

#### 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, agenda and detailed notes on agenda were sent at least seven days

in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.

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 that during the audit period, the Company has not incurred any specific event/ action that can have a major bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **M/s Vinod Kothari & Company**

*Company Secretaries in Practice*

**Arun Kumar Maitra**

*Partner*

Membership No: A3010

CP No.: 14490

Place: Kolkata

Date: May 05, 2018

#### ANNEXURE-I

### LIST OF DOCUMENTS

1. Corporate Matters
  - 1.1 Minutes books of the following meetings were provided in original
    - 1.1.1 Board Meeting;
    - 1.1.2 Audit Committee;
    - 1.1.3 Nomination and Remuneration Committee;
    - 1.1.4 Stakeholders Relationship Committee;
    - 1.1.5 Corporate Social Responsibility Committee;
    - 1.1.6 General Meeting;
  - 1.2 Agenda papers for Board Meeting along with Notice;
  - 1.3 Annual Report for the Financial year 2016-2017;
  - 1.4 Memorandum and Articles of Association;
  - 1.5 Disclosures under Act and Listing Regulations;
  - 1.6 Policies framed under Act and Listing Regulations;
  - 1.7 Documents pertaining to Listing Regulations compliance;
  - 1.8 Documents pertaining to proof of payment of Dividend;
  - 1.9 Register maintained under Act;
  - 1.10 Forms and returns filed with the ROC & RBI;
  - 1.11 Checklists duly filled for specific laws;
  - 1.12 Documents under SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - 1.13 Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

## Annexure - D

### ANNUAL REPORT ON CSR INITIATIVES TAKEN BY THE COMPANY

**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

As a corporate entity, the company is committed towards sustainability and to move ahead in this direction in an organized manner, the company has its duly enacted Corporate Social Responsibility Policy in place which can be accessed on the website of the Company at the weblink: <https://www.tcil.com/tcil/pdf/policies/tci-csr-policy.pdf>.

Through its societal investments, TCI concentrates on the needs of

communities residing in the areas from where it operates, taking sustainable initiatives in the areas of health, education, green preservation and community development.

In compliance with Schedule VII of the Companies Act 2013 including any statutory modification or amendment thereto, TCI acknowledges the healthcare, education, community care, sports, and research and technology development activities under its Corporate Social Responsibility. The details of CSR activities undertaken by the Company from time to time can be accessed on the website of the Company [www.tcil.com](http://www.tcil.com).

**2. The Composition of CSR Committee**

Name of the Director	Designation	Member/Chairman
Mr. Ashish Bharat Ram	Independent Director	Chairman
Mr. D.P. Agarwal	Vice Chairman & Managing Director	Member
Mrs. Urmila Agarwal	Director	Member
Mr. M P Sarawagi	Director	Member

**3. Average net profit of the company for the last three financial years:** ₹ 11,320.98 Lakhs

**4. Prescribed CSR Expenditure:** ₹ 226.42 Lakhs

**5. Details of CSR spent during the Financial Year 2017-18:**

(a)	Total Amount to be spent for the financial year	₹ 226.42 Lakhs
(b)	Total unspent, if any	None
(c)	Manner in which the amount spent during the financial year is detailed below:	

S I . No	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs. 1. Local area or other. 2. Specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto 31 <sup>st</sup> March, 2018	Amount spent: Direct or through implementing agency
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(₹ in Lakhs)

1	National Sports Development	National Sports	Establishment of sports acedamy in village Nayngal Bari, Tehsil Rajgarh , Churu (Rajasthan)	245.00	Direct	245.00	TCI Foundation, Implementing Agency
<b>TOTAL</b>				<b>245.00</b>		<b>245.00</b>	

**6. Confirmation: We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

**For Transport Corporation of India Ltd.**

Date: 16<sup>th</sup> May, 2018

**D P Agarwal**

**Ashish Bharat Ram**

Place: Gurugram

Vice Chairman and Managing Director

Chairman-CSR Committee

## Annexure E

### Statement under Section 197 (12) of the Companies Act, 2013 read with the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### I. Remuneration details of Directors and Key Managerial Personnel (KMPs)

Name of the Director	Designation	% increase in remuneration over last year	Ratio of Remuneration of Directors with Median Remuneration of employees
<b>Executive Directors</b>			
Mr. D. P. Agarwal	Vice Chairman & Managing Director	73.19	460.57
Mr. Vineet Agarwal	Managing Director	52.09	318.99
<b>Non-Executive Directors</b>			
Mr. S. M. Datta	Chairman	9.09	3.29
Mr. S. N. Agarwal	Director	9.09	3.29
Mr. O. Swaminatha Reddy	Director	9.09	3.29
Mr. K. S. Mehta	Director	9.09	3.29
Mr. Ashish Bharat Ram	Director	9.09	3.29
Mr. Vijay Sankar	Director	9.09	3.29
Mr. M. P. Sarawagi	Director	-	-
Mrs. Urmila Agarwal	Director	9.09	3.29
Mr. Chander Agarwal	Director	9.09	3.29
<b>Key Managerial Personnel (other than Executive Directors)</b>			
Mr. Ishwar Singh Sagar	CEO-TCI Freight	(46.62)*	-
Mr. Jasjit Sethi	CEO-TCI SCS	(43.42)*	-
Mr. Ashish Tiwari	Group CFO	(30.63)*	-
Ms. Archana Pandey	Company Secretary	18.10	-

\* During FY'17, one of components of the remuneration was stock options, allotted during the year. Since during FY'18, no stock options were allotted, negative growth is showing in the remuneration.

#### II. Total employees on the payroll of the Company: 4162

#### III. Percentage increase in the median remuneration of employees during FY 2017-18: 13.19

#### IV. Remuneration of Managerial Personnel Vis a Vis other employees

During the year, average percentile increase in the salary of employees other than management personnel was 13.19% as against 12.37% average percentile increase in the salary of managerial remuneration & keeping in view individual performance, business outlook, growth prospects, market trends, the increase in the remuneration of Managerial personnel is justified.

#### V. Pursuant to Rule 5(1)(xii) of the companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, it is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

# REPORT ON CORPORATE GOVERNANCE

## COMPANY'S PHILOSOPHY

The company believes that good Corporate Governance goes beyond compliance and disclosures. It is more about integrity, transparency and ethics imbibed in all decision-making activities of the management.

The Corporate Governance Philosophy of the Company is represented in the following practices adopted by the Company:

- A diversified & competent Board chaired by a learned Independent Director.
- Board's Pro-active approach towards managing & mitigating risks.
- Continuous review of Company's Policies in line with the ever-changing Corporate Environment.
- Defined Roles, Responsibilities and Accountabilities of the Board & the management.
- Diligently adhering to all Compliance requirements, with timely disclosures of material information to public at large.
- Commitment to serve the community & responsiveness towards the environment by CSR activities.

The Company has duly complied with all the applicable Corporate Governance requirements specified in Regulation 17 to 27 and Clauses

(b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) and this chapter reports the Company's compliance with the Regulation 34(3) read with Schedule V of SEBI Listing Regulations) as given below:

## 1. BOARD OF DIRECTORS

The Board of Directors hold a fiduciary position to promote the success of the Company for the benefit of its members. They are entrusted to direct, monitor and guide the Management towards such aims and intents that ensures amplification of stakeholders' worth and realize their hopes.

### A. Board Composition

The Composition of the Board of Directors of your Company is in conformity with the Companies Act, 2013 (the Act) and SEBI Listing Regulations and consists of an optimal mix of professionals, industrialists and eminent personalities, having considerable professional expertise and a wide range of experience in their areas of specialization.

As at the end of financial year, the Board comprised of 11 Directors. The position of Chairman and Managing Director are held by separate individuals, where the Chairman is a Non-Executive Independent Director.

The relevant details of the Board of Directors are given hereunder:

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended	Attendance at the last AGM held on 2 <sup>nd</sup> August, 2017	No. of Directorships <sup>1</sup>		No. of Committee positions held <sup>2</sup>	
					Public	Private	Chairman	Member
1	Mr. S M Datta	NEIC	4	Yes	9	2	1	4
2	Mr. S N Agarwal <sup>3</sup>	NED	4	Yes	6	5	-	3
3	Mr. O Swaminatha Reddy	ID	4	Yes	8	3	4	2
4	Mr. K S Mehta	ID	4	Yes	3	1	1	1
5	Mr. Ashish Bharat Ram	ID	3	No	7	5	-	1
6	Mr. Vijay Sankar <sup>4</sup>	ID	4	Yes	6	7	1	2
7	Mrs. Urmila Agarwal <sup>3</sup>	NED	4	Yes	4	-	-	-
8	Mr. D P Agarwal <sup>3</sup>	VCMD	4	Yes	6	-	-	2
9	Mr. M P Sarawagi	NED	4	Yes	3	-	-	-
10	Mr. Chander Agarwal <sup>3</sup>	NED	4	Yes	4	2	-	1
11	Mr. Vineet Agarwal <sup>3</sup>	MD	4	Yes	5	3	-	7

NEIC- Non Executive Independent Chairman, VCMD-Vice Chairman & Managing Director, NED- Non Executive Director, MD- Managing Director, ID- Independent Director

### Notes:

1. Directorship in foreign companies and companies registered under Section 8 of the Act are excluded in the above table.
2. For the purpose of reckoning the limit, membership of Audit Committee and Stakeholders' Relationship Committee has been considered.
3. Mr. D. P. Agarwal, Mrs. Urmila Agarwal, Mr. Vineet Agarwal and Mr. Chander Agarwal are related to each other and Mr. S N Agarwal is related to Mr. D P Agarwal.
4. Mr. Vijay Sankar, Independent Director, attended the meeting held on 16<sup>th</sup> May, 2017, via Video Conferencing.
5. None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees across all the Companies in which he/she is a Director.
6. None of the Independent Directors on the Board are serving as an Independent Director in more than seven listed entities.
7. Details of Directors proposed to be re-appointed are given in the notice to Annual General Meeting.
8. Brief profile of each of the above directors is available on the website of the Company [www.tcil.com](http://www.tcil.com).

## B. Board meetings

During the year under review, the Board met 04 times. The details of Board Meeting held during the year are given hereunder:

Sl. No.	Date of the Meeting	Board Strength	No. of Directors present	Place of Meeting
1	16 <sup>th</sup> May, 2017	11	11*	Gurugram
2	2 <sup>nd</sup> August, 2017	11	10	Hyderabad
3	2 <sup>nd</sup> November, 2017	11	11	Gurugram
4	8 <sup>th</sup> February, 2018	11	11	Gurugram

\*Mr. Vijay Sankar attended the meeting through video conferencing. Since the agenda of the meeting contained matters including consideration/approval of annual financial results and the Board's Report for the FY ended 31<sup>st</sup> March, 2017, special permission of the Chairman was obtained in line with SS-1 (Secretarial Standard on Meeting of the Board of Directors).

## C. Information to the Board

The Company provides information as set out in Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations to the Board and the Board Committees to the extent applicable. All matters requiring Board's approval, including statutory matters, are put up for the consideration of the Board.

The detailed agenda papers are sent to all the Board & Committee members, atleast seven days prior to the meeting in order to enable them to make an informed decision.

In line with SEBI Listing Regulations, the Audit Committee also reviews the financial statements of Indian unlisted subsidiaries. Likewise, the minutes of these subsidiaries are reviewed by the Board of Directors. The Board of Directors also review the statement of all significant transactions and arrangements entered into by the Indian Unlisted Subsidiaries, as may be applicable from time to time.

## D. Statutory Compliances

The Board periodically reviews the mechanism put in place by the management to ensure the compliances with Laws and Regulations as may be applicable to the Company as well as the steps taken by the Company to rectify the instances of non-compliances, if any.

## E. Code of Conduct for Board of Directors and Senior Management

The Company has in place a comprehensive Code of Conduct applicable to all the Board members and Senior Management employees of the Company. The Code can be accessed on the website of the Company ([www.tcil.com](http://www.tcil.com)). The Code provides guidance and support required for conducting the business ethically and within the ambit of law. The Code is circulated to all members of the Board & Senior Management and affirmations have been taken for compliance with the Code.

A declaration signed by the Managing Director to this effect is attached and forming part of this report.

## F. Separate meeting of Independent Directors

In line with the mandate given in the Act and SEBI Listing Regulations, the separate meeting of Independent Directors was held during the year, without the presence of Executive and Non-Executive Directors and the management of the Company. During the meeting, the directors discussed, among other matters, the performance of the Company and threats faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance and such other relevant matters.

## G. Board Familiarization Programme

As required under Regulation 25(7) of the SEBI Listing Regulations, the Company has a familiarization programme for the independent directors. The details of the familiarization programme are available on the Company's website at the link, <http://www.tcil.com/tcil/corporate-governance.html>.

## 2. COMMITTEES OF THE BOARD

### A. Audit Committee

The Audit Committee comprises of four members, most of whom are Independent Directors and possess financial and/or accounting knowledge. As on 31<sup>st</sup> March, 2018, the Committee comprised Mr. O Swaminatha Reddy as the Chairman and Mr. S. M. Datta, Mr. K S Mehta and Mr. S N Agarwal as the other three members.

Ms. Archana Pandey, Company Secretary acts as Secretary to the Committee.

During the year, Audit Committee met 4 times on the following dates viz. 16<sup>th</sup> May, 2017, 2<sup>nd</sup> August, 2017, 2<sup>nd</sup> November, 2017 and 8<sup>th</sup> February, 2018.

The details of the committee meetings, composition, category and attendance by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2018 are given as under:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. O. Swaminatha Reddy	NEI	Chairman	4	4
2	Mr. S. M. Datta	NEI	Member	4	4
3	Mr. K. S. Mehta	NEI	Member	4	4
4	Mr. S. N. Agarwal	NE	Member	4	4

NEI- Non-Executive Independent, NE- Non-Executive

The Chief Internal Auditor and the concerned partner of Brahmayya & Co, the Statutory Auditors are invited to the Audit Committee meetings.

The Chief Internal Auditor submits his report directly to the Audit Committee on a quarterly basis & reports directly to the Audit Committee.

The Chairman of the Audit Committee, Mr. O Swaminatha Reddy attended the last AGM held on 2<sup>nd</sup> August, 2017.

### Terms of Reference

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and the Act, which inter alia, include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, remuneration and terms of appointment of the auditors of the Company;
- Review and monitor the auditor's independence, performance and effectiveness of audit process;
- Approval of assignments and the payment thereof to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular

reference to:

- i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Modified opinion(s) in the draft audit report.
- VI. Reviewing and examining, with the management, the quarterly/ annual financial statements and the auditors' report thereon before submission to the Board for approval;
- VII. Any subsequent modification of transactions of the Company with related parties;
- VIII. Scrutiny of inter-corporate loans and investments;
- IX. Reviewing, with the management, the statement of uses/ application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document/ 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;
- X. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal financial control systems and risk management systems;
- XI. Reviewing the adequacy of the internal audit function, if any, 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;
- XII. Discussion with internal auditors on any significant findings and follow up thereon;
- XIII. Reviewing 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;
- XIV. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- XV. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XVI. Valuation of undertakings or assets of the Company, wherever it is necessary;
- XVII. To review the functioning of the Whistle Blower mechanism/vigil mechanism, and address genuine concerns;
- XVIII. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate;
- XIX. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

XX. The Audit Committee mandatorily reviews the following information:

- i. Management discussion and analysis of the financial conditions and results of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management, and any modification of the transactions;
- iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses;
- v. Reviewing the appointment, removal and terms of remuneration of the Internal Auditor;
- vi. Monitoring the end use of funds raised through public offers and related matters;
- vii. Inter-corporate loans and investments; &

XXI. Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

## B. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of three members, majority of whom are Non-Executive Directors. As on 31<sup>st</sup> March, 2018, the Committee comprised Mr. K S Mehta as the Chairman and Mr. S N Agarwal & Mr. Vineet Agarwal as the other two members.

During the year, Stakeholders' Relationship Committee met 4 times on the following dates viz. 16<sup>th</sup> May, 2017, 2<sup>nd</sup> August, 2017, 2<sup>nd</sup> November, 2017 and 8<sup>th</sup> February, 2018.

The details of the Committee meetings, composition, category and attendance by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2018 are given as under:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. K. S. Mehta	NEI	Chairman	04	04
2	Mr. S. N. Agarwal	NE	Member	04	04
3	Mr. Vineet Agarwal	E	Member	04	04

NEI- Non-Executive Independent, NE- Non-Executive, E- Executive

Ms. Archana Pandey, Company Secretary is the Compliance Officer of the Company.

## Details of shareholders' complaints received, resolved and pending as on 31<sup>st</sup> March, 2018.

During the year, only one complaint was received which was resolved promptly. Thus, as on 31<sup>st</sup> March, 2018 there were no complaints pending against the Company.

## Terms of Reference

- I. Review of statutory compliances relating to shareholders;
- II. Consider and resolve the grievances of shareholders of the company including complaints related to transfer of securities, non-receipt of annual report/ dividends/notices etc;
- III. Oversight of compliances in respect of dividend payments;
- IV. Review of transfer of unclaimed dividends and shares to the Investor Education & Protection Fund (IEPF);
- V. Oversight and review of all matters related to the transfer of shares of the company;

- VI. Approval of issue of duplicate certificates of the company;
- VII. Review of movements in shareholding structure of the company;
- VIII. Ensuring setting of proper controls and oversight of performance of the Registrar & Share Transfer Agent;
- IX. Recommendation of measures for overall improvement of the quality of investor services; &
- X. Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

#### C. Compensation/ Nomination & Remuneration Committee

The Compensation/Nomination & Remuneration Committee comprises of four members, all of them being Non-Executive Directors. As on 31<sup>st</sup> March, 2018, the Committee comprised of Mr. Ashish Bharat Ram as the Chairman and Mr. SM Datta, Mr. O Swaminatha Reddy and Mr. M P Sarawagi as the other three members.

During the year, Compensation/ Nomination & Remuneration Committee met 2 times on the following dates viz. 16<sup>th</sup> May, 2017 and 8<sup>th</sup> February, 2018.

The details of the Committee meetings, composition, category and attendance by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2018 are given as under:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. Ashish Bharat Ram	NEI	Chairman	02	02
2	Mr. S M Datta	NEI	Member	02	02
3	Mr. O. Swaminatha Reddy	NEI	Member	02	02
4	Mr. M.P. Sarawagi	NE	Member	02	02

NEI- Non-Executive Independent, NE- Non-Executive

#### Terms of Reference

- I. Identification and recommendation to the Board of persons who are qualified to become Directors & KMP in accordance with the criteria laid down;
- II. Considering recommendations of the KMPs w.r.t. appointment & removal of SMPs in accordance with the criteria laid down and forwarding their recommendations to the Board accordingly;
- III. Assist the Board in ensuring that plans are in place for orderly succession for appointment to the Board & Senior Management;
- IV. Ensure that the Board is balanced & follows a diversity policy in order to bring in professional experience in different areas of operations, transparency, corporate governance & financial management etc;
- V. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- VI. Formulation of evaluation criteria for Independent/ Non-Independent/Executive Directors & the Board as a whole & KMPs,
- VII. Ensure that directors are inducted through suitable familiarization process & that proper & regular training is given to Independent Directors to update & refresh their skills, knowledge and familiarity with the Company;
- VIII. Formulation & supervision of the Remuneration Policy of the Company;

- IX. Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI rules, regulations and Guidelines; &
- X. Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

#### Nomination & Remuneration Policy

The Nomination and Remuneration Policy has been formulated, approved and implemented by the Compensation/ Nomination and Remuneration Committee of the Company and is applicable on the following:

- I. Directors (Executive and Non-Executive);
- II. Key Managerial Personnel (KMPs);
- III. Senior Management Personnel (SMPs); &
- IV. Other employees of the Company.

The remuneration policy of the Company is aimed at rewarding the performance, based on review of accomplishments on a regular basis and is in consonance with the prevailing industry practices.

#### The Policy inter-alia includes the following:

- I. The appointment and removal criteria and process of Directors, KMPs, SMPs and other employees.
- II. Code of conduct for Directors/KMPs and SMPs.
- III. Training/familiarization programme for Independent Directors.
- IV. Evaluation mechanism for Directors, KMPs, SMPs and other employees.
- V. Remuneration structure and payments.
- VI. Succession planning.
- VII. Board Diversity.

#### Performance Evaluation Criteria of Independent Directors

The performance evaluation criteria for independent directors is determined by the Compensation/ Nomination and Remuneration Committee. An indicative list of factors that may be assessed comprise of contribution and involvement of a director, commitment, integrity and maintenance of confidentiality and independence of conduct and judgment.

#### Remuneration to Non-Executive Directors

The Non-Executive Directors are remunerated by way of sitting fee and profit linked commission, based upon the criteria laid down by the Compensation/ Nomination and Remuneration Committee. The limit of profit linked commission is determined by the shareholders of the Company basis recommendations of the Compensation/ Nomination and Remuneration Committee and the Board of Directors.

#### Remuneration to Executive Directors

The Executive Directors are remunerated by way of salary and profit linked commission, based upon the criteria laid down by the Compensation/ Nomination and Remuneration Committee. The Executive Directors are appointed for a period of upto 05 years wherein their remuneration limits are also defined within which the Board of Directors/ Compensation/ Nomination and Remuneration Committee has the power to decide the remuneration for each year.



**Details of Remuneration paid to Directors for the Financial Year ended 31<sup>st</sup> March 2018**

(₹ in Lakhs except as stated)

Sl. No.	Name of the Director	Salary	Perks & allowances <sup>1</sup>	Commission	Sitting Fee#	Total	No. of equity shares Held
1	Mr. S M Datta	-	-	6.00	2.25	8.25	-
2	Mr. S N Agarwal <sup>2</sup>	-	-	6.00	-	6.00	930*
3	Mr. O Swaminatha Reddy	-	-	6.00	2.25	8.25	-
4	Mr. K S Mehta	-	-	6.00	2.55	8.55	-
5	Mr. Ashish Bharat Ram	-	-	6.00	1.50	7.50	-
6	Mr. Vijay Sankar	-	-	6.00	0.90	6.90	-
7	Mrs. Urmila Agarwal <sup>2</sup>	-	-	6.00	-	6.00	1,850,591
8	Mr. D P Agarwal	475.00	67.25	297.00	-	839.25	828,628
9	Mr. M P Sarawagi <sup>2</sup>	-	-	-	-	-	10,930*
10	Mr. Chander Agarwal	-	-	6.00	-	6.00	2,104,262
11	Mr. Vineet Agarwal	380.00	51.25	150.00	-	581.25	1,982,935

\*Shares held through Relatives #Includes sitting fee for Board &amp; Committee Meetings

**Notes:**

- Perquisites include Company's contribution to provident fund, medical, leave travel allowance, special allowance, etc. as well as monetary value of perquisites as per Income Tax Rules in accordance with Executive Director's contracts with the Company.
- Mr. S N Agarwal and Mrs. Urmila Agarwal did not accept any sitting fees while Mr. M P Sarawagi has elected neither to take any sitting fee nor commission.
- No executive director has been granted stock options.
- None of the Non-Executive Directors has any financial association or transactions with the Company other than receipt of sitting fees or commission. However, the Company is paying fees to a firm of legal consultants of which a Non-Executive Director is a proprietor / partner.

**D. Corporate Social Responsibility Committee**

The Corporate Social Responsibility (CSR) Committee comprises four members, majority of them being Non-Executive Directors. As on 31<sup>st</sup> March, 2018, the Committee comprised of Mr. Ashish Bharat Ram as the Chairman and Mr. D P Agarwal, Mrs. Urmila Agarwal and Mr. M P Sarawagi as the other three members.

During the year, Corporate Social Responsibility Committee met once on 16<sup>th</sup> May, 2017.

The details of the Committee meetings, Composition, Category and attendance by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2018 are given as under:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. Ashish Bharat Ram	NEI	Chairman	01	01
2	Mr. D P Agarwal	E	Member	01	01
3	Mrs. Urmila Agarwal	NE	Member	01	01
4	Mr. M P Sarawagi	NE	Member	01	01

NEI- Non-Executive Independent, NE- Non-Executive, E- Executive

**Terms of Reference**

- Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company in compliance with provisions of the Act and the rules made thereunder;
- Recommending the amount of expenditure to be incurred on CSR activities of the Company;
- Approve the list of CSR projects/programmes which the Company plans to undertake during the year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same.

- Overseeing the implementation of CSR activities and projects;
- Monitoring implementation of CSR Policy of the Company from time to time;
- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

**E. Share Transfer Committee**

The Share Transfer Committee comprises of 03 members. As on 31<sup>st</sup> March, 2018, the Committee comprised Mr. D P Agarwal as the Chairman and Mr. Vineet Agarwal and Mr. M P Sarawagi as the other two members.

The meetings of Share Transfer Committee are held thrice every month in order to dispose off the requests received from the shareholders.

**Terms of reference**

- Transfer/ transmission of shares and such other securities as may be issued by the Company;
- Approval and monitoring dematerialization of shares/ other securities;
- Issue of duplicate share certificates and other securities reported lost, defaced or destroyed;
- Issue new certificates against subdivision/ split of shares;
- Allotment of shares pursuant to exercise of options under Employee Stock Option Scheme of the Company; &
- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

**F. Finance Committee**

The Finance Committee comprises five members, majority of them being Non-Executive Directors. As on 31<sup>st</sup> March, 2018, the Committee comprised Mr. S N Agarwal as the Chairman and Mr. O Swaminatha Reddy, Mr. K S Mehta, Mr. D P Agarwal and Mr. Vineet Agarwal as the other four members.

The meetings of Finance Committee are held, as and when required, as per the requirement of the Company.

## Terms of Reference

- I. Formulation and recommending to the Board the financial policies of the Company;
- II. To approve opening and operation of bank accounts;
- III. Execution of the power of attorneys;
- IV. To authorize officers of the Company in the matter of availment of secured and unsecured loans etc; &
- V. Carry out any other function as directed by the Board from time to time.

## G. Corporate & Restructuring Committee

The Corporate & Restructuring Committee comprises of four members. As on 31<sup>st</sup> March, 2018, the Committee comprised of Mr. K S Mehta as the Chairman and Mr. Ashish Bharat Ram, Mr. Vineet Agarwal and Mr. Chander Agarwal as the other three members.

The meetings of Corporate & Restructuring Committee are held, as and when required, as per the requirement of the Company.

## Terms of reference

- I. Evaluation and finalization of different options for restructuring the Company considering divisions of the Company holding diverse business portfolio including restructuring of the overseas structure;
- II. Evaluation & finalization of equity fund raising options available to the company;
- III. Appointment of consultants, lawyers, merchant bankers, valuers as may be necessary from time to time; &
- IV. Such other matters as may be necessary or incidental thereof.

## 3. MANAGEMENT

### Management Discussion and Analysis Report

Management Discussion and Analysis is given in a separate section forming part of this Annual Report.

## 4. DISCLOSURES

### a. Related Party Transactions

During the year, there were no transactions with related party(ies) which were not at arm's length or materially significant or which were in conflict with the interests of the Company and that require an approval of the Company's shareholders in terms of the SEBI Listing Regulations. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

The Audit Committee grants prior approval for all the related party transactions. In case of exigencies between two Audit Committee meetings, the approval of the Audit Committee is sought by way of circular resolution. The Audit Committee reviews on quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the approvals given.

Wherever required, the Audit Committee reports the related party transaction for the approval of the Board. The Board, if deemed fit, refers the matter to shareholder for their approval.

The Policy of the Company on Related Party Transactions may be accessed on the website of the Company at the link <http://cdn.tcil.in/website/tcil/policies/final-rpt-policy-tci.pdf>.

### b. Whistle Blower Mechanism

The Company has a structured Vigil Mechanism via Whistle Blower Policy for reporting of instances of alleged wrongful conduct including instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

Through this Policy, the Company seeks to provide a procedure for all the employees and Directors of the Company to report concerns about unethical and improper practice taking place in the Company and provide for adequate safeguards against victimization of Director(s)/ employee(s) who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee, in exceptional cases. No personnel have been denied access to the Audit Committee.

The policy can be accessed on the website of the Company at <http://cdn.tcil.in/website/tcil/policies/whistle-blowe-policy.pdf>.

### c. Code of conduct on Insider Trading

Code of Conduct for Prevention of Insider Trading of the Company, as approved by the Board of Directors, inter alia, forbids dealing in securities of the Company by Directors, Designated Employees and other employees while in possession of unpublished price sensitive information in relation to the Company.

The Code can be accessed on the website of the Company at <http://cdn.tcil.in/website/tcil/policies/code-of-fair.pdf>.

### d. Disclosure of Accounting Treatment

While in the preparation of financial statements, the treatment that has been prescribed in the Indian Accounting Standards has been followed to represent the facts in the financial statement in a true and fair manner.

### e. Compliances by the Company

No non-compliance notice has been issued and no penalties or strictures have been imposed on the Company by SEBI, any stock exchange or any statutory authority on any matter related to capital markets during the last three years.

However, in compliance with the SEBI circular dated 30<sup>th</sup> November 2015, the Company has paid, during the financial year 2016-17, the specified fines imposed by the Stock Exchanges for the delay in the filing of Annual Accounts with the Stock Exchanges for financial year 2015-16.

### f. Subsidiary Companies

In line with the SEBI Listing Regulations, the Audit Committee reviews the financial statements of the Indian subsidiaries of the Company. The minutes of the board meetings, alongwith a report on significant developments of the unlisted subsidiary companies, are periodically placed before the Board of Directors of the Company.

During the year under review, the Company did not have any material subsidiary as defined under the SEBI Listing Regulations. The policy of the Company for determining 'material subsidiaries' is disclosed on the website of the Company at <http://cdn.tcil.in/website/tcil/policies/material-subsidiary-policy-tci.pdf>.

### g. Periodical Reporting of Compliances to Board of Directors

The Company has complied with all applicable mandatory requirements as required under the SEBI Listing Regulations. A report on the compliances with respect to all the laws applicable on the Company is placed before the Board on periodical basis for its review and consideration.

### h. Risk Management

The Company has established a well-documented and robust risk management framework. Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are systematically categorized under various categories. The details of risk management are given in a separate section and forming part of this Annual Report.

### i. CEO/CFO Certification

As required under the SEBI Listing Regulations, Managing Director and the Group CFO of the Company have submitted a Compliance Certificate for the Financial Year ended 31<sup>st</sup> March, 2018, which is annexed to this Report.

### j. Discretionary Requirements

The Company has fulfilled following non-mandatory requirements:

- i. The positions of the Chairman of the Board of Directors of the Company and the Managing Director are separate.
- ii. The Auditors' Report on statutory financial statements of the Company is unqualified.
- iii. The Internal Auditor of the Company reports directly to the Audit Committee.

## 5. GENERAL SHAREHOLDER INFORMATION

### a. Last 03 Annual General Meetings Details

Financial Year	Day, Date and time	Venue	Whether Special Resolution passed
2016-17	Wednesday, 2 <sup>nd</sup> August, 2017 at 10.00 a.m.	Salon II & III, Basement 1, Park Hyatt Hyderabad, Road No 2, Banjara Hills, Hyderabad- 500034, Telangana	Yes
2015-16	Friday, 4 <sup>th</sup> November, 2016, 12.30 p.m.	Emerald II, H-Floor, Hotel Taj Krishna, Road No. 1, Banjara Hills, Hyderabad- 500 034, Telangana	Yes
2014-15	Saturday 1 <sup>st</sup> August, 2015, 12.00 Noon	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, 3 <sup>rd</sup> Floor, Federation House, 11- 6- 841, FAPCCI Marg, Hyderabad- 500 004, Telangana	Yes

### b. Postal Ballot

No resolution was required to be passed through postal ballot during the year under review.

### c. 23<sup>rd</sup> Annual General Meeting

<b>Day, Date &amp; Time</b>	Thursday, 2 <sup>nd</sup> August, 2018, 10.00 a.m.
<b>Venue</b>	The Drawing Room, Basement 1, Park Hyatt, Hyderabad, Road No. 2, Banjara Hills, Hyderabad-500034, Telangana.

### d. Book Closure Dates (both days inclusive)

From	To
Saturday, 28 <sup>th</sup> July, 2018	Thursday, 2 <sup>nd</sup> August, 2018

### e. Equity Listing Details

<b>Listed on</b>	National Stock Exchange of India Ltd. (NSE) BSE Ltd. (BSE)	
<b>Listing Fee</b>	Annual Listing Fee has been duly paid to both the stock exchanges	
<b>Custodian Fee</b>	Annual Custodian Fee has been duly paid to both the depositories	
<b>Corporate Identification Number (CIN)</b>	L70109TG1995PLC019116	
<b>Stock Code</b>	NSE	TCI
	BSE	532349
<b>Demat ISIN with NSDL &amp; CDSL</b>	INE688A01022	

### f. Dividend details

Details of dividend paid during the year are disclosed in the Board's Report. The Board of Directors have not recommended any final dividend for FY 2017-18.

### g. Financial Calendar 2018-19 (Tentative)

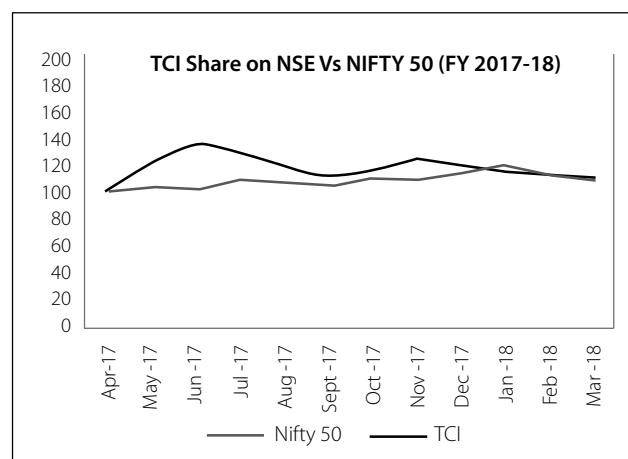
1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June, 2018	On or before 14 <sup>th</sup> August, 2018
2 <sup>nd</sup> Quarter/Half Year ending 30 <sup>th</sup> September, 2018	On or before 14 <sup>th</sup> November, 2018
3 <sup>rd</sup> Quarter/Nine Months ending 31 <sup>st</sup> December, 2018	On or before 14 <sup>th</sup> February, 2019
4 <sup>th</sup> Quarter/FY ending 31 <sup>st</sup> March, 2019	On or before 30 <sup>th</sup> May, 2019

### h. Means Of Communication

Financial Results	The Company's Quarterly/Half-Yearly/Annual Results are intimated to stock exchanges and are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in Hindu Business Line (All editions) (the English newspaper circulating in the whole or substantially the whole of India) and in Nitidinpatrika Surya (the Vernacular newspaper of the State of Telangana) where the registered office of the Company is situated. The results are also posted on the website of the Company.
Website	The 'Investors Relation' section on the Company's website provides the shareholders information pertaining to financial results, annual reports, shareholding patterns, official news releases, financial analysis reports, schedule of analyst meet, Notices and other general information about the Company.
News Release	The official news releases are sent to the stock exchanges and simultaneously displayed on the Company's website.
Investor Presentations	The schedule of analyst/institutional investor meets and presentations made to them are sent to stock exchanges and simultaneously are also displayed on the Company's website.
Annual Report	The Company sends Annual Reports by Email to those shareholders whose Email IDs are registered with the Company. Physical copies are sent to those shareholders whose Email IDs are not registered.
NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre	All filings with the stock exchanges are done on NEAPS for NSE and BSE Listing Portal for BSE.

**i. Market Price Data and Performance in Comparison to broad-based indices**

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
April, 2017	245.70	228.10	245.00	224.00
May, 2017	308.00	240.40	309.40	240.05
Jun, 2017	334.85	285.00	334.50	285.00
July, 2017	349.00	308.25	349.65	308.00
August, 2017	318.00	261.00	317.85	261.15
September, 2017	314.70	256.00	314.75	257.15
October, 2017	293.90	257.65	293.45	258.30
November, 2017	318.00	262.40	314.65	265.00
December, 2017	311.45	275.75	311.05	278.80
January, 2018	305.90	272.10	306.50	272.00
February, 2018	301.00	244.95	300.50	247.65
March, 2018	282.00	250.00	281.10	250.00



**j. Distribution of Shareholding as on 31<sup>st</sup> March, 2018**

No. of Equity Shares	No. of Shareholders	% of Shareholders	Amount	%age of Amount
1-5000	31,921	97.79	14,149,124	9.24
5001- 10000	360	1.10	2,597,856	1.70
10001- 20000	182	0.56	2,628,072	1.72
20001- 30000	49	0.15	1,240,350	0.81
30001- 40000	29	0.09	1,032,496	0.67
40001- 50000	12	0.04	546,110	0.36
50001- 100000	38	0.12	2,677,526	1.75
100001 & Above	50	0.15	128,283,366	83.76
<b>Total</b>	<b>32,641</b>	<b>100.00</b>	<b>153,154,900</b>	<b>100.00</b>

**k. Shareholding Pattern as on 31<sup>st</sup> March, 2018**

Sl. No.	Category	No. of shareholders	No. of shares held	%age of shares held
<b>A</b>	<b>Promoters and Promoters Group</b>	17	50,627,390	66.11
<b>B</b>	<b>Public Shareholding</b>			
I	Mutual Funds	5	5,729,799	7.48
II	Alternate Investment Funds	1	121,788	0.16
III	Foreign Portfolio Investors	29	1,791,437	2.34
IV	Financial Institutions/Banks	7	49,976	0.07
V	Foreign Institutional Investors	2	2,845	0.00
VI	Overseas Corporate Bodies	1	2,030,965	2.65
VII	Indian Public	30,013	11,763,362	15.36
VIII	NBFCs Registered with RBI	5	26,645	0.03
IX	Trusts	2	502	0.00
X	Non Resident Indians	1,646	2,149,989	2.81
XI	Clearing Members	52	73,057	0.10
XII	Body Corporates	337	1,549,711	2.02
XIII	Investor Education & Protection Fund	1	659,984	0.86
	<b>Total</b>	<b>32,118</b>	<b>76,577,450</b>	<b>100.00</b>

Note: the folios have been consolidated basis PAN numbers.

**l. Dematerialization and Liquidity**

As on March 31, 2018, 72,826,480 Equity Shares representing 95.10% of the total Equity Share capital of the Company, were held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2018, is given below:

Particulars	No. of Shares	% to Share Capital
Shares in Demat Form held with NSDL	69,500,022	90.76%
Shares in Demat Form held with CDSL	3,326,458	4.34%
Shares in Physical Form	3,750,970	4.90%
<b>Total</b>	<b>7,65,77,450</b>	<b>100%</b>

**m. Outstanding GDR/Warrants and Convertible Notes, Conversion date and likely impact on the equity**

The Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments apart from stock options, details of which are given in the Board's Report and hence, as on 31<sup>st</sup> March, 2018, the Company does not have any outstanding GDRs / ADRs / Warrants or convertible instruments.

**n. Share Transfer System**

The Company's share transfer authority supervises Share Transfer Process. The Committee attends the share transfer formalities thrice a month to expedite all relevant matters. The share certificate received by the Company/ RTA for registration of transfers, are processed by RTA and transferred expeditiously.

A summary of approved transfers, transmissions, deletion requests, etc. are placed before the Board of Directors from time to time as per the SEBI Listing Regulations. As per the requirements of Regulation 7 of SEBI Listing Regulations, the Company has obtained half yearly certificates from Compliance Officer and authorised representative of share transfer agent for due compliance of share transfer formalities.

**o. Reconciliation of Share Capital Audit**

An experienced practicing Company Secretary carries out quarterly audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital.

The audits confirm that the total issued/paid-up equity share capital is in agreement with the total number of equity shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**p. Unclaimed Dividends/Shares Details**

Under the Act, dividends which remain unclaimed for a period of seven years are required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government. Further, the shareholders whose dividends remain unclaimed for a consecutive period of seven years, their underlying shares also stand liable to be transferred to IEPF.

**i. Details of dividend amounts transferred to IEPF during FY 2017-18**

Dividend A/c	Amount (In ₹)	Date of Transfer
TCI Unpaid Dividend A/c 2009-10 Final	464,964	7 <sup>th</sup> September, 2017
TCI Unpaid Dividend A/c 2010-11 Interim	489,564	7 <sup>th</sup> March, 2018

**ii. Details of Equity Shares transferred to IEPF during FY 2017-18**

Dividend A/c	No. of Shares	Date of Transfer
Unclaimed shares pertaining to FY 2009-10 (Final)	608,553	23 <sup>rd</sup> December, 2017
Unclaimed shares pertaining to FY 2010-11 (Interim)	51,431	23 <sup>rd</sup> March, 2018

**iii. Details of dividends due for transfer to IEPF**

Year	Nature of Dividend	Date of Declaration	Due Date for Transfer to IEPF
2010-11	Final	28 <sup>th</sup> July, 2011	2 <sup>nd</sup> September, 2018
2011-12	Interim	2 <sup>nd</sup> February, 2012	9 <sup>th</sup> March, 2019
2011-12	Final	26 <sup>th</sup> July, 2012	31 <sup>st</sup> August, 2019
2012-13	Interim	29 <sup>th</sup> January, 2013	6 <sup>th</sup> March, 2020
2012-13	Final	25 <sup>th</sup> July, 2013	30 <sup>th</sup> August, 2020
2013-14	Interim	28 <sup>th</sup> January, 2014	5 <sup>th</sup> March, 2021
2013-14	Final	23 <sup>rd</sup> July, 2014	28 <sup>th</sup> August, 2021
2014-15	Interim	29 <sup>th</sup> January, 2015	6 <sup>th</sup> March, 2022
2014-15	Final	1 <sup>st</sup> August, 2015	6 <sup>th</sup> September, 2022
2015-16	1 <sup>st</sup> Interim	1 <sup>st</sup> February, 2016	9 <sup>th</sup> March, 2023
2015-16	2 <sup>nd</sup> Interim	15 <sup>th</sup> March, 2016	21 <sup>st</sup> April, 2023
2016-17	1 <sup>st</sup> Interim	4 <sup>th</sup> November, 2016	11 <sup>th</sup> December, 2023
2016-17	2 <sup>nd</sup> Interim	2 <sup>nd</sup> February, 2017	10 <sup>th</sup> March, 2024
2017-18	1 <sup>st</sup> Interim	2 <sup>nd</sup> November, 2017	8 <sup>th</sup> December, 2024
2017-18	2 <sup>nd</sup> Interim	8 <sup>th</sup> February, 2018	16 <sup>th</sup> March, 2025

**q. Commodity price risk or foreign exchange risk and hedging activities**

The Company does not hedge foreign exchange risk as the exposure is not material.

**r. Plant Locations**

Since the Company operates in service sector, we do not have any manufacturing facility.

**s. Address for Correspondence**

**i. Corporate Office**

Ms. Archana Pandey, Company Secretary, Transport Corporation of India Ltd., TCI House, 69, Institutional Area, Sector 32, Gurugram,

Haryana -122001, Tel: 0124 - 2381603-07, E-Mail: [secretarial@tcil.com](mailto:secretarial@tcil.com), Website: [www.tcil.com](http://www.tcil.com)

**ii. Registered Office**

Ms. Archana Pandey, Company Secretary, Transport Corporation of India Ltd., Flat Nos. 306 & 307, 1-8-201 to 203, 3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad-500003, Phone: +91 40 2784-0104

**iii. Registrar & Share Transfer Agent**

Unit: Transport Corporation of India Ltd., Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot number 31 & 32, Financial District Gachibowli, Hyderabad 500 032, Tel: +91 040 67161524, Email: [rajeev.kr@karvy.com](mailto:rajeev.kr@karvy.com), Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

## DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31<sup>st</sup> March, 2018.

Place: Gurugram  
 Date: 16<sup>th</sup> May, 2018

For Transport Corporation of India Ltd

**Vineet Agarwal**  
 Managing Director

# CEO/CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Transport Corporation of India Limited ("the Company"), to the best of our knowledge and belief certify that:

- i. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2018 and that to the best of our knowledge and belief, we state that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. 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.
- ii. We further state that to the best of our knowledge and belief, no transactions have been entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

- iii. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- iv. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes, if any, in internal control over financial reporting during the year;
  - b. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Gurugram

Date: 16<sup>th</sup> May, 2018

For Transport Corporation of India Ltd.

**Vineet Agarwal**

*Managing Director*

**Ashish Tiwari**

*Group CFO*

# INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

## **The Members of Transport Corporation of India Limited**

1. We, Brahmayya & Co., Chartered Accountant, the Statutory Auditors of **Transport Corporation of India Limited** ('the Company'), have examined the compliance conditions of corporate governance by the Company for the year ended 31<sup>st</sup> March 2018 as stipulated in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraph C and D of Schedule V of Securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('SEBI Listing Regulation').

## **Management's Responsibility**

2. The compliance of condition of corporate governance is the responsibility of management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in SEBI Listing Regulations.

## **Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the condition of corporate governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

4. We have examined the relevant records of the company in accordance with applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by Institute of Chartered Accountants India (ICAI) and Guidance note on Reports or Certificates for Special Purposes issued by ICAI which requires that we comply with the ethical requirement of Code of Ethics of ICAI issued by ICAI, for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirement of the Company.
5. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagement.

## **Opinion**

6. Based on our examination of relevant records and according to the information and explanations provided by the management, we certify that the Company has complied with the condition of corporate governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulation during the year ended 31<sup>st</sup> March 2018.
7. We state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s Brahmayya & Co**

*Chartered Accountants*

Firm Registration No: 000511S

**Lokesh Vasudevan**

*(Partner)*

Membership No.- 222320

Place: Gurugram

Date: 16<sup>th</sup> May, 2018

# Independent Auditor's Report

To  
The Members of  
**Transport Corporation of India Limited**

## Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Transport Corporation of India Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility for the Standalone Financial Statements

Our responsibility is to express an opinion on these standalone 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 of the standalone financial statements 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 standalone 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 standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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<sup>st</sup> March 2018 and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Other Matters

1. The standalone financial statements for the year ended 31<sup>st</sup> March 2017, were audited by R.S. Agarwala & Co., Chartered Accountants, who have issued unmodified opinion, vide report dated 16<sup>th</sup> May 2017. This report has been furnished to us by the management, which has been relied upon by us for the purpose of audit of this standalone financial statements.
2. We did not audit the financial statements of one branch included in the standalone financial statements. The financial statements of the branch have been audited by other auditor whose report has been furnished to us by the management and our opinion on the standalone financial statements, to the extent derived from such financial statements is based solely on the report of such other auditor.

Our opinion is not qualified in the respect of the above matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. 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 report on the accounts of one branch of the Company audited under section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with in preparing this report.
  - d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity and the

Branch's Financial Statements dealt with by this Report are in agreement with the books of account.

- e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
- f) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 40 to the standalone financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2018.

For **Brahmayya & Co.,**  
*Chartered Accountants*  
Firm's Regn No. 000511S

Place: Gurugram  
Date : 16<sup>th</sup> May 2018

**Lokesh Vasudevan**  
*(Partner)*  
Membership No. 222320



## Annexure A to the Independent Auditor's Report

Referred to in Clause 1 of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditor's Report of even date to the members of Transport Corporation of India Limited on the Standalone Financial Statements as of and for the year ended 31<sup>st</sup> March 2018.

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed asset.
- b) We are informed that a test of physical verification of these assets was carried out by the management at reasonable intervals and no material discrepancies were noticed. In our Opinion, the frequency of verification of Fixed Assets is reasonable having regards to the size of the Company and nature of its assets.
- c) The titles deeds of all the immovable properties, as disclosed in the standalone financial statements, are held in the name of the Company except in respect of Buildings, amounting to ₹ 40.81 lakhs situated at Secunderabad and Kolhapur, whose mutation in the records of the revenue authority is pending.
- (ii) The management has conducted physical verification of inventory at reasonable interval during the year and no material discrepancies were noticed on physical verification of inventory.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the

Companies Act, 2013. Therefore, the provisions of Clause (iii), (iii)(a), (iii)(b) and (iii)(c) of Paragraph 3 of the order are not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and Section 186 to the extent applicable with respect to security, guarantee given and investments made.
- (v) The Company has not accepted any deposits from the public, therefore the provisions of Clause (v) is not applicable on the Company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, custom duty, excise duty, value added tax, goods and services tax, cess and any other statutory dues to the appropriate authorities. There are no outstanding undisputed statutory dues on the last day of the financial year concerned for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax or sales tax or service tax or excise duty or value added tax or goods and services tax or cess or employees' state insurance as at 31<sup>st</sup> March 2018 which have not been deposited on account of any dispute are as under:

Nature of the Statute	Nature of the dues	Amount (₹ In Lakhs)	Period to which amount relates	Forum where dispute is pending
Sales Tax Act, Various States	Trade Tax	231.29	FY 2003-04 to 2016-17	Various Authority
Employee's State Insurance, 1948	Employee's State Insurance	20.98	FY 2011-12	Supreme Court
Central Excise Act, 1944	Excise Duty	5.00	FY 2017-18	Central Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	11.82	FY 2009-10	Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	10.00	FY 2011-12	Deputy Commissioner of Central Excise
Entry Tax Act, 2001	Entry Tax	85.00	FY 2017-18	Deputy Commissioner of Entry Tax, Appeal-2, Ahmedabad
The Bombay Stamp Act, 1958	Stamp Duty	39.69	FY 1993-94	Chief Controlling Revenue Authority, Gandhinagar, Gujarat

- viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institutions or bank or Government during the year. The Company has not issued any debentures during the year.
- ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the current year and the term loans during the year were applied for the purpose for which they were raised.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the management during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly the provision of Clause 3(xii) of Paragraph 3 of the order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records, transactions with related parties, prima facie are in compliance with the provisions of Section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with directors. Accordingly, the provision of Clause 3 (xv) of Paragraph 3 of the order is not applicable.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provision of Clause 3(xvi) of Paragraph 3 of the order is not applicable.

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**  
(Partner)  
Membership No. 222320

Place: Gurugram  
Date : 16<sup>th</sup> May 2018

# Annexure B to the Independent Auditor's Report

## 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 **Transport Corporation of India Limited** ("the Company") as of 31<sup>st</sup> March 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 "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" as issued by The Institute of Chartered Accountants of India (ICAI). 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 for Internal Financial Controls

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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 controls 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 controls 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 controls, 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 31<sup>st</sup> March 2018, based on "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" as issued by The Institute of Chartered Accountants of India.

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**  
(Partner)  
Membership No. 222320

Place: Gurugram  
Date : 16<sup>th</sup> May 2018

# Balance Sheet as at 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	Note No.	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>I. Assets</b>			
<b>1. Non-Current Assets</b>			
a) Property, Plant and Equipment	3	62,301.40	53,184.03
b) Capital Work-in-Progress	3A	5,632.38	5,680.92
c) Other Intangible Assets	4	56.70	67.73
d) Financial Assets			
i) Investments	5	3,128.67	2,977.72
ii) Loans	6	1,061.57	1,001.99
iii) Other Financial Assets	7	295.95	261.39
e) Other Non-Current Assets	8	3,135.07	5,558.76
<b>Total Non-Current Assets</b>		<b>75,611.74</b>	<b>68,732.54</b>
<b>2. Current Assets</b>			
a) Inventories	9	331.12	250.67
b) Financial Assets			
i) Trade Receivables	10	38,967.25	33,164.63
ii) Cash and Cash Equivalents	11	1,143.70	1,717.64
iii) Other Bank Balances	11	152.64	122.99
iv) Loans	6	1,255.44	1,072.30
v) Other Financial Assets	7	73.99	56.71
c) Current Tax Assets (Net)	12	3,542.15	2,296.07
d) Other Current Assets	8	6,677.88	5,763.46
<b>Total Current Assets</b>		<b>52,144.17</b>	<b>44,444.47</b>
<b>Total Assets</b>		<b>1,27,755.91</b>	<b>1,13,177.01</b>
<b>II. Equity and Liabilities</b>			
<b>1. Equity</b>			
a) Equity Share Capital	13	1,531.55	1,531.55
b) Other Equity	13A	66,162.14	56,558.64
<b>Total Equity</b>		<b>67,693.69</b>	<b>58,090.19</b>
<b>2. Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	14	15,143.89	14,039.31
b) Deferred Tax Liabilities (Net)	16	4,426.98	3,917.44
c) Government Grant	17	179.62	203.08
<b>Total Non-Current Liabilities</b>		<b>19,750.49</b>	<b>18,159.83</b>
<b>3. Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	19	22,861.67	22,558.05
ii) Trade Payables	20	5,707.64	3,373.94
iii) Other Financial Liabilities	15	7,547.27	7,277.65
b) Provisions	21	548.02	523.47
c) Government Grant	17	23.46	23.46
d) Other Current Liabilities	18	3,623.67	3,170.42
<b>Total Current Liabilities</b>		<b>40,311.73</b>	<b>36,926.99</b>
<b>Total Equity and Liabilities</b>		<b>1,27,755.91</b>	<b>1,13,177.01</b>
<b>The Notes Form an Integral Part of These Financial Statements</b>	<b>1-45</b>		

In terms of our Report of even date

For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**D.P. Agarwal**  
(Vice Chairman &  
Managing Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)  
Membership No.222320

**Archana Pandey**  
(Company Secretary)

**Ashish Tiwari**  
(Group CFO)

Place: Gurugram  
Date: 16<sup>th</sup> May 2018

# Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	Note No.	Year Ended 31 <sup>st</sup> March 2018	Year Ended 31 <sup>st</sup> March 2017
<b>I Revenue</b>			
Revenue from Operations	22	2,17,711.34	1,80,424.54
Other Income	23	2,515.83	1,772.00
<b>Total Revenue</b>		<b>2,20,227.17</b>	<b>1,82,196.54</b>
<b>II Expenses</b>			
Cost of Rendering of Services	24	1,74,895.60	1,45,406.29
Employee Benefits Expense	25	12,083.25	10,350.27
Finance Costs	26	3,083.70	2,860.68
Depreciation and Amortization Expense	27	6,732.82	5,781.25
Other Expenses	28	9,875.48	8,922.54
<b>Total Expenses</b>		<b>2,06,670.85</b>	<b>1,73,321.03</b>
<b>III Profit Before Exceptional Items and Tax (I-II)</b>		<b>13,556.32</b>	<b>8,875.51</b>
<b>IV Exceptional Items</b>	29	400.00	-
<b>V Profit Before Tax (III-IV)</b>		<b>13,156.32</b>	<b>8,875.51</b>
<b>VI Tax Expense</b>	30		
Current Tax		2,221.76	1,114.70
Deferred Tax		509.54	734.51
Taxes for Earlier Years		49.88	-
<b>VII Profit for the Year (V-VI)</b>		<b>10,375.14</b>	<b>7,026.30</b>
<b>VIII Other Comprehensive Income</b>			
<b>Items that will not be Reclassified to Profit or Loss</b>			
Change In Fair Value Of Equity Instruments Designated As Fair Value Through OCI		388.10	56.03
Remeasurements Of Post-Employment Benefit Obligations		(44.93)	(18.46)
Income Tax Relating Items That Will Not Be Reclassified To Profit Or Loss		(42.55)	4.68
<b>Other Comprehensive Income for the Year, Net of Tax</b>		<b>300.62</b>	<b>42.25</b>
<b>IX Total Comprehensive Income for the Year (VII+VIII)</b>		<b>10,675.76</b>	<b>7,068.55</b>
Earning Per Equity Share of ₹ 2 Each	31		
Basic		13.55	9.18
Diluted		13.53	9.18
<b>The Notes Form an Integral Part of These Financial Statements</b>	1-45		

In terms of our Report of even date

For and on behalf of the Board

 For **Brahmayya & Co.,**  
 Chartered Accountants  
 Firm Regn No 000511S

**S.M Datta**  
 (Chairman)

**O. Swaminatha Reddy**  
 (Director)

**D.P. Agarwal**  
 (Vice Chairman &  
 Managing Director)

**Vineet Agarwal**  
 (Managing Director)

**Lokesh Vasudevan**  
 (Partner)  
 Membership No.222320

**Archana Pandey**  
 (Company Secretary)

**Ashish Tiwari**  
 (Group CFO)

 Place: Gurugram  
 Date: 16<sup>th</sup> May 2018

# Statement of Cash Flow for the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	or the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
<b>A. Cash Flow From Operating Activities:</b>		
<b>Net Profit Before Tax after Exceptional Items</b>	<b>13,156.32</b>	<b>8,875.51</b>
<b>Adjustments for :</b>		
Depreciation	6,732.82	5,781.25
Loss (Profit) on Sale Of Fixed Assets	24.41	81.75
Impairment Loss for Investment	400.00	-
Fair Valuation of Investments Designated as FVTPL	(4.82)	(11.89)
Loss/(Gain) on Foreign Currency Transactions	(3.06)	-
Unclaimed Balances and Excess Provisions Written Back	(32.28)	(220.59)
Net Loss (Gain) on Financial Assets	1.56	7.99
Amortisation of Prepayment Operating Leasehold land	21.74	4.15
Finance Costs	3,083.70	2,860.68
Interest Income	(43.73)	(53.04)
Dividend Income	(806.43)	(603.29)
Government Grant	(23.46)	(23.46)
	<b>9,350.46</b>	<b>7,823.55</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>22,506.78</b>	<b>16,699.06</b>
<b>Adjustments For :</b>		
Trade Receivables	(5,802.62)	(2,835.05)
Other Financial and Other Assets	3,715.74	(3,573.54)
Inventories	(80.45)	(74.89)
Trade and Other Payables	846.39	932.28
<b>Cash Flow From Operating Activities</b>	<b>21,185.83</b>	<b>11,147.86</b>
(Direct Taxes Paid)/Refund Received	(3,510.41)	(2,320.60)
<b>Net Cash From Operating Activities</b>	<b>17,675.42</b>	<b>8,827.26</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets	(15,904.55)	(11,560.94)
Loans	(242.72)	(724.75)
Proceeds on Sale of Fixed Assets	89.52	150.44
Proceeds on Sale of Investments	220.00	-
Purchase of Investments	(378.04)	(253.67)
Interest Received	26.45	40.95
Dividend Received	806.43	603.29
<b>Net Cash From Investing Activities</b>	<b>(15,382.91)</b>	<b>(11,744.67)</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds from Issuance of Share Capital	-	253.53
Proceeds from Government Grant	-	250.00
Short Term Borrowings (Net)	303.62	2,130.03
Proceeds from Term Borrowings	6,198.28	9,252.68
Repayment of Term Borrowings	(4,776.03)	(4,308.02)
Finance Cost Paid	(3,092.36)	(2,846.76)
Payment of Dividend	(1,225.24)	(842.40)
Payment of Dividend Tax	(245.07)	(171.49)
<b>Net Cash From Financing Activities</b>	<b>(2,836.80)</b>	<b>3,717.56</b>
Net Increase(Decrease) In Cash & Cash Equivalent(A+B+C)	(544.29)	800.15
Cash & Cash Equivalent As On 31 <sup>st</sup> March 2017	1,840.63	1,040.48
Cash & Cash Equivalent As On 31 <sup>st</sup> March 2018	1,296.34	1,840.63

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statements of Cash Flows.

In terms of our Report of even date For and on behalf of the Board

For **Brahmayya & Co.,**

Chartered Accountants

Firm Regn No 000511S

**S.M Datta**

(Chairman)

**O. Swaminatha Reddy**

(Director)

**D.P. Agarwal**

(Vice Chairman &  
Managing Director)

**Vineet Agarwal**

(Managing Director)

**Lokesh Vasudevan**

(Partner)

Membership No.222320

Place: Gurugram

Date: 16<sup>th</sup> May 2018

**Archana Pandey**

(Company Secretary)

**Ashish Tiwari**

(Group CFO)

# Statement of Changes in Equity

for the Year Ended 31<sup>st</sup> March 2018

## A. Equity Share Capital

Particulars	No of Shares	₹ In Lakhs
Balance as at 1 <sup>st</sup> April 2017	7,65,77,450	1,531.55
Changes in Equity Share Capital During 2017-18	-	-
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>7,65,77,450</b>	<b>1,531.55</b>

## B. Other Equity

₹ In Lakhs

Particulars	Other Equity									
	Reserves and Surplus						Other Comprehensive Income			
	Retained Earnings	Securities Premium	General Reserve	Share Options Outstanding	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilised)	Capital Redemption Reserve	FVTOCI Equity Instruments	Others	Total
Balance as at 1 <sup>st</sup> April 2017	6,560.57	575.37	45,139.54	-	1,799.50	1,978.00	194.00	390.65	(78.99)	56,558.64
Profit For the Year	10,375.14									10,375.14
Other Comprehensive Income (Net of tax)	-	-	-	-	-	-	-	329.99	(29.37)	300.62
Issue/Grant of Equity Shares	-	-	-	398.05	-	-	-	-	-	398.05
Transfer In/Out General Reserve	(6,000.00)	-	6,000.00	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,070.00)	-	-	-	1,070.00	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)					(1799.50)	1799.50				
Transactions With Owners in Their Capacity as Owners :										
Dividends	(1,225.24)	-	-	-	-	-	-	-	-	(1,225.24)
Tax on Dividends	(245.07)	-	-	-	-	-	-	-	-	(245.07)
Balance as at 31 <sup>st</sup> March 2018	8,395.40	575.37	51,139.54	398.05	1070.00	3777.50	194.00	720.64	(108.36)	66,162.14

In terms of our Report of even date

For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**D.P. Agarwal**  
(Vice Chairman & Managing Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)

**Archana Pandey**  
(Company Secretary)

**Ashish Tiwari**  
(Group CFO)

Membership No.222320

Place: Gurugram

Date: 16<sup>th</sup> May 2018

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 1. Corporate Information

Transport Corporation of India Ltd. ('TCIL' or 'the Company') is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Transport Corporation of India is India's leading end to end integrated supply chain and logistics solutions provider (LSP) and a pioneer in the sphere of cargo transportation in India. Leveraging on its extensive infrastructure, strong foundation and skilled manpower, TCIL offers seamless multimodal transportation solutions. An ISO 9001:2008 certified company, TCIL is listed with premier stock exchanges, namely, NSE and BSE.

### General Information and Statement of Compliance with Ind AS

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

The standalone financial statements for the year ended 31<sup>st</sup> March 2018 were authorized and approved for issue by the Board of Directors on 16<sup>th</sup> May 2018.

## 2. Summary of Significant Accounting Policies

### a) Basis of Preparation

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements; unless otherwise stated.

The financial statements have been prepared on going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration which are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments which are measured at fair value of the options.

### b) Current Versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### c) Foreign Currency Translation

#### Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

#### Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.



# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

The Company derives its income from three principal sources: Freight Services, Logistics Services and Sale of Power.

### *Freight Services*

Freight income and associated expenses are recognised using the percentage-of-completion method. The stage of completion is assessed with reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Generally, the contracts are Fixed-price, thus the associated costs can be reliably measured. Where necessary, single transactions are split into separately identifiable components to reflect the substance of the transaction. Conversely, two or more transactions may be considered together for revenue recognition purposes, where the commercial effect cannot be understood without reference to the series of transactions as a whole.

### *Logistics Services*

Under Logistics services, the principal service is related to customer contracts for warehousing activities. Based on the customer contracts logistics income is recognised when services are rendered, the amount of revenue can be reliably measured, and in all probability, the economic benefits from the transaction will flow to the company. Where necessary, single transactions are split into separately identifiable components to reflect the substance of the transaction. Conversely, two or more transactions may be considered together for revenue recognition purposes, where the commercial effect cannot be understood without reference to the series of transactions as a whole.

### *Sale of Power*

Income from sale of power is recognized on transfer of significant risks and rewards of ownership to the buyer which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer/s of power.

## Other Incomes

### *Lease Income*

Rental income arising from operating leases on property, plant and equipment is accounted for on a straight-line basis except where scheduled increase in rent compensates the Company with expected inflationary costs, over the lease terms and is included in other income in the statement of profit or loss.

### *Interest Income*

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred. Borrowing cost includes interest cost, exchange difference arising from foreign borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that company incurs in connection with borrowing of funds.

## f) Property, Plant and Equipment

### *Recognition and initial measurement*

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Costs incurred after the asset is put to use are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method using the rates arrived on the basis of the useful life which coincides with the useful life prescribed under Schedule II of the Companies Act, 2013. Estimated useful life of ship is based on technical assessment.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

## *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

## **g) Intangible Assets**

### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

### *Subsequent measurement (amortisation)*

The Company has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortized over the license period or three years, being their expected useful economic life

## **h) Leased Assets**

### **Group as a Lessee**

#### *Finance leases*

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

#### *Operating leases*

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interest. If the minimum lease payments cannot be allocated reliably between the two components, entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

### **Group as a Lessor**

#### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease income is recognised in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs etc. are recognised immediately in the statement of profit and loss. Contingent rents are recognised as revenue in the period in which they are earned.

#### *Operating leases*

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

#### *Leasehold land*

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in the INDAS 17 "leases") and is amortised over the lease terms in accordance with the pattern of benefits provided.

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## i) Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

## j) Government Grants

Grants and subsidies from the government are recognized at their fair value when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected lives of the related assets and presented within other income.

## k) Financial Instruments

### Financial Assets

#### *Initial recognition and measurement*

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### *Subsequent measurement*

i. Financial Instruments At Amortised Cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate amortisation is recognised as finance income in the statement of profit and loss.

ii. **Equity Investments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. **Mutual Funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in subsidiaries, Associates and Joint ventures are carried at cost in the separate financial statements.

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or retains the contractual right to receive the cash flows of a financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

## **Financial Liabilities**

### *Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

### *Subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **Financial Guarantee Contracts**

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

## **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **I) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- o Disclosures for valuation methods, significant estimates and assumptions
- o Quantitative disclosures of fair value measurement hierarchy
- o Investment in unquoted equity shares
- o Financial instruments

## m) Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

### *Trade receivables*

The Company applies approach permitted by Ind AS 109 Financial Instruments at each reporting date, which requires expected lifetime losses to be recognised from initial recognition of receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables. At every reporting date, the historical observed default rates are updated.

### *Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

## n) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

## o) Income Taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act and in the overseas branches/companies as per the respective tax laws. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Current tax are measured at the tax rates that apply in the year based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. Current tax are measured at the tax rates that are apply in the year based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

This is assessed based on the forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

## p) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value. Deposits with a banks are measured at amortised cost.

## q) Post-Employment, Long Term and Short Term Employee Benefits Defined Contribution Plans

### *Provident Fund*

Certain entities of the group make contribution to statutory provident fund trust setup in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms of the Guidance on Ind AS – 19, the provident fund trust set up is treated as a defined benefit plan since the Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any, is

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

recognised as an expense in the period in which services are rendered by the employee.

Certain other entities of the Company make contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

## Defined Benefit Plans

### *Gratuity*

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### *Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### *Short-term employee benefits*

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

## r) Share Based Payments

### *Employee stock option plan*

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

## s) Non-Current Assets and Liabilities Classified as Held for Sale and Discontinued Operations

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Company's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

## t) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

## u) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue and excluding treasury shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## v) Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA")

## Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1<sup>st</sup> April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial Statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

### Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1<sup>st</sup> April 2018. Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1<sup>st</sup> April 2018. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

### w) Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

#### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

**Revenue** – The Company recognises revenue using the stage of completion method. This requires forecasts to be made of the outcomes of long-term construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims and incentive payments to the extent they are probable and they are capable of being reliably measured.

**Recognition of deferred Tax Assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see note 30).

**Recognition of Deferred Tax Liability on Undistributed Profits** – The extent to which the Company can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

**Evaluation of Indicators for Impairment of Assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Classification of Leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**Recoverability of Receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Useful Lives of Depreciable/Amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

**Defined Benefit Obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair Value Measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

## Notes to the Standalone Financial Statements

### 3. Property, Plant and Equipment

Description of Assets	Gross Block			Depreciation				Net Carrying Value	
	As at 1 <sup>st</sup> April 2017	Addition During the Year	Disposals/ Adjustments	As at 1 <sup>st</sup> April 2018	Up to 31 <sup>st</sup> March 2017	For the Year	Disposals/ Adjustments	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Owned Assets:</b>									
Freehold Land	6,603.60	1,614.78	-	8,218.38	-	-	-	8,218.38	6,603.60
Buildings	13,144.86	268.96	1.37	13,412.45	330.76	252.12	0.49	12,830.06	12,814.10
Ships	11,863.96	5,991.14	-	17,855.10	1,702.17	1,966.61	-	14,186.32	10,161.79
Motor Trucks	12,771.99	4,342.20	365.38	16,748.81	3,047.87	2,755.64	347.09	11,292.39	9,724.12
Vehicles	1,022.78	289.22	230.68	1,081.32	140.59	169.21	153.19	924.71	882.19
Plant and Equipment	6,346.69	782.79	-	7,129.48	845.10	517.43	-	5,766.95	5,501.59
Computers	352.20	320.37	-	672.57	172.11	148.37	-	352.09	180.09
Containers	3,759.85	1,902.58	45.29	5,617.14	484.15	405.71	28.01	4,755.29	3,275.70
Furniture & Fixtures	1,967.25	302.28	-	2,269.53	425.28	232.95	-	1,611.30	1,541.97
Office Equipments	392.06	134.25	-	526.31	130.44	84.38	-	311.49	261.62
<b>Assets on Operating Lease:</b>	-	-	-	-	-	-	-	-	-
Freehold Land	77.00	-	-	77.00	-	-	-	77.00	77.00
Plant & Equipments	2,581.46	-	-	2,581.46	421.20	184.84	-	1,975.42	2,160.26
<b>Total</b>	<b>60,883.70</b>	<b>15,948.57</b>	<b>642.72</b>	<b>76,189.55</b>	<b>7,699.67</b>	<b>6,717.26</b>	<b>528.78</b>	<b>62,301.40</b>	<b>53,184.03</b>
<b>Previous Year</b>	<b>54,846.30</b>	<b>7,097.62</b>	<b>1,060.21</b>	<b>60,883.70</b>	<b>2,791.63</b>	<b>5,736.06</b>	<b>828.02</b>	<b>53,184.03</b>	<b>52,054.68</b>

- (i) Property plant and equipment pledged as security: Refer Note 14 for information on property, plant and equipment pledged as security by the Company.
- (ii) The borrowing costs capitalised during the year ended 31<sup>st</sup> March 2018 was ₹ 29.54 Lakhs (31<sup>st</sup> March 2017: ₹ 24.15 Lakhs).
- (iii) In Case of Ship, the Company has adopted useful life of ship as 32 years from the date of built as per the technical assessment. Because of this depreciation
- (iv) Dry dock expense capitalised and included in Ships in the above schedule and is depreciated with a useful life of 2.5 years as per company policy:

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Gross Block	3,593.65	1,842.17
Accumulated	(2,011.56)	(829.22)
<b>Net Block</b>	<b>1,582.09</b>	<b>1,012.95</b>

### Note 3A. Capital Work in Progress

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Capital Work in Progress	5,632.38	5,680.92



# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 4. Other Intangible Assets

₹ In Lakhs

Particulars	Softwares	Total
<b>Gross block</b>		
Balance as at 1 <sup>st</sup> April 2017	253.28	253.28
Additions	4.53	4.53
Disposals/adjustments	-	-
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>257.81</b>	<b>257.81</b>
<b>Accumulated amortisation</b>		
Balance as at 1 <sup>st</sup> April 2017	185.55	185.55
Charge for the year	15.56	15.56
Disposals/adjustments for the year	-	-
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>201.11</b>	<b>201.11</b>
<b>Net book value as at 31<sup>st</sup> March 2018</b>	<b>56.70</b>	<b>56.70</b>
<b>Net book value as at 31<sup>st</sup> March 2017</b>	<b>67.73</b>	<b>67.73</b>

## 5. Investments

₹ In Lakhs

Particulars	Number of Shares		Amount	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>In Equity Instruments</b>				
<b>In Other Companies (Quoted) (At FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of TCI Developers Limited	1,00,000	1,00,000	457.50	369.60
<b>Sub total(a)</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>457.50</b>	<b>369.60</b>
<b>In Other Companies (Unquoted) (At FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of XPS Cargo Services Limited	3,00,000	3,00,000	370.56	70.36
Fully Paid up Shares of ₹ 10/- Each of TCI Distribution Centres Limited	1,43,700	1,43,700	14.37	14.37
<b>Sub total (b)</b>	<b>4,43,700</b>	<b>4,43,700</b>	<b>384.93</b>	<b>84.73</b>
<b>In Joint Ventures (Unquoted) (At Cost)</b>				
Fully Paid up Shares of ₹ 10/- Each of Transystem Logistics International Pvt Limited	39,20,000	39,20,000	392.00	392.00
<b>Sub total (c)</b>	<b>39,20,000</b>	<b>39,20,000</b>	<b>392.00</b>	<b>392.00</b>
<b>In Subsidiaries (Unquoted) (At Cost)</b>				
Fully Paid up Shares of BDT 10/- Each of TCI Bangladesh Limited	3,89,499	3,89,499	34.09	34.09
Fully Paid up Shares of NC 10/- Each of TCI Nepal Pvt. Ltd.	5,00,000	-	31.25	-
Fully Paid up Shares of ₹ 10/- Each of TCI Venture Limited	46,95,092	16,20,092	469.51	162.01
Fully Paid up Shares of ₹ 10/- Each of TCI-CONCOR Multimodal Solutions Pvt. Limited	35,70,000	35,70,000	357.00	357.00
Fully Paid up Shares of TCI Holding SA & E Pte Ltd.	4,65,577	4,65,577	-	-
Fully Paid up Shares of TCI Holdings Asia Pacific Pte Ltd.	67,25,663	66,43,706	941.83	902.54
Less: Impairment Loss for Investment in TCI Holdings Asia Pacific Pte Ltd	-	-	(400.00)	-
Fully Paid up Shares of TCI Global (Shanghai) Co. Limited, China	-	-	347.30	347.30
Less: Impairment loss for Investment in TCI Global (Shanghai) Co. Ltd, China	-	-	(347.30)	(347.30)
<b>Sub total (d)</b>	<b>1,63,45,831</b>	<b>1,26,88,874</b>	<b>1,433.68</b>	<b>1,455.64</b>
<b>In Preference shares</b>				
<b>In Other Company (Unquoted) (At Amortised Cost)</b>				
11% Redeemable Non-Cumulative Fully Paid up Shares of ₹ 100/- Each of TCI Distribution Centres Limited	4,02,000	6,22,000	402.00	622.00
<b>Sub total (e)</b>	<b>4,02,000</b>	<b>6,22,000</b>	<b>402.00</b>	<b>622.00</b>

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 5. Investments (contd.)

₹ In Lakhs

Particulars	Number of Shares		Amount	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>In Mutual Funds</b>				
(Quoted) (At FVTPL)				
JM Basic Fund	1,49,753	1,49,753	46.20	41.38
<b>Sub total (f)</b>	<b>1,49,753</b>	<b>1,49,753</b>	<b>46.20</b>	<b>41.38</b>
<b>In Debt Securities</b>				
(Quoted) (At Amortised Cost)				
National Highway Authority of India - Bonds of ₹ 1,000 Each	1,236	1,236	12.36	12.36
<b>Sub total (g)</b>	<b>1,236</b>	<b>1,236</b>	<b>12.36</b>	<b>12.36</b>
<b>Grand total (a+b+c+d+e+f+g)</b>	<b>2,13,62,520</b>	<b>1,79,25,563</b>	<b>3,128.67</b>	<b>2,977.72</b>

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Total Non-Current Investments</b>	<b>3,875.98</b>	<b>3,325.02</b>
Aggregate Amount of Quoted Investments and their Market Value	503.70	410.98
Aggregate Amount of Unquoted Investments	3,372.28	2,914.04
Aggregate Amount of Impairment in Value of Investments	(747.30)	(347.30)

## 6. Loans

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
(Unsecured, Considered Good unless Otherwise Stated)				
Deposits with Others	539.64	331.59	523.58	452.39
Deposits with Related Parties	675.22	176.83	619.47	56.13
Security Deposits with Customers	-	652.22	-	490.04
Loans to Employees	-	94.80	-	73.74
<b>Total</b>	<b>1,214.86</b>	<b>1,255.44</b>	<b>1,143.05</b>	<b>1,072.30</b>
Less: Provision for Doubtful Deposits	(153.29)	-	(141.06)	-
<b>Total (Net of Provision)</b>	<b>1,061.57</b>	<b>1,255.44</b>	<b>1,001.99</b>	<b>1,072.30</b>

## 7. Other Financial Assets

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Income Accrued But not yet Received	-	73.99	-	56.71
Bank Deposits with Maturity of more than 12 Months	295.95	-	261.39	-
<b>Total</b>	<b>295.95</b>	<b>73.99</b>	<b>261.39</b>	<b>56.71</b>

## 8. Other Assets

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Deferred Employee Stock Option Compensation	67.52	127.72	-	-
Capital Advances	1,529.11	-	4,717.59	-
Prepaid Expenses	59.86	174.26	270.61	291.33
Prepayment of leasehold land	1,441.08	21.74	603.44	4.15
GST Credit Receivable	-	359.72	-	203.79
Operational Advances	-	2,304.81	-	1,639.52
Deferred Income	-	3,753.20	-	3,688.24
Other Advances & Deposit	164.33	-	95.34	-
<b>Total</b>	<b>3,261.90</b>	<b>6,741.45</b>	<b>5,686.98</b>	<b>5,827.03</b>
Less: Provision for Doubtful Advances	(126.83)	(63.57)	(128.22)	(63.57)
<b>Total (Net of Provision)</b>	<b>3,135.07</b>	<b>6,677.88</b>	<b>5,558.76</b>	<b>5,763.46</b>

## 9. Inventories

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
(Valued at Cost, unless Otherwise Stated)		
Ship Fuels & Consumables	331.12	250.67
<b>Total</b>	<b>331.12</b>	<b>250.67</b>

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 10. Trade Receivables

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>(Unsecured, Considered Good unless Otherwise Stated)</b>		
Unsecured		
Considered Good	38,967.25	33,164.63
Considered Doubtful	1,053.12	1,053.11
<b>Total</b>	<b>40,020.37</b>	<b>34,217.74</b>
Less: Provision for Expected Credit Losses in Receivables	(1,053.12)	(1,053.11)
<b>Total (Net of Provision)</b>	<b>38,967.25</b>	<b>33,164.63</b>

## 11. Cash and Cash Equivalents

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Cash in Hand	47.20	55.68
Balances with Banks		
Current Accounts	1,096.50	1,661.96
Deposit Accounts	-	-
<b>Sub-Total</b>	<b>1,143.70</b>	<b>1,717.64</b>
<b>Other Bank Balances</b>		
Earmarked Bank Balances	-	-
Unpaid Dividend Accounts	152.64	122.99
<b>Sub-Total</b>	<b>152.64</b>	<b>122.99</b>
<b>Total</b>	<b>1,296.34</b>	<b>1,840.63</b>

- (I) The Bank Balances include the Margin Money amounting to ₹ 197.23 Lakhs (31<sup>st</sup> March 2017 of ₹ 248.18 Lakhs) against the Borrowings.
- (II) There are no Repatriation Restrictions with Respect to Cash and Bank Balances available with the Company.

## 12. Current Tax Asset (Net)

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Advance Income Tax (Net of Provision)	3,542.15	2,296.07
<b>Total</b>	<b>3,542.15</b>	<b>2,296.07</b>

## 13. Equity Share Capital

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Authorised Capital</b>		
100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 2 Each	2,000.00	2,000.00
500,000 (Previous Year 500,000) Preference Shares of ₹ 100 Each	500.00	500.00
	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, Subscribed and Paid-up Capital</b>		
76,577,450 (Previous Year 76,577,450) Equity Shares of ₹ 2 Each	1,531.55	1,531.55
<b>Total</b>	<b>1,531.55</b>	<b>1,531.55</b>

### a) Reconciliation of Equity Shares Outstanding at the Beginning and at the End of the Year.

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	No. of Shares	In ₹	No. of Shares	In ₹
Equity Shares at the Beginning of the Year	7,65,77,450	1,531.55	7,60,73,600	1,521.47
Add: Alloted under Employee Stock Option Scheme	-	-	5,03,850	10.08
<b>Equity Shares At the End of the Year</b>	<b>7,65,77,450</b>	<b>1,531.55</b>	<b>7,65,77,450</b>	<b>1,531.55</b>

### b) Rights/Preferences/Restrictions Attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 13. Equity Share Capital (contd.)

### c) Details of Shareholders Holding More Than 5% Shares in the Company

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of ₹ 2 Each Fully Paid up</b>				
Bhoruka Finance Corporation of India Limited	1,59,04,679	20.77	1,59,04,679	20.77
Bhoruka International (P) Limited	1,05,88,205	13.83	1,05,61,755	13.79
Mr D.P Agarwal	49,74,995	6.50	49,74,995	6.50
TCI India Limited	40,45,564	5.28	40,45,564	5.28

## 13A. Other Equity

₹ In Lakhs

Particulars	Other Equity									Total
	Reserves and Surplus							Other Comprehensive Income		
	Retained Earnings	Secu-rities Premium	General Reserve	Share Options Out-standing	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilised)	Capital Redemp-tion Reserve	FVTOCI Equity Instru-ments	Others	
Balance as at 1 <sup>st</sup> April 2017	6,560.57	575.37	45,139.54	-	1,799.50	1,978.00	194.00	390.65	(78.99)	56,558.64
Profit For the Year	10,375.14	-	-	-	-	-	-	-	-	10,375.14
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	-	-	329.99	(29.37)	300.62
Issue/Grant of Equity Shares	-	-	-	398.05	-	-	-	-	-	398.05
Transfer In/Out General Reserve	(6,000.00)	-	6,000.00	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,070.00)	-	-	-	1,070.00	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)					(1799.50)	1799.50				
Transactions With Owners in Their Capacity as Owners :	-	-	-	-	-	-	-	-	-	-
Dividends	(1,225.24)	-	-	-	-	-	-	-	-	(1,225.24)
Tax on Dividends	(245.07)	-	-	-	-	-	-	-	-	(245.07)
Balance as at 31 <sup>st</sup> March 2018	8,395.40	575.37	51,139.54	398.05	1070.50	3777.50	194.00	720.64	(108.36)	66,162.14

## 14. Borrowings

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Secured</b>		
Term Loans from Banks	19,486.30	18,025.35
Term Loans from Others	35.12	73.82
<b>Total</b>	<b>19,521.42</b>	<b>18,099.17</b>
Less: Amount Disclosed under other Financial Liabilities (Ref Note No 15)	4,377.53	4,059.86
<b>Total</b>	<b>15,143.89</b>	<b>14,039.31</b>

No loans have been guaranteed by the directors and others.

### Repayment Terms and Security Disclosure for the Outstanding Long-Term Borrowings:

₹ In Lakhs

Particulars of Nature of Security	Terms of Repayment	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Term Loans from Bank:</b>			
(1) Apartment No . 801, 8 Floor Block No. A-2, World Spa East Building, Sector 30 & 40, Revenue State of Village-Silokhera, Tahsil And District – Gurgaon (Haryana)			
(2) Dag No. 53 Khatian No. 47,N.H. 06, Mauja Sadatpur J.L. No. 89 , Revenue Survey No.5650, Tauji No. 704, Pargana Dharinda, P.S. Khargapur, Distt. Midnapur (West Bengal)	Repayable in 24 quarterly installments starting from November 2016. Last installment due in November 2022.	311.30	379.50

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 14. Borrowings (contd.)

### Repayment Terms and Security Disclosure for the Outstanding Long-Term Borrowings:

₹ In Lakhs

Particulars of Nature of Security	Terms of Repayment	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Hadbast No. 123 Khasra No.4 Mu. No. 21 (8-0), 22 (4-10), Khasra No. 5 Mu. No. 1 (5-0), Khasra No. 8 Mu. No. 1 (8-0), 2 (8-0), 3 (8-0), 4 (8-0), 5 (9-4), 7 (4-9), 8 (7-10), 9/1 (7-12), 10/1 (6-13), 12/2 (5-16), 13/1 (2-4), Khasra No. 9 Mu. No. 5 (8-0), 6/1/1 (1-3), (Total 102 Kanal 1 Marla) situated in the Revenue estate of Village- Jhundsarai Viran, District- Gurgaon (Haryana)	Repayable in 24 quarterly installments starting from January 2015. Last installment due in October 2020.	458.33	625.00
	Repayable in 24 quarterly installments starting from December 2015. Last installment due in October 2021.	291.67	375.00
Secured by first charge on the mortgage of M.V. TCI Arjun	Repayable in 24 quarterly installments starting from December 2015. Last installment due in September 2021.	1,691.67	2,175.00
Secured by first charge on the mortgage of M.V. TCI Vijay	Repayable in 28 quarterly installments starting from April 2018. Last installment due in January 2025.	3,135.86	3,252.00
Secured by first charge on the mortgage of M.V. TCI Express	Repayable in 28 quarterly installments starting from June 2019. Last installment due in March 2026.	3,251.75	-
Secured by first charge on the mortgage of 500 Containers	Repayable in 16 quarterly installments starting from August 2015. Last installment due in May 2019.	178.37	366.37
Secured by first charge on the mortgage of 350 Containers & 30 Containers	Repayable in 16 quarterly installments starting from September 2015. Last installment due in June 2019.	346.11	265.91
Secured by first charge on the mortgage of 500 Containers	Repayable in 60 monthly installments starting from December 2016. Last installment due in November 2021.	896.04	460.16
Secured by first charge on the mortgage of 500 Containers	Repayable in 60 monthly installments starting from February 2017 Last installment due in January 2022.	750.02	506.88
Trucks and Cars acquired against individual loans	Repayable in monthly installments.	8,175.19	9,619.54
<b>Sub-Total</b>		<b>19,486.30</b>	<b>18,025.35</b>
<b>Term Loans from Others:</b>			
Vehicles acquired against individual loans	Repayable in monthly installments	35.12	73.82
<b>Sub-Total</b>		<b>35.12</b>	<b>73.82</b>
<b>Total</b>		<b>19,521.42</b>	<b>18,099.17</b>

**Note:** The Company have incurred interest cost during the year in the range of 7.80% to 9.20% on long term borrowings (Previous year range were 8.21 % to 9.84%).

## 15. Other Financial Liabilities

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Current Maturities Of Long-Term Borrowings (Ref Note No 14)				
From Banks	-	4,342.41	-	4,021.16
From Others	-	35.12	-	38.70
Interest Accrued but not due on Borrowings	-	86.92	-	95.58
Unpaid /Unclaimed Dividends	-	152.64	-	122.99
Payable on Purchase of Fixed Assets	-	27.06	-	136.95
Trade / Security Deposits	-	800.26	-	893.51
Others Payables	-	2,102.86	-	1,968.76
<b>Total</b>	-	<b>7,547.27</b>	-	<b>7,277.65</b>

## 16. Deferred Tax Liability/(Asset) (Net)

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Deferred Tax Liability/(Asset)	4,426.98	3,917.44
<b>Total</b>	<b>4,426.98</b>	<b>3,917.44</b>

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## Movement in Deferred Tax Assets and Liabilities During the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2017	Recognised in Statement of Profit and Loss	31 <sup>st</sup> March 2018
Depreciation	4,075.69	720.64	4,796.33
Others Items	(158.25)	(211.10)	(369.35)
<b>Total</b>	<b>3,917.44</b>	<b>509.54</b>	<b>4,426.98</b>

## 17. Government Grant

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Opening Balance	203.08	23.46	-	-
Transferred from Non Current to Current	(23.46)	23.46	-	-
Additions During the Year	-	-	203.08	46.92
Amount Recognised as Income	-	(23.46)	-	(23.46)
<b>Total</b>	<b>179.62</b>	<b>23.46</b>	<b>203.08</b>	<b>23.46</b>

## 18. Other Liabilities

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Due to Gratuity Fund	-	259.04	-	47.19
Statutory Remittances	-	609.20	-	442.22
Accrued Expenses	-	2,755.43	-	2,651.58
Book Overdraft	-	-	-	29.43
<b>Total</b>	<b>-</b>	<b>3,623.67</b>	<b>-</b>	<b>3,170.42</b>

## 19. Borrowings

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Secured</b>		
From Banks		
Working Capital Loans	7,356.61	2,752.31
<b>Unsecured</b>		
From Banks		
Commercial Paper	6,500.00	18,800.00
Other Loans	9,000.00	1,000.00
From Directors	5.06	5.74
<b>Total</b>	<b>22,861.67</b>	<b>22,558.05</b>

### Borrowings From Banks are Secured, in Respect of Respective Facilities By Way of :

Working capital loans are secured by hypothecation of book debts as primary security along with land properties as collateral. The Company have incurred interest cost on weighted average of Effective interest rate during the year 7.35 % on short term borrowings (Previous year 7.33 %).

## 20. Trade Payables

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Micro, Small and Medium Enterprises	-	-
Others	5,707.64	3,373.94
<b>Total</b>	<b>5,707.64</b>	<b>3,373.94</b>

## 21. Provisions

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Provision For Employee Benefits	-	548.02	-	523.47
<b>Total</b>	<b>-</b>	<b>548.02</b>	<b>-</b>	<b>523.47</b>

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 22. Revenue From Operations

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Freight, Demurrage and Allied Services	1,97,786.91	1,62,949.88
Logistics and Other Services	19,504.26	17,024.95
Other Operating Income (i)	420.17	449.71
<b>Total</b>	<b>2,17,711.34</b>	<b>1,80,424.54</b>

## 23. Other Income

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>Income From Investments</b>		
Dividend Income	806.43	603.29
<b>Sub-total</b>	<b>806.43</b>	<b>603.29</b>
<b>Interest From</b>		
Financial Asset Carried at Amortised Cost	82.34	91.30
Others	43.73	53.04
<b>Sub-total</b>	<b>126.07</b>	<b>144.34</b>
Rent (i)	600.49	588.89
Unclaimed Balances and Excess Provisions Written Back	32.28	220.59
Bad Debts and Irrecoverable Balances Written off Earlier, Realised	254.55	139.77
Gain on Foreign Currency Transactions (Net)	3.06	-
Fair Valuation of Mutual Funds	4.82	11.89
Government Grant	23.46	23.46
Miscellaneous Income	664.67	39.77
<b>Sub-total</b>	<b>1,583.33</b>	<b>1,024.37</b>
<b>Total</b>	<b>2,515.83</b>	<b>1,772.00</b>

\*The Company did not receive any dividend from the equity instruments designated as FVTOCI.

**Note:** (i) Break-up of Sale of Power

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Sale of Power	420.17	449.71
Rental Income due to Embedded Leases (included in Rent)	260.16	260.16
<b>Gross Sale of Power</b>	<b>680.33</b>	<b>709.87</b>

## 24. Cost of Rendering of Services

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Freight	1,28,032.56	1,06,925.71
Vehicles' Trip Expenses	18,956.54	16,438.66
Tyres & Tubes etc.	815.04	664.18
Warehouse Rent	2,993.74	2,481.89
Warehouse Expenses	8,224.38	7,586.83
Other Transportation Expenses	1,120.05	798.96
Claims for Loss & Damages (Net)	14.05	(32.84)
Commission	11.11	19.30
Vehicles' Taxes	539.10	503.54
Vehicles' and Ship Insurance	700.29	468.15
Power, Fuel and Water Charges	4,997.69	3,419.40
Stores & Spare Parts Consumed	1,115.84	774.98
Port and Survey Expenses	1,399.30	787.30
Stevedoring and Cargo Expenses	4,358.43	3,399.01
Wages, Bonus and Other Expenses - Floating Staff	1,444.58	1,041.84
Contribution to Provident & Other funds - Floating Staff	26.70	17.58
Clearing and Forwarding Expenses	146.20	111.80
<b>Total</b>	<b>1,74,895.60</b>	<b>1,45,406.29</b>

## 25. Employee Benefits Expense

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Salaries, Wages and Bonus	10,250.84	8,564.00
Contribution to Gratuity, Provident Fund and Other Funds	853.41	746.37
Contribution to Employees' State Insurance	207.48	159.70

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 25. Employee Benefits Expense (contd.)

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Share Based Payments to Employees	202.82	192.29
Staff Welfare & Development Expenses	568.70	687.91
<b>Total</b>	<b>12,083.25</b>	<b>10,350.27</b>

## 26. Finance Costs

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Interest	2,992.08	2,741.00
Guarantee, Finance and Bank Charges	91.62	119.68
<b>Total</b>	<b>3,083.70</b>	<b>2,860.68</b>

## 27. Depreciation and Amortisation

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>Depreciation on</b>		
Property, Plant and Equipment	6,717.26	5,736.06
<b>Amortisation on</b>		
Intangible Assets	15.56	45.19
<b>Total</b>	<b>6,732.82</b>	<b>5,781.25</b>

## 28. Other Expenses

### (A) Administrative Expenses

₹ In Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Rent	1,297.91	1,305.23
Rates and Taxes	103.06	89.94
Insurance	112.33	129.78
Telephone Expenses	136.96	186.37
Printing and Stationery	387.48	351.53
Travelling Expenses	1,145.33	1,098.61
Legal Expenses	62.37	55.38
Postage and Courier	117.19	103.85
Electricity Expenses	667.16	423.34
Advertisement Expenses	44.04	34.47
Office Maintenance & Security exp.	647.08	511.45
E mail/Internet/Telex Expenses	130.72	137.10
Consultancy & Internal Audit fee (i)	187.04	163.41
Conference & Seminar exp.	133.69	81.89
Commission & Fee's to Directors	59.15	51.58
Remuneration to Auditors		
Audit Fees	21.29	8.34
Tax Audit Fees	6.16	5.18
Bad Debts and Irrecoverable Balances Written Off (ii)	438.51	504.95
Charity & Donations (Including CSR Expenses)	320.53	252.47
Loss on Sale of Assets	24.41	81.75
Miscellaneous Expenses	512.19	469.24
<b>Sub-total</b>	<b>6,554.60</b>	<b>6,045.86</b>
(i) Includes ₹ 33.00 Lakhs Paid to a Director for Services of Professional Nature (31 <sup>st</sup> March 2017: ₹ 30.00 Lakhs)		
(ii) Includes Provision of ₹ 17.27 Lakhs (31 <sup>st</sup> March 2017: ₹ 141.05 Lakhs)		

### (B) Repairs and Maintenance Expenses

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Motor Trucks	1,871.28	1,582.61
Other Vehicles	268.78	247.58
Ships	448.57	381.09
Plant & Equipment	317.84	275.84
Computers	275.53	89.46
Buildings	138.88	300.10
<b>Sub-total</b>	<b>3,320.88</b>	<b>2,876.68</b>
<b>Total</b>	<b>9,875.48</b>	<b>8,922.54</b>



# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 29. Exceptional Item

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Impairment Loss for Investment in Subsidiary Company	400.00	-
<b>Total</b>	<b>400.00</b>	<b>-</b>

**Note:** Exceptional items for the year ended 31<sup>st</sup> March 2018 of ₹ 400 Lakhs for possible diminution in the value of investments of TCI Holding Asia Pacific Pte Ltd., and overseas wholly owned subsidiary of the Company which held the shares of PT TCI Global, PT TCI Global Indonesia, TCI Global Thailand Co. Ltd. as these Companies have been liquidated during the year. The provision of ₹ 400 Lakhs is considered adequate by the management at this stage.

## 30. Tax Expense

### 1. Provision for tax recognised in profit and loss

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Current Tax	2,221.76	1,114.70
Deferred Tax	509.54	734.51
Tax Relating to Earlier Years	49.88	-
<b>Total</b>	<b>2,781.18</b>	<b>1,849.21</b>

The Major Components of Income Tax Expense and the Reconciliation of Expense Based on the Domestic Effective Tax Rate of at 34.608% and the Reported Tax Expense in Profit or Loss are as Follows:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Country's Statutory Income Tax Rates	34.608%	34.608%
<b>Accounting Profit Before Income Tax</b>	<b>13,556.32</b>	<b>8,875.51</b>
Income Exempted from Income Taxes	(5,654.65)	(3,480.48)
Others	134.56	(51.75)
<b>Taxable Income</b>	<b>8,036.23</b>	<b>5,343.28</b>
Tax Expense Provided in Statement of Profit and Loss	2,781.18	1,849.21
<b>Total</b>	<b>2,781.18</b>	<b>1,849.21</b>

Consequence to Reconciliation Items Shown Above, the Effective Tax Rate is 20.52% (31<sup>st</sup> March 2017: 20.83%)

### 2. Income Tax Recognised in Other Comprehensive Income

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Deferred Tax</b>		
Arising on Income and expenses recognised in other comprehensive income		
- Net fair value gain on investments in equity shares at FVTOCI	58.10	(6.39)
- Remeasurements of defined benefit obligation.	(15.55)	1.71
<b>Total income-tax expense recognised in Other Comprehensive Income</b>	<b>42.55</b>	<b>(4.68)</b>

## 31. Earnings Per Equity Share

The Company Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Parent. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Net Profit Attributable to Equity Shareholders for calculation of Basic Earnings Per Share. (A)	10,375.14	7,026.30
Effects of Dillution:		
Add: potential instrument that effect earning per share	-	-
Net Profit Attributable to Equity Shareholders for calculation of Dilluted Earnings Per Share. (B)	10,375.14	7,026.30
Weighted-Average Number of Equity Shares for Computing Basic Earnings Per Share. (C)	7,65,77,450	7,65,13,951
Effects of Dillution:		
Stock Option under Scheme of Employee's Stock Option	83,896	-
Weighted-Average Number of Equity Shares Adjusted for the Effect of Dilution for Computing Diluted Earnings Per Share. (D)	7,66,61,346	7,65,13,951
<b>Basic Earnings Per Share. (A/C)</b>	<b>13.55</b>	<b>9.18</b>
<b>Diluted Earnings Per Share. (B/D)</b>	<b>13.53</b>	<b>9.18</b>
*Diluted Earnings Per Share when anti dilutive is restricted to Basic Earnings Per Share.		

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 32. Financial Instruments

### i) Fair Values Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and minimize the reliance on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### ii) Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements at:

₹ In Lakhs

	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments at FVTPL					
Mutual Fund Investments	5	46.20	-	-	46.20
Investments at FVTOCI					
Equity Investments	5	457.50	-	384.93	842.43
<b>Total Financial Assets</b>		<b>503.70</b>	<b>-</b>	<b>384.93</b>	<b>888.63</b>
<b>Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

₹ In Lakhs

As at 31 <sup>st</sup> March 2017	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments at FVTPL					
Mutual Fund Investments	5	41.38	-	-	41.38
Investments at FVTOCI					
Equity Investments	5	369.60	-	84.73	454.33
<b>Total Financial Assets</b>		<b>410.98</b>	<b>-</b>	<b>84.73</b>	<b>495.71</b>
<b>Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### (iii) Financial Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

₹ In Lakhs

	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	5	-	-	414.36	414.36
Deposits with Others	6	-	-	717.94	717.94
Deposits with Related Parties	6	-	-	852.05	852.05
Security Deposits with Customers	6	-	-	652.22	652.22
Loans to Employees	6	-	-	94.80	94.80
Others	7	-	-	369.94	369.94
<b>Total Financial Assets</b>		<b>-</b>	<b>-</b>	<b>3,101.31</b>	<b>3,101.31</b>
<b>Financial Liabilities</b>					
Borrowings (Including Current Maturities)	14, 15 & 19	-	-	42,383.09	42,383.09
Trade Payables	20	-	-	5,707.64	5,707.64
Others	15	-	-	3,169.74	3,169.74
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>51,260.47</b>	<b>51,260.47</b>

### Financial Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

₹ In Lakhs

As at 31 <sup>st</sup> March 2017	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	5	-	-	634.36	634.36
Deposits with Others	6	-	-	834.91	834.91
Deposits with Related Parties	6	-	-	675.60	675.60
Security Deposits with Customers	6	-	-	490.04	490.04
Loans to Employees	6	-	-	73.74	73.74
Others	7	-	-	318.10	318.10
<b>Total Financial Assets</b>		<b>-</b>	<b>-</b>	<b>3,026.75</b>	<b>3,026.75</b>

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 32. Financial Instruments (contd.)

₹ In Lakhs

As at 31 <sup>st</sup> March 2017	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>					
Borrowings (Including Current Maturities)	14, 15 & 19	-	-	40,657.22	40,657.22
Trade Payables	20	-	-	3,373.94	3,373.94
Others	15	-	-	3,217.79	3,217.79
<b>Total Financial Liabilities</b>	-	-	-	<b>47,248.95</b>	<b>47,248.95</b>

### (iv) Valuation Process and Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the remaining financial instruments is determined based on the following methods:
  - Net assets value method
  - Valuation of investment in unquoted equity shares has been made using the Discounted Cash-Flow Model and Net Assets Value method, as deemed fit by the Company's management

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management group.

- (v) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See above (iv)(b)(ii) for the valuation techniques adopted

Particulars	Fair Value as at		Significant Unobservable Inputs	Probability-Weighted Range		Sensitivity
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017	
Unquoted Equity Shares	384.93	84.73	Earnings Growth Rate	5%	2%	An increase/(decrease) in earnings growth rate of 100 basis points would increase/(decrease) fair value: 31 <sup>st</sup> March 2018 : 5 Lakhs/(5 Lakhs) 31 <sup>st</sup> March 2017 : 2 Lakhs/(2 Lakhs)

### vi) The Following Table Presents the Changes in Level 3 Items for the Periods Ended 31<sup>st</sup> March 2018:

₹ In Lakhs

Particulars	Unlisted Equity Securities	Mutual Funds	Unlisted Debentures
<b>As at 31<sup>st</sup> March 2017</b>	<b>84.73</b>	-	-
Acquisitions	-	-	-
Gain Recognised in Statement of Profit and Loss	-	-	-
Disposal	-	-	-
Gain Recognised in Other Comprehensive Income	300.20	-	-
<b>As at 31<sup>st</sup> March 2018</b>	<b>384.93</b>	-	-

## 33. Financial Risk Management

### i) Financial Instruments by Category

For Amortised Cost Instruments, Carrying value Represents the Best Estimate of Fair Value.

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018			As at 31 <sup>st</sup> March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Investments	46.20	842.43	414.36	41.38	454.33	634.36
Trade Receivables	-	-	38,967.25	-	-	33,164.63
Loans & Advances	-	-	2,317.01	-	-	2,074.29
Cash and Cash Equivalents	-	-	1,296.34	-	-	1,840.63
Other Financial Assets	-	-	369.94	-	-	318.10
<b>Total</b>	<b>46.20</b>	<b>842.43</b>	<b>43,364.90</b>	<b>41.38</b>	<b>454.33</b>	<b>38,032.01</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	42,383.09	-	-	40,657.22
Trade Payables	-	-	5,707.64	-	-	3,373.94
Other Financial Liabilities	-	-	3,169.74	-	-	3,217.79
<b>Total</b>	-	-	<b>51,260.47</b>	-	-	<b>47,248.95</b>

### ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 33. Financial Risk Management (contd.)

and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Cash And Cash Equivalents, Trade Receivables, Derivative Financial Instruments, Financial Assets Measured at Amortised Cost	Ageing Analysis	Bank Deposits, Diversification of Asset Base, Credit Limits and Collateral.
Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts	Availability of Committed Credit Lines and Borrowing Facilities
Market Risk - Foreign Exchange	Recognised Financial Assets and Liabilities Not Denominated In Inr	Cash Flow Forecasting	Forward Contract/Hedging
Market Risk - Security Price	Investments in Equity Securities	Sensitivity Analysis	Portfolio Diversification

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit Risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions.

#### a) Credit Risk Management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: No Risk

B: Low Risk

C: Medium Risk

D: High Risk

Assets Under Credit Risk –

		₹ In Lakhs	
Credit rating	Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
No Risk	Investments	3,128.67	2,977.72
Low Risk	Trade Receivables	38,967.25	33,164.63
No Risk	Loans & Advances	2,317.01	2,074.29
No Risk	Cash and Cash Equivalents	1,296.34	1,840.63
No Risk	Other Financial Assets	369.94	318.10
<b>Total</b>		<b>46,079.21</b>	<b>40,375.37</b>

The risk parameters are same for all financial assets for all period presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than (60 days past due). A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

#### b) Credit Risk Exposure

##### Provision for Expected Credit Losses

The Company Provides for Expected Credit Loss Based on Lifetime Expected Credit Loss Mechanism for Trade Receivables–

Particular	Years	Estimated Gross Carrying Amount at Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount Net of Impairment Provision
Trade receivables	As at 31 <sup>st</sup> March 2018	40,020.37	2.63%	1,053.12	38,967.25
	As at 31 <sup>st</sup> March 2017	34,217.74	3.08%	1,053.11	33,164.63

### B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 33. Financial Risk Management (contd.)

### Maturities of Financial Liabilities

The tables below analyse the Company's financial liabilities into relevant maturity Companyings based on their contractual maturities for all financial liabilities and

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

₹ In Lakhs

As at 31 <sup>st</sup> March 2018	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	27,239.20	3,397.10	3,497.10	8,249.68	42,383.09
Trade Payable	5,707.64	-	-	-	5,707.64
Other Financial Liabilities	3,169.74	-	-	-	3,169.74
<b>Total</b>	<b>36,116.58</b>	<b>3,397.10</b>	<b>3,497.10</b>	<b>8,249.68</b>	<b>51,260.47</b>

₹ In Lakhs

As at 31 <sup>st</sup> March 2017	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	26,811.39	3,914.94	3,397.10	6,533.78	40,657.22
Trade Payable	3,373.94	-	-	-	3,373.94
Other Financial Liabilities	3,217.79	-	-	-	3,217.79
<b>Total</b>	<b>33,403.12</b>	<b>3,914.94</b>	<b>3,397.10</b>	<b>6,533.78</b>	<b>47,248.95</b>

## C) Price Risk Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments in equity

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Price Sensitivity (Investment at FVTOCI &amp; FVTPL)</b>		
Price Increase by (5%)	25.18	20.24
Price Decrease by (5%)	(25.18)	(20.24)

\* Holding all other variables constant

## 34. Capital Management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Net debts (Net of Cash and Cash Equivalent)	41,086.75	38,816.59
Total equity	67,693.69	58,090.19
<b>Net Debt to Equity Ratio (Times)</b>	<b>0.61</b>	<b>0.67</b>

### (i) Loan Covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

- the gearing ratio must be not more than 50%
- the ratio of net finance cost to EBITDA must be not more than 10 Times.

The Company has complied with these covenants throughout the reporting period. As at 31<sup>st</sup> March 2018, the ratio of net finance cost to EBITDA was 6.12 times (31<sup>st</sup> March 2017: 7.77 times).

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 34. Capital Management (contd.)

### (ii) Dividends

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Equity Shares</b>		
Interim and Final Dividend for the Year Ended (In CY 2017-18 ₹ 1.60 Per Share and PY 2016-17 ₹ 1.10 Per Share)	1,225.24	842.40

## 35. Net Debt Reconciliation

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Cash and Cash Equivalents	1,296.34	1,840.63
Non- Current Borrowings (Including Current Maturities)	(19,521.42)	(18,099.17)
Current Borrowings	(22,861.67)	(22,558.05)
Interest Payable	(86.92)	(95.58)
<b>Net Debt</b>	<b>(41,173.67)</b>	<b>(38,912.17)</b>

₹ In Lakhs

Particulars	Cash and Cash Equivalents	Non Current Borrowings (Including Current Maturities)	Current Borrowings	Interest Payable	Total
Net Debt as at 1 <sup>st</sup> April 2017	1,840.63	(18,099.17)	(22,558.05)	(95.58)	(38,912.17)
Cash Flows	(544.29)	(1,422.25)	(303.62)	-	(2,270.16)
Finance Costs	-	-	-	(3,083.70)	(3,083.70)
Interest Paid	-	-	-	3,092.36	3,092.36
<b>Net Debt as at 31<sup>st</sup> March 2018</b>	<b>1,296.34</b>	<b>(19,521.42)</b>	<b>(22,861.67)</b>	<b>(86.92)</b>	<b>(41,173.67)</b>

## 36. Related Party Information

### (a) Name of Key Managerial Personnel and Relatives

Name of Key Managerial Personnel	Designation	Close Family Member
Mr. D.P. Agarwal	Vice Chairman and Managing Director	Mrs. Urmila Agarwal
Mr. Vineet Agarwal	Managing Director	Mrs. Priyanka Agarwal & Mr. Chander Agarwal
Mr. Ashish Tiwari	Group CFO	
Ms. Archana Pandey	Company Secretary	
Mr. Jasjit Singh Sethi	CEO-TCI Supply Chain Division	
Mr. Ishwar Singh Sagar	CEO-TCI Freight	

### (b) Subsidiary/ Step Down Subsidiary Companies:

TCI Global Pte Ltd., Singapore	TCI Bangladesh Limited
TCI Global (Shanghai) Co. Ltd., China	TCI Nepal Pvt. Ltd. (From 2 <sup>nd</sup> June, 2017)
TCI Holdings Asia Pacific Pte. Ltd., Singapore	TCI Ventures Limited
TCI Holding SA & E Pte. Ltd., Singapore	Stratsol Logistic Private Limited (From 22 <sup>nd</sup> Nov, 2017)
TCI Global Brazil Logistica Ltd, Brazil	TCI-CONCOR Multimodal Solutions Pvt. Ltd.
TCI Holdings Netherlands B.V., Netherlands	

### (c) Joint Ventures Entities

Transystem Logistics International Pvt. Ltd	TCI Transportation Company Nigeria Ltd.
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### (d) Other Related Companies / Firms / Trust

TCI Global Logistics Ltd.	TCI Exim Pvt. Ltd.
Bhoruka Finance Corporation of India Ltd.	TCI India Ltd.
TCI Industries Ltd.	TCI Foundation (Trust)
Bhoruka International Pvt. Ltd.	TCI Warehousing (MH) – Partnership firm
TCI Properties (Guj) – Partnership firm	TCI Properties (South) – Partnership firm
TCI Properties (Delhi) – Partnership firm	TCI Properties (NCR) – Partnership firm
TCI Developers Ltd.	TCI Infrastructure Ltd.
TCI Properties (West) Ltd.	TCI Apex Pal Hospitality India Pvt. Ltd.
XPS Cargo Services Ltd.	TCI Institute Logistics
TCI Distribution Centres Ltd.	TCI Express Limited
Log Labs Ventures Private Limited	Gloxinia Farms Pvt. Ltd.
TCI Trading (Firm)	

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 36. Related Party Information (contd.)

### (e) Key Managerial Personnel Compensation

₹ In Lakhs

Description	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Short Term Employee Benefits	1,685.96	959.50
Post-Employment Benefits	31.83	31.44
Employee Stock Option benefits	-	242.82
<b>Total Compensation</b>	<b>1,717.79</b>	<b>1,233.76</b>

### (f) Transactions During the Year with Related Parties

₹ In Lakhs

Description	Nature of Relation	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Income</b>			
Freight Income	Joint Ventures	6,087.35	5,189.01
	Subsidiary	57.94	73.35
	Other Related Party	109.60	51.72
Logistic Services	Joint Venture	439.34	822.05
	Subsidiary	17.12	-
	Other Related Party	162.40	41.38
Miscellaneous Income	Subsidiary	12.85	4.60
	Joint Venture	342.22	-
	Other Related Party	263.58	-
Dividend Income	Joint Venture	784.00	588.00
	Subsidiary	21.42	14.28
Reimbursement of Misc Expenditures	Other Related Party	-	1.10
Rent Received	Other Related Party	166.57	306.66
<b>Expenditure</b>			
Freight Expenses	Joint Venture	208.86	74.12
	Subsidiary	178.20	161.04
	Other Related Party	49.02	52.27
Fuel Purchase	Other Related Party	618.61	810.07
Training Expenses	Other Related Party	-	10.21
Reimbursement of Misc Expenditures	Other Related Party	-	1.20
Charity and Donation (Including CSR Expenditure)	Other Related Party	299.61	204.62
Vehicle Maintenance	Joint Venture	94.60	33.73
Rent paid	Other Related Party	1,043.97	1,189.15
	Relatives of KMP	16.69	16.69
Directors & KMP Remuneration & Commission	Directors Non-Executive	48.00	33.00
	Directors Executive & Other KMP	1,717.79	1,233.76
<b>Finance and Investments</b>			
Investments Made	Subsidiary	378.04	253.67
Investments Redeemed	Other Related Party	220.00	-
Property Management Services	Other Related Party	-	12.00
Advance/Deposits Given	Other Related Party	6.00	-
Advances / Deposits Refund	Other Related Party	-	13.40

### (g) Balance at the End of the Year

₹ In Lakhs

Description	Nature of Relation	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Advances /Deposit Given	Other Related Party	852.05	845.97
	Relatives of KMP	8.81	8.81
	Other Related Party	3.73	3.73
Trade Receivables	Joint Ventures	734.43	796.32
	Other Related Party	11.21	-
Guarantees Given to Bank	Other Related Party	363.00	1,348.00
Advances /Deposit taken	KMP	5.06	5.74
Trade Payables	Joint Ventures	99.53	31.76
	Subsidiaries	69.17	130.98

## 37. Segment Information

### Operating Segments:

- |                     |                                    |
|---------------------|------------------------------------|
| a) Freight Division | b) Supply Chain Solutions Division |
| c) Seaways Division | d) Energy Division                 |

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 37. Segment Information (contd.)

### Identification of Segments:

The chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/services and have been identified as per the quantitative criteria specified in the Ind AS.

### Segment Revenue and Results:

The expenses and incomes which are not attributable to any business segment are shown as unallocated expenditure and unallocated income.

### Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents etc. Segment liabilities primarily include trade payables, borrowings and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocated Corporate assets / liabilities.

### Inter Segment Transfer:

Profit or loss on inter segment transfers are eliminated at company level.

₹ In Lakhs

Particulars	Nature of Relation	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Revenue</b>			
Segment Revenue	Freight Division	1,03,110.03	92,232.31
	Supply Chain Solutions Division	91,255.38	73,744.22
	Seaways Division	25,641.32	16,392.87
	Energy Division	683.50	737.88
	Unallocated Income	1,612.70	1,187.73
	<b>Total</b>	<b>2,22,302.93</b>	<b>1,84,295.01</b>
	<b>Less: Inter Segment Revenue</b>	<b>2,075.76</b>	<b>2,098.47</b>
<b>Net Income from Operations</b>			
		<b>2,20,227.17</b>	<b>1,82,196.54</b>
Segment Results	Freight Division	3,025.59	2,127.12
	Supply Chain Solutions Division	6,049.81	4,473.15
	Seaways Division	5,913.83	3,817.18
	Energy Division	350.32	394.04
	Unallocated Income	1,612.70	1,187.73
	Unallocated Expenditure	(403.85)	(382.96)
	<b>Less: Interest Expenses</b>	<b>2,992.08</b>	<b>2,740.75</b>
<b>Profit Before Tax</b>			
		<b>13,556.32</b>	<b>8,875.51</b>
Exceptional items		400.00	-
<b>Less: Provision for Taxes</b>			
	Current Tax	2,221.76	1,114.70
	Deferred Tax	509.54	734.51
	Taxes for Earlier Years	49.88	-
<b>Net Profit for the Year</b>			
		<b>10,375.14</b>	<b>7,026.30</b>
<b>Other Information</b>			
Segment Assets	Freight Division	24,711.13	23,186.12
	Supply Chain Solutions Division	36,733.18	34,229.13
	Seaways Division	30,223.79	22,630.18
	Energy Division	2,624.13	2,426.73
	Unallocated Corporate Assets	33,462.88	30,692.82
<b>Total Assets</b>			
		<b>1,27,755.11</b>	<b>1,13,164.98</b>
Segment Liabilities	Freight Division	2,156.13	2,211.13
	Supply Chain Solutions Division	8,771.18	6,527.18
	Seaways Division	7.21	70.69
	Energy Division	27.13	4.18
	Unallocated Corporate Liabilities	2,699.63	2,886.80
<b>Total Liabilities</b>			
		<b>13,661.28</b>	<b>11,699.98</b>
Capital Expenditure	Freight Division	148.77	220.44
	Supply Chain Solutions Division	6,102.02	4,189.43
	Seaways Division	7,592.92	6,150.20
	Unallocated Capital Expenditure	2,060.85	1,000.87
<b>Total Capital Expenditure</b>			
		<b>15,904.55</b>	<b>11,560.94</b>
Depreciation	Freight Division	849.81	1,000.95
	Supply Chain Solutions Division	3,364.63	3,319.55
	Seaways Division	2,333.54	1,250.11
	Energy Division	184.84	210.64
<b>Total Depreciation</b>			
		<b>6,732.82</b>	<b>5,781.25</b>

The Company operates mainly in India and therefore there are no separate geographical segments.



# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 38. Employee Benefit Obligations (On the Basis of Actuarial Valuation)

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Current	Non-Current	Current	Non-Current
Gratuity (Funded)	1,716.73	-	1,984.75	-
Leave Obligations	266.32	-	252.86	-
<b>Total</b>	<b>1,983.05</b>	<b>-</b>	<b>2,237.61</b>	<b>-</b>

### Leave Obligations

The leave obligations cover the Company liability for earned leaves. The amount of provision of ₹ 266.32 Lakhs (31<sup>st</sup> March 2017 ₹ 252.85 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Current Leave Obligations Expected to be Settled Within the Next 12 Months	266.32	252.86
<b>Total Liability</b>	<b>266.32</b>	<b>252.86</b>

Movement in the Liability Recognised in the Balance Sheet is as Under:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Present Value of Defined Benefit Obligation as at the Start of the Year	252.86	330.24
Current Service Cost	50.88	60.03
Interest Cost	19.60	24.77
Actuarial (Loss)/Gain Recognized During the Year	(57.02)	(162.18)
Benefits Paid	-	-
<b>Present Value of Defined Benefit Obligation as at the End of the Year</b>	<b>266.32</b>	<b>252.86</b>

Amount Recognised in the Statement of Profit And Loss is as Under:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Current Service Cost	50.88	49.57
Interest Cost	19.60	24.77
<b>Amount Recognized in the Statement of Profit and Loss</b>	<b>70.47</b>	<b>74.34</b>

Actuarial Assumptions

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Discount Rate	7.50%	7.50%
Future Salary Increase	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the group makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The weighted average duration of the defined benefit obligation as at 31<sup>st</sup> March 2018 is 17 years (31<sup>st</sup> March 2017: 17 years).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Changes in Defined Benefit Obligation

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Present Value Obligation as at the Start of the Year	1,471.88	1,984.75
Interest Cost	114.07	148.86
Current Service Cost	152.66	128.15
Past Service Cost	149.24	0.00
Benefits Paid	(216.05)	(883.32)
Actuarial Loss/(Gain) on Obligations	44.93	93.44
<b>Present Value Obligation as at the End of the Year</b>	<b>1,716.73</b>	<b>1,471.88</b>

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 38. Employee Benefit Obligations (On the Basis of Actuarial Valuation) (contd.)

Change in Fair Value of Plan Assets

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Fair Value of Plan Assets as at the Start of the Year	1,438.12	1,340.18
Return on Plan Assets	113.05	135.04
Actuarial Loss/(Gain)	-	74.98
Contribution	153.66	153.38
Benefits Paid	(216.05)	(265.45)
<b>Fair Value of Plan Assets as at The End of the Year</b>	<b>1,488.79</b>	<b>1,438.12</b>

Breakup of Actuarial Gain/Loss:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Actuarial (Gain)/Loss on Arising from Change in Demographic Assumption	-	-
Actuarial (Gain)/Loss for the year on Present Benefit Obligation	44.93	93.44
Actuarial (Gain)/Loss on for the year on Plan Assets	-	(74.98)
<b>Total Amount Recognised in Other Comprehensive Income</b>	<b>44.93</b>	<b>18.46</b>

Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Present Value Obligation as at the End of the Year	1,716.73	2,155.50
Fair Value of Plan Assets as at the End of the Year	1,488.79	1,898.43
<b>Net Asset Recognized in Balance Sheet</b>	<b>(227.94)</b>	<b>(257.07)</b>

Amount Recognized in the Statement of Profit and Loss

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Current Service Cost	152.66	193.91
Past Service Cost	149.24	0.00
Interest Cost	114.07	148.86
Expected Return on Plan Assets	(111.45)	(135.04)
<b>Amount Recognised in the Statement of Profit and Loss</b>	<b>304.51</b>	<b>207.73</b>

Amount Recognised in the Statement of Other Comprehensive Income

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Net Cumulative Unrecognised Actuarial Gain/(Loss) Opening		
Actuarial (Gain)/Loss for the Year on PBO	44.93	93.44
Actuarial (Gain)/Loss for the Year on Asset	-	(74.98)
<b>Unrecognised Actuarial (Gain)/Loss at the End of the Year</b>	<b>44.93</b>	<b>18.46</b>

Assumptions

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Discount Rate	7.75%	7.50%
Future Salary Increase	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity Analysis for Gratuity Liability

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Impact of the Change in Discount Rate		
Present Value of Obligation at the End of the Year	1,716.73	1,471.88
a) Impact Due to Increase of 8 %	137.34	117.75
b) Impact Due to Decrease of 7 %	120.17	103.03
Impact of the Change in Salary Increase		
Present Value of Obligation at the End of the Year	1,716.73	1,471.88
a) Impact Due to Increase of 6 %	103.00	88.31
b) Impact Due to Decrease of 4 %	68.67	58.88

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 38. Employee Benefit Obligations (On the Basis of Actuarial Valuation) (contd.)

The Major Categories of Plan Assets are as Follows:

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018			
	Quoted	Unquoted	Total	In%
Equity Instruments	34.50	-	34.50	2%
Debt Instruments	1,264.73	-	1,264.73	83%
Fixed Deposits	-	217.13	217.13	14%
Cash and Cash Equivalents	-	0.64	0.64	0%

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2017			
	Quoted	Unquoted	Total	In%
Equity Instruments	32.27	-	32.27	2%
Debt Instruments	1,704.17	-	1,704.17	80%
Fixed Deposits	-	217.13	217.13	10%
Cash and Cash Equivalents	-	167.98	167.98	8%

### 38A. Employee Stock Option Plan

The Company during the year has granted 2,93,750 Stock Options to its eligible employees. The Company in accordance with the Employee Stock Options Scheme 2006 Part IX ("TCI ESOS 2006"), vesting period being 4 years from the date of grant and the exercise period being one year from the date on which the options are eligible for exercise. Holder of each option is eligible for one fully paid equity share of the Company of the face value of ₹2 each on payment of ₹140 per share, the exercise price. The fair value of option determined on the date of grant is ₹135.51 based on black scholes methodology. The impact of above for the year is ₹202.82, accordingly provision and disclosure have been considered in the financial statements.

## 39. Leases:

### a) Operating Lease Company as Lessor:

The Company has given its Wind-power plants on lease under non-cancellable operating leases expiring in future. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Future Minimum Lease Rental Receivable in Relation to Non-Cancellable Operating Leases:		
Within One Year	260.16	260.16
Later Than One Year but not Later than Five Years	290.09	550.26
Later than Five Years	268.98	689.14
<b>Total</b>	<b>819.23</b>	<b>1,499.56</b>

### b) Operating Lease Company as Lessee:

The Company has significant operating lease for land. These lease arrangement for period from 30 years to 99 years which includes non cancellable lease. Most of the lease are renewable for further period on mutually agreeable terms and also include esclation clauses.

The company has entered into cancellable operating lease for office premises and employee accommodation. The tenure of leases generally varies from 11 months to 2 years. Terms of lease include operating terms for renewal, terms of cancellation etc. Lease payment in respect of above lease are recognised in statement of profit and loss under head other expenses

## 40. Contingent Liabilities and Commitments:-

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>i) Contingent Liabilities</b>		
(a) Claims Against the Company not Acknowledged as Debt		
Income Tax Demands Under Dispute	-	22.71
Sales Tax/Excise/Entry Tax/ESI/Trade Tax/Octroi/Stamp duty	299.62	261.47
Other demands under Dispute not acknowledged as debt	172.85	105.26
(b) Guarantees excluding Financial Guarantees; and Counter Guarantees Outstanding	3,057.17	4,346.49
<b>ii) Commitments</b>		
Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for Net of Advance on Tangible Assets	217.71	997.37

# Notes to the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 41. (a) Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

## (b) Details of Corporate Social Responsibility (CSR) Expenditure:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Amount Required to be Spent as per Section 135 of the Act	226.00	223.00
Amount Spent During the Year on:		
(i) Construction / Acquisition of an Asset	-	-
(ii) On Purpose other than (i) Above	245.00	234.41
<b>Total</b>	<b>245.00</b>	<b>234.41</b>

## 42. Details of Loans Given, Investments Made and Guarantee Given Covered u/s 186 (4) of the Companies Act, 2013

Investments made are given under the respective heads (Refer note 5)

Corporate Guarantees given by the Company in respect of loans as at 31<sup>st</sup> March 2018

₹ In Lakhs

Sl No	Name of the Company	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
1	ABC India Ltd.	742.06	742.06
2	TCI Infrastructure Ltd.	363.00	1,348.00

43. (a) There is no outstanding as at 31<sup>st</sup> March 2018 due to Micro and Small Enterprises registered under Micro, Small and Medium Enterprises development Act, 2006, (MSME).

(b) Interest paid/payable to the enterprises register under MSME ₹ NIL ( Previous Year ₹ NIL).

44. Previous year figure's have been regrouped /rearranged wherever considered necessary.

## 45. Additional Information

### Remittance in Foreign Currency

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
(a) Capital Goods	4,706.31	317.59
(b) Investment	70.54	57.56
(c) Main Engine Break-down Repair	68.74	24.15
(d) Traveling Expenses	13.81	61.96
(e) Conference & Seminar	14.94	5.80
(f) Consultancy Charges/ Professional Fees	-	4.85
(g) Subscription	26.53	38.94
(h) Staff Training Programmes	13.04	-
(i) Insurance	74.78	57.74
(j) Dry- Dock Expenses	1,694.94	622.38
(k) Spare Parts	563.19	669.62
(l) Other Ship Operating Expenses	1.18	129.10
(m) Others	2.48	0.94

In terms of our Report of even date

For and on behalf of the Board

For **Brahmayya & Co.,**

Chartered Accountants

Firm Regn No 000511S

**S.M Datta**

(Chairman)

**O. Swaminatha Reddy**

(Director)

**D.P.Agarwal**

(Vice Chairman &  
Managing Director)

**Vineet Agarwal**

(Managing Director)

**Lokesh Vasudevan**

(Partner)

Membership No.222320

Place: Gurugram

Date: 16<sup>th</sup> May 2018

**Archana Pandey**

(Company Secretary)

**Ashish Tiwari**

(Group CFO)

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Transport Corporation of India Limited**

## Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Transport Corporation of India Limited ("the Holding Company" or "the Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirement of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) under section 133 of the Act read with relevant rules. The respective Board of Directors of the companies included in the Group and jointly controlled entities are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and its jointly controlled entities respectively and for preventing and detecting frauds and other irregularities; the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding Company, as aforesaid.

## Auditor's Responsibility for the Consolidated Financial Statements

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting 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 sub section 10 of section 143 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred in the sub paragraph (a) to (e) of the Other Matters paragraph mentioned below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its jointly controlled entities as at 31<sup>st</sup> March 2018, and their consolidated profit (including other comprehensive income), their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

## Other Matters

- (a) We did not audit the financial statements of certain subsidiaries; whose financial statements reflect total assets of ₹ 4,190 Lakhs as at 31<sup>st</sup> March 2018 and total revenue of ₹ 16,827 Lakhs for the year ended 31<sup>st</sup> March 2018. These financial statements and other financial information for these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on these consolidated financial statements is based on the reports of the other auditors.
- (b) We did not audit the financial statements of certain overseas subsidiaries; whose financial statements reflect total assets of ₹ 2,993 Lakhs as at 31<sup>st</sup> March 2018 and total revenue of ₹ 325 Lakhs for the year ended 31<sup>st</sup> March 2018. These financial statements and other financial information of these overseas subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on these consolidated financial statements is based on the reports of the other auditors.
- (c) We did not audit the financial statements of two jointly controlled entities (including one overseas jointly controlled entity); whose financial statements reflect the group's share of profit of ₹ 2,244 Lakhs as at 31<sup>st</sup> March 2018. These financial statements and other financial information of these jointly controlled entities (including

one overseas jointly controlled entity) have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on these consolidated financial statements is based on the reports of other auditors.

- (d) The consolidated financial statements for the year ended 31<sup>st</sup> March 2017, were audited by R.S. Agarwala & Co., Chartered Accountants, who have issued unmodified opinion, vide report dated 16<sup>th</sup> May 2017. This report has been furnished to us by the management, which has been relied upon by us for the purpose of audit of this consolidated financial statements
- (e) We did not audit the financial statements of one branch included in the financial statements of the Holding Company. The financial statements of branch have been audited by other auditor whose report has been furnished to us by the management & our opinion on the consolidated financial statements to the extent derived from such financial statements is based solely on the report of such other auditor.

Our opinion is not qualified in the respect of the above matters.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report to the extent applicable 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The report on the accounts of one branch of the Holding Company audited under section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with in preparing our report.
  - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- e) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
- f) On the basis of written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its jointly controlled company incorporated in India, none of the directors of Group companies and its jointly controlled company incorporated in India are disqualified as on 31<sup>st</sup> March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its jointly controlled company incorporated in India and operating effectiveness of such controls, refer to our separate report "Annexure A".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the group and its jointly controlled entities. Refer Note 39 to the Consolidated Financial Statements.
  - ii. The Group and its jointly controlled entities did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**  
(Partner)  
Membership No. 222320

Place: Gurugram  
Date : 16<sup>th</sup> May 2018

# Annexure A to the Independent Auditor's Report

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

In conjunction with our audit of the Consolidated Financial Statements of the Transport Corporation of India Limited as of and for the year ended 31<sup>st</sup> March 2018, we have audited the internal financial controls over financial reporting of **Transport Corporation of India Limited** ("the Holding Company" or "the Company"), its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled company, which are incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled company, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" as issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility for Internal Financial Controls

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 controls 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 Holding Company, its subsidiary companies and jointly controlled company, which are incorporated in India, have, 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 31<sup>st</sup> March 2018, based on "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" as issued by The Institute of Chartered Accountants of India.

### Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 3 subsidiaries and 1 jointly owned company is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**  
(Partner)  
Membership No. 222320

Place: Gurugram  
Date : 16<sup>th</sup> May 2018

# Consolidated Balance Sheet as at 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	Note No.	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>I. Assets</b>			
<b>1. Non-Current Assets</b>			
a) Property, Plant and Equipment	3	62,523.39	54,100.91
b) Capital Work-in-Progress	3A	5,632.38	5,680.92
c) Other Intangible Assets	4	56.71	67.73
d) Financial Assets			
i) Investments	5	10,435.77	8,663.59
ii) Loans	6	987.58	1,001.99
iii) Other Financial Assets	7	801.33	304.71
e) Other Non-Current Assets	8	3,118.47	5,633.56
<b>Total Non Current Assets</b>		<b>83,555.63</b>	<b>75,453.41</b>
<b>2. Current Assets</b>			
a) Inventories	9	331.12	251.75
b) Financial Assets			
i) Trade Receivables	10	42,485.45	35,844.20
ii) Cash and Cash Equivalents	11	1,270.58	1,742.60
iii) Other Bank Balances	11	152.64	122.99
iv) Loans	6	1,364.48	1,020.97
v) Other Financial Assets	7	142.55	66.41
c) Current Tax Assets (Net)	12	3,831.03	2,507.58
d) Other Current Assets	8	6,641.49	5,934.07
<b>Total Current Assets</b>		<b>56,219.34</b>	<b>47,490.57</b>
<b>Total Assets</b>		<b>1,39,774.97</b>	<b>1,22,943.98</b>
<b>II. Equity and Liabilities</b>			
<b>1. Equity</b>			
a) Equity Share Capital	13	1,531.55	1,531.55
b) Other Equity	13A	74,645.51	63,124.52
<b>Total Equity</b>		<b>76,177.06</b>	<b>64,656.07</b>
<b>2. Non-Controlling Interest</b>	13A	<b>467.02</b>	<b>427.46</b>
<b>3. Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	14	15,143.89	14,315.34
b) Deferred Tax Liabilities (Net)	16	4,447.27	3,946.67
c) Government Grant	17	179.62	203.08
<b>Total Non Current Liabilities</b>		<b>19,770.78</b>	<b>18,465.09</b>
<b>4. Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	19	24,385.42	23,636.48
ii) Trade Payables	20	5,970.06	3,573.23
iii) Other Financial Liabilities	15	8,872.40	8,405.23
b) Provisions	21	553.51	530.76
c) Government Grant	17	23.46	23.46
d) Other Current Liabilities	18	3,555.26	3,226.20
<b>Total Current Liabilities</b>		<b>43,360.11</b>	<b>39,395.36</b>
<b>Total Equity and Liabilities</b>		<b>1,39,774.97</b>	<b>1,22,943.98</b>
<b>The Notes Forms an Integral Part of These Financial Statements</b>	<b>1-44</b>		

In terms of our Report of even date For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**D.P. Agarwal**  
(Vice Chairman &  
Managing Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)  
Membership No.222320

**Archana Pandey**  
(Company Secretary)

**Ashish Tiwari**  
(Group CFO)

Place: Gurugram  
Date: 16<sup>th</sup> May 2018



# Consolidated Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	Note No.	Year Ended 31 <sup>st</sup> March 2018	Year Ended 31 <sup>st</sup> March 2017
<b>I Revenue</b>			
Revenue from Operations	22	2,34,613.59	1,94,253.73
Other Income	23	1,817.82	1,216.18
<b>Total Revenue</b>		<b>2,36,431.41</b>	<b>1,95,469.91</b>
<b>II Expenses</b>			
Operating Expense	24	1,90,681.27	1,58,191.99
Employee Benefits Expenses	25	12,448.38	10,678.31
Finance Costs	26	3,221.10	3,009.25
Depreciation and Amortization Expense	27	6,864.66	5,919.95
Other Expenses	28	10,210.16	9,180.11
<b>Total Expenses</b>		<b>2,23,425.57</b>	<b>1,86,979.61</b>
<b>III Profit Before Tax (I-II)</b>		<b>13,005.84</b>	<b>8,490.30</b>
<b>IV Share of Profit from Joint Venture</b>		<b>2,241.99</b>	<b>1,546.58</b>
<b>V Profit Before Tax (III+IV)</b>		<b>15,247.83</b>	<b>10,036.88</b>
<b>VI Tax Expenses:</b>	29		
Current Tax		2,315.59	1,189.63
Deferred Tax		500.59	720.78
Taxes for Earlier Years		49.88	-
<b>VII Profit for the Year (V-VI)</b>		<b>12,381.77</b>	<b>8,126.47</b>
<b>VIII Other Comprehensive Income</b>			
Items that will not be Reclassed to Profit or Loss			
FVTOCI Equity Investments		388.09	56.03
Actuarial Gain/(Loss)		(44.03)	(18.47)
Income Tax Relating Items that will not be Reclassed to Profit or Loss		(42.55)	4.68
<b>Other Comprehensive Income for the Year, Net of Tax</b>		<b>301.51</b>	<b>42.24</b>
<b>IX Total Comprehensive Income for the Year (VII+VIII)</b>		<b>12,683.28</b>	<b>8,168.71</b>
<b>Profit Attributable to:</b>			
Owner of Transport Corporation of India Limited		12,317.44	8,069.29
Non-Controlling Interests		64.33	57.18
<b>Total</b>		<b>12,381.77</b>	<b>8,126.47</b>
<b>Other Comprehensive Income Attributable to:</b>			
Owner of Transport Corporation of India Limited		301.51	42.24
Non-Controlling Interests		-	-
<b>Total</b>		<b>301.51</b>	<b>42.24</b>
<b>Total Comprehensive Income Attributable to:</b>			
Owner of Transport Corporation of India Limited		12,618.95	8,111.53
Non-Controlling Interests		64.33	57.18
<b>Total</b>		<b>12,683.28</b>	<b>8,168.71</b>
<b>Earnings Per Equity Share Face Value of ₹ 2 each</b>			
Basic		16.08	10.61
Diluted		16.07	10.61
<b>The Notes Form an Integral Part of These Financial Statements</b>	<b>1-44</b>		

In terms of our Report of even date

For and on behalf of the Board

 For **Brahmayya & Co.,**  
 Chartered Accountants  
 Firm Regn No 000511S

**S.M Datta**  
 (Chairman)

**O. Swaminatha Reddy**  
 (Director)

**D.P. Agarwal**  
 (Vice Chairman &  
 Managing Director)

**Vineet Agarwal**  
 (Managing Director)

**Lokesh Vasudevan**  
 (Partner)  
 Membership No.222320

**Archana Pandey**  
 (Company Secretary)

**Ashish Tiwari**  
 (Group CFO)

 Place: Gurugram  
 Date: 16<sup>th</sup> May 2018

# Consolidated Statement of Cash Flow for the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
<b>A. Cash Flow from Operating Activities:</b>		
<b>Net Profit Before Tax and Exceptional Items</b>	<b>15,247.83</b>	<b>10,036.88</b>
Adjustments for :		
Depreciation	6,864.66	5,919.95
Loss/(Profit) on Sale of Fixed Assets	(121.56)	81.80
Fair Valuation of Investments through FVTPL	(4.82)	(11.88)
Loss/(Gain) on Foreign Currency Transactions	0.95	11.99
Unclaimed Balances and Excess Provisions Written Back	(32.28)	(220.59)
Net Loss (Gain) on Financial Assets	1.56	7.99
Amortisation of Prepayment Operating Leasehold Land	21.74	4.15
Finance Costs	3,221.10	3,009.25
Interest Received	(55.98)	(57.02)
Dividend Income	(1.01)	(15.29)
Government Grant	(23.46)	(23.46)
	<b>9,870.90</b>	<b>8,706.89</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>25,118.73</b>	<b>18,743.77</b>
Adjustments for :		
Trade Receivables	(6,641.25)	(3,309.79)
Other Financial & Other Assets	3,538.50	(3,210.50)
Inventories	(79.37)	(74.89)
Trade Payable and Others	(242.61)	229.02
<b>Cash Generation from Operations</b>	<b>21,694.00</b>	<b>12,377.61</b>
(Direct Taxes Paid)/Refund Received	(3,681.57)	(2,498.46)
<b>Net Cash From Operating Activities</b>	<b>18,012.43</b>	<b>9,879.15</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets	(15,911.40)	(11,531.04)
Loans	(329.10)	(744.92)
Proceeds on Sale of Fixed Assets	805.38	150.49
Proceeds on Sale of Investments	220.00	-
Purchase of Investments	(300.00)	(155.01)
Interest Received	87.21	35.23
Dividend Received	1.01	15.29
<b>Net Cash From Investing Activities</b>	<b>(15,426.90)</b>	<b>(12,229.96)</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds From Issuance of Share Capital	-	253.53
Proceeds From Government Grant	-	250.00
Short Term Borrowings (Net)	748.94	2,013.08
Proceeds From Term Borrowings	6,195.92	9,077.09
Repayment of Term Borrowings	(5,108.24)	(4,387.90)
Finance Cost Paid	(3,230.22)	(2,994.58)
Payment of Dividend	(1,225.24)	(870.40)
Payment of Dividend Tax	(409.06)	(177.19)
<b>Net Cash From Financing Activities</b>	<b>(3,027.90)</b>	<b>3,163.63</b>
<b>Net Increase(Decrease) in Cash &amp; Cash Equivalent(A+B+C)</b>	<b>(442.37)</b>	<b>812.82</b>
Cash & Cash Equivalent as on 31 <sup>st</sup> March 2017	1,865.59	1,052.77
Cash & Cash Equivalent as on 31 <sup>st</sup> March 2018	1,423.22	1,865.59

**Note:** The cash flow statement has been prepared under Indirect Method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

In terms of our Report of even date For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**D.P.Agarwal**  
(Vice Chairman &  
Managing Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)  
Membership No.222320

**Archana Pandey**  
(Company Secretary)

**Ashish Tiwari**  
(Group CFO)

Place: Gurugram  
Date: 16<sup>th</sup> May 2018

# Consolidated Statement of Changes in Equity for the Year Ended 31<sup>st</sup> March 2018

## A. Equity Share Capital

Particulars	No of Shares	₹ In Lakhs
Balance as at 1 <sup>st</sup> April 2017	7,65,77,450	1,531.55
Changes in Equity Share Capital During 2017-18	-	-
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>7,65,77,450</b>	<b>1,531.55</b>

## B. Other Equity

₹ In Lakhs

Particulars	Profits Attributable to Owners											Non-Con- trolling Interests	Total	
	Reserves and Surplus							Other Comprehensive						
	Retained Earnings	Securities Premium	General Reserve	Share Options Outstand- ing	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilised)	Reserve on Consol- idation	Capital Redemp- tion Reserve	FCTR	Income				Total
										FVTOCI Equity Instru- ments	Others			
Balance as at 1 <sup>st</sup> April 2017	11,260.79	575.37	45,139.54	-	1,799.50	1,978.00	2,462.94	194.00	(590.70)	389.66	(84.58)	63,124.52	427.46	63,551.98
Profit for the Year	12,317.44	-	-	-	-	-	-	-	-	-	-	12,317.44	64.33	12,381.77
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	329.99	(28.48)	301.51	-	301.51
Addition/Deletion During the Year	-	-	-	-	-	-	(876.22)	-	130.13	-	-	(746.09)	-	(746.09)
Issue/Grant of equity shares	-	-	-	398.05	-	-	-	-	-	-	-	398.05	-	398.05
Share of Loss in Derecognised Subsidiaries	876.22	-	-	-	-	-	-	-	-	-	8.16	884.38	-	884.38
Transfer In/Out General Reserve	(6,000.00)	-	6,000.00	-	-	-	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,070.00)	-	-	-	1,070.00	-	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)	-	-	-	-	(1799.50)	1799.50	-	-	-	-	-	-	-	-
Transactions with Owners in Their Capacity as Owners :														
Dividends	(1,225.24)	-	-	-	-	-	-	-	-	-	-	(1,225.24)	(20.58)	(1,245.82)
Tax on Dividends	(409.06)	-	-	-	-	-	-	-	-	-	-	(409.06)	(4.19)	(413.25)
Balance as at 31 <sup>st</sup> March 2018	15,750.15	575.37	51,139.54	398.05	1070.00	3777.50	1,586.72	194.00	(460.57)	719.65	(104.90)	74,645.51	467.02	75,112.53

In terms of our Report of even date For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**D.P. Agarwal**  
(Vice Chairman &  
Managing Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)  
Membership No.222320  
Place: Gurugram  
Date: 16<sup>th</sup> May 2018

**Archana Pandey**  
(Company Secretary)

**Ashish Tiwari**  
(Group CFO)

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 1. Corporate Information

Transport Corporation of India Ltd. ('TCIL' or 'the Group') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Transport Corporation of India is India's leading end to end integrated supply chain and logistics solutions provider (LSP) and a pioneer in the sphere of cargo transportation in India. Leveraging on its extensive infrastructure, strong foundation and skilled manpower, TCI offers seamless multimodal transportation solutions. An ISO 9001:2008 certified group, TCIL is listed with premier stock exchanges, namely, NSE and BSE.

### General Information and Statement of Compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements for the year ended 31<sup>st</sup> March 2018 were authorized and approved for issue by the Board of Directors on 16<sup>th</sup> May 2018.

## 2. Summary of Significant Accounting Policies

### a) Overall Consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, unless otherwise stated.

#### Basis of Preparation

The financial statements have been prepared on going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities (including derivatives instruments) & contingent consideration which are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments which are measured at fair value of the options

#### Basis of Consolidation

##### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit or loss and other comprehensive income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31<sup>st</sup> March 2018.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. Profit or loss and each component of OCI are attributed to the equity holders of the Parent Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

#### Associates and Joint Ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method, after initially being recognised at cost.

Investments in joint arrangement are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement.

- Joint ventures – Interest in joint venture are accounted for using the equity method, after initially being recognised at cost.
- Joint operations – The Group recognises its direct right to the assets, liabilities, revenue and expenses of Joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses. These have been incorporated in the financial statement under the appropriate heading.

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments is tested for impairment in accordance with impairment of non-financial asset policy.

### b) Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the difference is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Where settlement of any part of cash consideration is deferred, the amount payable in the future is discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which the similar borrowing could be obtained from an independent financier under comparable terms and condition.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

### c) Current Versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### d) Foreign Currency Translation

*Functional and presentation currency*

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Group.

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## *Transactions and balances*

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

## *Conversion*

Functional and reporting currencies of overseas subsidiaries are different from the reporting currency of the Group. For all the foreign operations of the Group, all assets and liabilities are translated into INR using the exchange rate prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions.

## **e) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

The Group derives its income from three principal sources: Freight Services, Logistics Services and Sale of Power.

### *Freight Services*

Freight income and associated expenses are recognised using the percentage-of-completion method. The stage of completion is assessed with reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Generally, the contracts are Fixed-price, thus the associated costs can be reliably measured. Where necessary, single transactions are split into separately identifiable components to reflect the substance of the transaction. Conversely, two or more transactions may be considered together for revenue recognition purposes, where the commercial effect cannot be understood without reference to the series of transactions as a whole.

### *Logistics Services*

Under Logistics services, the principal service is related to customer contracts for warehousing activities. Based on the customer contracts logistics income is recognised when services are rendered, the amount of revenue can be reliably measured, and in all probability, the economic benefits from the transaction will flow to the group. Where necessary, single transactions are split into separately identifiable components to reflect the substance of the transaction. Conversely, two or more transactions may be considered together for revenue recognition purposes, where the commercial effect cannot be understood without reference to the series of transactions as a whole.

### *Sale of Power*

Income from sale of power is recognized on transfer of significant risks and rewards of ownership to the buyer which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Group with the procurer/s of power.

## **Other Incomes**

### *Lease Income*

Rental income arising from operating leases on property, plant and equipment is accounted for on a straight-line basis except where scheduled increase in rent compensates the Group with expected inflationary costs, over the lease terms and is included in other income in the statement of profit or loss.

### *Interest Income*

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred. Borrowing cost includes interest, exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with borrowing of funds.

## g) Property, Plant and Equipment

### *Recognition and initial measurement*

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. Estimated useful life of ship is based on technical assessment.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

## h) Other Intangible Assets

### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

### *Subsequent measurement (amortisation)*

The Group has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortized over the license period or three years, being their expected useful economic life

## i) Leased Assets

### **Group as a Lessee**

#### *Finance leases*

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Group will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

#### *Operating leases*

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

### **Group as a lessor**

#### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease income is recognised in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs etc. are recognised immediately in the statement of profit and loss. Contingent rents are recognised as revenue in the period in which they are earned.

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## *Operating leases*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

## *Leasehold land*

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in the Ind AS 17 "leases") and is amortised over the lease terms in accordance with the pattern of benefits provided.

## **j) Impairment of Non-Financial Assets**

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## **k) Government Grants**

Grants and subsidies from the government are recognized at their fair value when there is reasonable assurance that the Group will comply with the conditions attached to them and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected lives of the related assets and presented within other income.

## **l) Financial Instruments**

### **Financial Assets**

#### *Initial recognition and measurement*

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### *Subsequent measurement*

**i. Financial Instruments at Amortised Cost** – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is recognised as finance income in the statement of profit and loss.

**ii. Equity Investments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

**iii. Mutual Funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

**IV.** Investment in subsidiaries, associates and joint ventures are carried at cost in separate financial statements.

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or retains the contractual right to receive cash flow of a financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.



# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## Financial Liabilities

### *Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

### *Subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## Financial Guarantee Contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## m) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## n) Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

### *Trade receivables*

The Group applies approach permitted by Ind AS 109 Financial Instruments at each reporting date, which requires expected lifetime losses to be recognised from initial recognition of receivables. As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables. At every reporting date, the historical observed default rates are updated.

### *Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

## o) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

## p) Income Taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act and in the overseas branches/companies as per the respective tax laws. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Current tax are measured at the tax rates that apply in the year based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income.

This is assessed based on the forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

## q) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value. Deposits with banks are measured at amortised cost.

## r) Post-Employment, Long Term and Short Term Employee Benefits

### **Defined Contribution Plans**

#### *Provident Fund*

Certain entities of the group make contribution to statutory provident fund trust setup in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms of the Guidance on Ind AS 19, the provident fund trust set up is treated as a defined benefit plan since the Group has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee.

Certain other entities of the Group make contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

### **Defined Benefit Plans**

#### *Gratuity*

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

## *Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

## *Short-term employee benefits*

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

## **s) Share Based Payments**

### *Employee stock option plan*

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied and expense in respect of the options granted to the employees of the subsidiaries and other group entities is recognized in their respective financial statements. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

## **t) Non-Current Assets and Liabilities Classified as Held for Sale and Discontinued Operations**

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

## **u) Provisions, Contingent Assets and Contingent Liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

## **v) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue and excluding treasury shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **w) Recent Accounting Pronouncements**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28<sup>th</sup> March, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1<sup>st</sup> April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial Statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1<sup>st</sup> April 2018. Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Group from 1<sup>st</sup> April 2018. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The Group is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

## x) Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

**Revenue** – The Group recognises revenue using the stage of completion method. This requires forecasts to be made of the outcomes of long-term construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims and incentive payments to the extent they are probable and they are capable of being reliably measured.

**Recognition of Deferred Tax Assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

**Recognition of Deferred Tax Liability on Undistributed Profits** – The extent to which the Group can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

**Evaluation of Indicators for Impairment of Assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Classification of Leases** – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**Recoverability of Receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Useful Lives of Depreciable/Amortisable Assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

**Defined Benefit Obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair Value Measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

### 3. Property, Plant and Equipment

Description of Assets	Gross Block			As at 31 <sup>st</sup> March 2018	Depreciation				Net Carrying Value	
	As at 1 <sup>st</sup> April 2017	Addition During the Year	Disposals/ Adjustments		Up to 31 <sup>st</sup> March 2017	For the Year	Disposals/ Adjustments	Total Depreciation	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Owned Assets:</b>										
Freehold Land	6,603.60	1,614.79	-	8,218.39	-	-	-	-	8,218.39	6,603.60
Buildings	13,727.03	268.96	583.54	13,412.45	330.76	262.39	10.76	582.39	12,830.06	13,396.27
Ships	11,863.96	5,991.14	-	17,855.10	1,702.17	1,966.62	-	3,668.79	14,186.31	10,161.79
Motor Trucks	13,507.03	4,342.20	365.38	17,483.85	3,458.36	2,871.77	347.11	5,983.02	11,500.83	10,048.67
Vehicles	1,022.78	289.22	230.68	1,081.32	140.59	169.21	153.20	156.60	924.72	882.19
Plant and Machinery	6,348.95	782.78	-	7,131.73	846.98	517.78	-	1,364.76	5,766.97	5,501.97
Computers	361.13	325.29	-	686.42	177.03	151.72	-	328.75	357.67	184.10
Containers	3,759.84	1,902.58	45.29	5,617.13	484.14	405.71	28.01	861.84	4,755.29	3,275.70
Furniture & Fixtures	1,974.84	302.44	-	2,277.28	431.62	233.19	-	664.81	1,612.47	1,543.22
Office Equipments	400.52	137.99	-	538.51	134.38	85.87	-	220.25	318.26	266.14
<b>Assets on Operating Lease:</b>	-	-	-	-	-	-	-	-	-	-
Freehold Land	77.00	-	-	77.00	-	-	-	-	77.00	77.00
Plant & Equipments	2,581.46	-	-	2,581.46	421.20	184.84	-	606.04	1,975.42	2,160.26
<b>Total</b>	<b>62,228.14</b>	<b>15,957.39</b>	<b>1,224.89</b>	<b>76,960.64</b>	<b>8,127.23</b>	<b>6,849.10</b>	<b>539.08</b>	<b>14,437.25</b>	<b>62,523.39</b>	<b>54,100.91</b>
<b>Previous Year</b>	<b>56,227.81</b>	<b>7,101.84</b>	<b>1,101.51</b>	<b>62,228.14</b>	<b>3,087.57</b>	<b>5,874.76</b>	<b>835.10</b>	<b>8,127.23</b>	<b>54,100.91</b>	<b>50,247.37</b>

- i) Property plant and equipment pledged as security: Refer Note 14 for information on property, plant and equipment pledged as security by the Company.
- ii) The borrowing costs capitalised during the year ended 31<sup>st</sup> March 2018 was ₹ 29.54 Lakhs (31<sup>st</sup> March 2017: ₹ 24.15 Lakhs).
- iii) In Case of Ship, the Company has adopted useful life of ship as 32 years from the date of built as per the technical assessment. Because of this depreciation has been increased by ₹ 60.22 Lakhs.
- iv) Dry dock expense capitalised and included in Ships in the above schedule and is depreciated with a useful life of 2.5 years as per company policy.

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Gross Block	3,593.66	1,842.17
Accumulated	(2,011.56)	(829.22)
<b>Net Block</b>	<b>1,582.10</b>	<b>1,012.95</b>

**Note: 3A Capital Work-in-Progress**

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Capital Work in Progress	5,632.38	5,680.92

₹ In Lakhs

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 4. Other Intangible Assets

₹ In Lakhs

	Softwares	Total
<b>Gross Block</b>		
Balance as at 31 <sup>st</sup> March 2017	253.28	253.28
Additions	4.54	4.54
Disposals/Adjustments	-	-
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>257.82</b>	<b>257.82</b>
<b>Accumulated Amortisation</b>		
Balance as at 31 <sup>st</sup> March 2017	185.55	185.55
Charge for the Year	15.56	15.56
Disposals/Adjustments for the Year	-	-
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>201.11</b>	<b>201.11</b>
<b>Net Book Value as at 31<sup>st</sup> March 2018</b>	<b>56.71</b>	<b>56.71</b>
<b>Net Book Value as at 31<sup>st</sup> March 2017</b>	<b>67.73</b>	<b>67.73</b>

## 5. Investments

₹ In Lakhs

Particulars	Number of Shares		Amount	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>In Equity Instruments</b>				
<b>In Other Companies (Quoted) (at FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of TCI Developers Limited	1,00,000	1,00,000	457.50	369.60
<b>Sub total(a)</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>457.50</b>	<b>369.60</b>
<b>In Other Companies (Unquoted) (at FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of XPS Cargo Services Limited	3,00,000	3,00,000	370.56	70.36
Fully Paid up Shares of ₹ 10/- Each of TCI Distribution Centres Limited	1,43,700	1,43,700	14.37	14.37
Fully Paid up Shares of ₹ 10/- Each of Ampere Vehicle Private Limited	15,00,000	-	150.00	-
Fully Paid up Shares of ₹ 10/- Each of Cargo Exchange India Private Limited	12,00,000	-	120.00	-
<b>Sub total (b)</b>	<b>31,43,700</b>	<b>4,43,700</b>	<b>654.93</b>	<b>84.73</b>
<b>In Joint Ventures (Unquoted) (at Cost)</b>				
Fully Paid up Shares of ₹ 10/- Each of Transystem Logistics International Pvt Limited	39,20,000	39,20,000	7,197.84	6,371.25
Profits for the Year	-	-	2,242.63	1,534.31
Share of Other Comprehensive Income	-	-	0.90	-
Dividend Received & Tax	-	-	(943.63)	(707.72)
<b>Sub total (ci)</b>	<b>39,20,000</b>	<b>39,20,000</b>	<b>8,497.74</b>	<b>7,197.84</b>
Fully Paid up Shares of Naira 10/- each of TCI Nigeria Ltd	5,00,000	5,00,000	180.67	168.40
Foreign Exchange Translation	-	-	-	-
Profits for the Year	-	-	(0.64)	12.27
Dividend Received	-	-	-	-
<b>Sub total (cii)</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>180.03</b>	<b>180.67</b>
<b>In Preference Shares</b>				
<b>In Other Company (Unquoted) (at Amortised Cost)</b>				
11% Redeemable Non-Cumulative Fully Paid up Shares of ₹ 100/- Each of TCI Distribution Centres Limited	4,02,000	6,22,000	402.00	622.00
Preference Share Fully Paid up Shares of ₹ 1000/- Each of Leap India Limited	1,653	1,653	125.01	125.01
<b>Sub total (d)</b>	<b>4,03,653</b>	<b>6,23,653</b>	<b>527.01</b>	<b>747.01</b>
<b>In Mutual Funds</b>				
<b>(Quoted) (at FVTPL)</b>				
JM Basic Fund	1,49,753	1,49,753	46.20	41.38
<b>In Venture Capital Funds</b>				
<b>(Unquoted) (at FVTOCI)</b>				
PI Ventures Fund I	60,000	30,000	60.00	30.00
<b>Sub total (e)</b>	<b>2,09,753</b>	<b>1,79,753</b>	<b>106.20</b>	<b>71.38</b>

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 5. Investments (Contd.)

₹ In Lakhs

Particulars	Number of Shares		Amount	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>In Debt Securities</b>				
<b>(Quoted) (at Amortised Cost)</b>				
National Highway Authority of India - Bonds of ₹ 1,000 Each	1,236	1,236	12.36	12.36
<b>Sub total (f)</b>	<b>1,236</b>	<b>1,236</b>	<b>12.36</b>	<b>12.36</b>
<b>Grand total (a+b+ci+cii+d+e+f)</b>	<b>82,78,342</b>	<b>57,68,342</b>	<b>10,435.77</b>	<b>8,663.59</b>

<b>Total Non-Current Investments</b>	<b>10,435.77</b>	<b>8,663.59</b>
Aggregate Amount of Quoted Investments and their Market Value	503.70	410.98
Aggregate Amount of Unquoted Investments	9,932.07	8,252.61

## 6. Loans

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
<b>(Unsecured, Considered Good Unless Otherwise Stated)</b>				
Deposits with Others	1,140.86	513.36	1,143.05	513.26
Security Deposits with Customers	-	736.50	-	426.53
Loans to Employees	-	114.62	-	81.18
<b>Total</b>	<b>1,140.86</b>	<b>1,364.48</b>	<b>1,143.05</b>	<b>1,020.97</b>
<b>Less: Provision for Doubtful Deposits</b>	<b>(153.28)</b>	<b>-</b>	<b>(141.06)</b>	<b>-</b>
<b>Total (Net of Provision)</b>	<b>987.58</b>	<b>1,364.48</b>	<b>1,001.99</b>	<b>1,020.97</b>

## 7. Other Financial Assets

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
<b>Unsecured</b>				
Accrued Income but not yet Received	-	142.55	-	66.41
In Deposit Accounts	801.33	-	304.71	-
<b>Total</b>	<b>801.33</b>	<b>142.55</b>	<b>304.71</b>	<b>66.41</b>

## 8. Other Assets

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Deferred Employee Stock Option Compensation	67.52	127.72	-	-
Capital Advances	1,529.13	-	4,717.59	-
Prepaid Expenses	59.86	209.32	270.61	317.70
Prepayment of leasehold Land	1,441.08	21.74	603.44	4.15
GST Credit Receivable	-	359.72	-	205.32
Operational Advances	-	2,344.04	-	1,782.23
Deferred Income	-	3,642.52	-	3,688.24
Other Advances & Deposit	147.73	-	170.14	-
<b>Total</b>	<b>3,245.32</b>	<b>6,705.06</b>	<b>5,761.78</b>	<b>5,997.64</b>
<b>Less: Provision for Doubtful Advances</b>	<b>(126.85)</b>	<b>(63.57)</b>	<b>(128.22)</b>	<b>(63.57)</b>
<b>Total (Net of Provision)</b>	<b>3,118.47</b>	<b>6,641.49</b>	<b>5,633.56</b>	<b>5,934.07</b>

## 9. Inventories

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
(At Lower of Cost and Net Realisable Value)		
Ship Fuels & Consumables	331.12	251.75
<b>Total</b>	<b>331.12</b>	<b>251.75</b>

## 10. Trade Receivables

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>(Unsecured, Considered Good Unless Otherwise Stated)</b>		
<b>Unsecured</b>		
Considered Good	42,485.45	35,844.20
Considered Doubtful	1,080.01	1,309.10
<b>Total</b>	<b>43,565.46</b>	<b>37,153.30</b>
<b>Less: Provision for Expected Credit Losses in Receivables</b>	<b>(1,080.01)</b>	<b>(1,309.10)</b>
<b>Total (Net of Provision)</b>	<b>42,485.45</b>	<b>35,844.20</b>

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 11. Cash and Cash Equivalents

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Cash in Hand	47.48	56.48
Balances with Banks		
Current Accounts	1,223.10	1,686.12
Deposit Accounts	-	-
Bank Deposits with Maturity less than 3 Months	-	-
<b>Sub-total</b>	<b>1,270.58</b>	<b>1,742.60</b>
<b>Other Bank Balances</b>		
Earmarked Bank Balances		
Unpaid Dividend Accounts	152.64	122.99
Fixed Deposits Maturity for more than 3 Months but less than 12 Months	-	-
<b>Sub-total</b>	<b>152.64</b>	<b>122.99</b>
<b>Total</b>	<b>1,423.22</b>	<b>1,865.59</b>

(i) The bank balances include the margin money amounting to ₹ 197.23 Lakhs ( 31<sup>st</sup> March 2017 ₹ 248.19 Lakhs) against the borrowings.

(ii) There are no repatriation restrictions with respect to cash and bank balances available with the Group.

## 12. Current Tax Asset (Net)

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Advance Income Tax (Net of Provision)	3,831.03	2,507.58
<b>Total</b>	<b>3,831.03</b>	<b>2,507.58</b>

## 13. Equity Share Capital

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Authorised Capital		
100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 2 Each	2,000.00	2,000.00
500,000 (Previous Year 500,000) Preference Shares of ₹ 100 Each	500.00	500.00
	<b>2,500.00</b>	<b>2,500.00</b>
Issued, Subscribed and Paid-Up Capital		
76,577,450 (Previous Year 76,577,450) Equity Shares of ₹ 2 Each	1,531.55	1,531.55
<b>Total</b>	<b>1,531.55</b>	<b>1,531.55</b>

### a) Reconciliation of Equity Shares Outstanding at the Beginning and at the End of the Year.

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	No. of Shares	In ₹	No. of Shares	In ₹
Equity Shares at the Beginning of the Year	7,65,77,450	1,531.55	7,60,73,600	1,521.47
Add: Alloted under Employee Stock Option Scheme	-	-	5,03,850	10.08
<b>Equity Shares at the End of the Year</b>	<b>7,65,77,450</b>	<b>1,531.55</b>	<b>7,65,77,450</b>	<b>1,531.55</b>

### b) Rights/Preferences/Restrictions Attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c) Details of Shareholders Holding More Than 5% Shares in the Company

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 2 Each Fully Paid Up				
Bhoruka Finance Corporation of India Limited	1,59,04,679	20.77	1,59,04,679	20.77
Bhoruka International (P) Limited	1,05,88,205	13.83	1,05,61,755	13.79
Mr D.P. Agarwal	49,74,995	6.50	49,74,995	6.50
TCI India Limited	40,45,564	5.28	40,45,564	5.28



# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

## 13A. Other Equity

Particulars	Profits attributable to owners											Non-Con- trolling Interests	Total	
	Reserves and Surplus							Other Comprehensive Income						
	Retained Earnings	Securities Premium	General Reserve	Share Options Outstand- ing	Tonnage Tax Re- serve	Ton- nage Tax Reserve (Utilised)	Reserve on Consol- idation	Capital Redemp- tion Reserve	FCTR	FVTOCI Equity In- struments	Others			
Balance as at 1 <sup>st</sup> April 2017	11,260.79	575.37	45,139.54	-	1,799.50	1,978.00	2,462.94	194.00	(590.70)	389.66	(84.58)	63,124.52	427.46	63,551.98
Profit for the Year	12,317.44	-	-	-	-	-	-	-	-	-	-	12,317.44	64.33	12,381.77
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	329.99	(28.48)	301.51	-	301.51
Addition/Deletion During the Year	-	-	-	-	-	-	(876.22)	-	130.13	-	-	(746.09)	-	(746.09)
Issue/Grant of equity shares	-	-	-	398.05	-	-	-	-	-	-	-	398.05	-	398.05
Share of Loss in Derecognised Subsidiaries	876.22	-	-	-	-	-	-	-	-	-	8.16	884.38	-	884.38
Transfer In/Out General Reserve	(6,000.00)	-	6,000.00	-	-	-	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,070.00)	-	-	-	1,070.00	-	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)					(1799.50)	1799.50								

## Transactions with Owners in

### Their Capacity as Owners :

Dividends	(1,225.24)	-	-	-	-	-	-	-	-	-	-	(1,225.24)	(20.58)	(1,245.82)
Tax on Dividends	(409.06)	-	-	-	-	-	-	-	-	-	-	(409.06)	(4.19)	(413.25)
<b>Balance as at 31<sup>st</sup> March 2018</b>	<b>15,750.15</b>	<b>575.37</b>	<b>51,139.54</b>	<b>398.05</b>	<b>1070.00</b>	<b>3777.50</b>	<b>1,586.72</b>	<b>194.00</b>	<b>(460.57)</b>	<b>719.65</b>	<b>(104.90)</b>	<b>74,645.51</b>	<b>467.02</b>	<b>75,112.53</b>

## 14. Borrowings

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Secured</b>		
Term Loans from Banks	19,542.95	18416.57
Term Loans from Others	35.12	73.82
<b>Total</b>	<b>19,578.07</b>	<b>18,490.39</b>
Less: Amount Disclosed under Other Financial Liabilities (Ref Note 15)	4,434.18	4,175.05
<b>Total</b>	<b>15,143.89</b>	<b>14,315.34</b>

₹ In Lakhs

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 14. Borrowings (Contd.)

### Repayment Terms and Security Disclosure for the Outstanding Long-Term Borrowings:

₹ In Lakhs

Particulars	Terms of Repayment	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Term Loans from Banks:</b>			
(1) Apartment No. 801, 8 <sup>th</sup> Floor Block No. A-2, "World Spa East" Building, Sector 30 & 40, Revenue State Of Village- Silokhera, Tahsil And District – Gurgaon (Haryana)	Repayable in 24 Quarterly installments starting from Nov 2016. Last installment due in November 2022.	311.30	379.50
(2) Dag No. 53, Khatian No.53, Bankim Banary Samana, National Highway No.6 Mousa - Sodulpur, JL-89 Parangana Dist - Midnapur Dharinda, Dist - Midnapur, Kharagpur (WB)"		-	-
Properties situated at (1) Kharsa no. 8//1,2,3 MIN, 4MIN 5MIN, 8MIN, 9/1MIN. 10/1, 12/2, 13,1, 9//5, 6/1/1, Village Jhundsarai Viran, District-Gurgaon.	Repayable in 24 Quarterly installments starting from January 2015. Last installment due in October 2020.	458.33	625.00
	Repayable in 24 Quarterly installments starting from December 2015. Last installment due in October 2021.	291.67	375.00
Secured by first charge on the mortgage of M.V. TCI Arjun	Repayable in 24 Quarterly installments starting from December 2015. Last installment due in September 2021.	1,691.67	2,175.00
Secured by first charge on the mortgage of M.V. TCI Vijay	Repayable in 28 Quarterly installments starting from April 2018. Last installment due in January 2025.	3,135.86	3,252.00
Secured by first charge on the mortgage of M.V. TCI Express	Repayable in 28 Quarterly installments starting from June 2019. Last installment due in March 2026.	3,251.75	-
Secured by first charge on the mortgage of 500 Containers	Repayable in 16 Quarterly installments starting from August 2015. Last installment due in May 2019.	178.37	366.37
Secured by first charge on the mortgage of 350 Containers & 30 Containers	Repayable in 16 Quarterly installments starting from September 2015. Last installment due in June 2019.	346.11	265.91
Secured by first charge on the mortgage of 500 Containers	Repayable in 60 monthly installments starting from December 2016. Last installment due in November 2021.	896.04	460.16
Secured by first charge on the mortgage of 500 Containers	Repayable in 60 monthly installments starting from February 2017 Last installment due in January 2022.	750.02	506.88
Trucks and Cars acquired against individual loan	Repayable in monthly installments	8,231.84	9,716.76
Term Loans of Subsidiary : TCI Global (Singapore ) Pte Ltd . Loans secured by legal mortgage of leasehold property of the Company	Repayable in monthly installments	-	293.99
<b>Sub-Total</b>		<b>19,542.95</b>	<b>18,416.57</b>
<b>Term Loans from Others:</b>			
Vehicles acquired against individual loan	Repayable in monthly installments	35.12	73.82
<b>Sub-Total</b>		<b>35.12</b>	<b>73.82</b>
<b>Total</b>		<b>19,578.07</b>	<b>18,490.39</b>

**Note:** The Group incurred interest cost during the year in the range of 7.80% to 9.20% on long term borrowings (Previous year range were 8.21 % to 9.84%).

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 15. Other Financial Liabilities

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Current Maturities of Long-Term Borrowings (Ref Note 14)				
From Banks	-	4,399.06	-	4,136.35
From Others	-	35.12	-	38.70
Interest Accrued but not due on Borrowings	-	87.21	-	96.33
Unpaid /Unclaimed Dividends	-	152.64	-	122.99
Payable on Purchase of Fixed Assets	-	27.06	-	137.02
Trade / Security Deposits	-	800.26	-	899.89
Other Payables	-	3,371.05	-	2,973.95
<b>Total</b>	-	<b>8,872.40</b>	-	<b>8,405.23</b>

## 16. Deferred Tax Liability/(Asset) (Net)

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Deferred Tax Liability/(Asset)	4,447.27	3,946.67
<b>Total</b>	<b>4,447.27</b>	<b>3,946.67</b>

## Movement in Deferred Tax Liabilities During the Year Ended 31<sup>st</sup> March 2018

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2017	Recognised in Statement of Profit and Loss	31 <sup>st</sup> March 2018
Depreciation	4,061.97	711.51	4,773.48
Others Items	(115.30)	(210.92)	(326.21)
<b>Total</b>	<b>3,946.67</b>	<b>500.59</b>	<b>4,447.27</b>

## 17. Government Grant

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Opening Balance	203.08	23.46	-	-
Transferred from Non Current to Current	(23.46)	23.46		
Additions During the Year	-	-	203.08	46.92
Amount Recognised as Income		(23.46)		(23.46)
<b>Total</b>	<b>179.62</b>	<b>23.46</b>	<b>203.08</b>	<b>23.46</b>

## 18. Other Liabilities

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Due to Gratuity Fund	-	259.04	-	47.19
Statutory Remittances	-	646.25	-	498.00
Accrued Expenses	-	2,649.97	-	2,651.58
Book Overdraft	-	-	-	29.43
<b>Total</b>	-	<b>3,555.26</b>	-	<b>3,226.20</b>

## 19. Borrowings

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Secured</b>		
From Banks		
Working Capital Loans	8,880.36	3,830.74
<b>Unsecured</b>		
From Banks		
Commercial Paper	6,500.00	18,800.00
Other Loans	9,000.00	1,000.00
From Directors	5.06	5.74
<b>Total</b>	<b>24,385.42</b>	<b>23,636.48</b>

## Security disclosure for the outstanding short-term borrowings as at 31<sup>st</sup> March 2018 and 31<sup>st</sup> March 2017:

### Borrowings from banks are secured, in respect of respective facilities by way of :

Working capital loans are secured by hypothecation of book debts as primary security along with land properties as collateral. The Company have incurred interest cost on weighted average of Effective interest rate during the year 7.35 % on short term borrowings (Previous year 7.33 %).

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 20. Trade Payables

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Micro, Small and Medium Enterprises	-	-
Others	5,970.06	3,573.23
<b>Total</b>	<b>5,970.06</b>	<b>3,573.23</b>

## 21. Provisions

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits	-	553.51	-	530.76
<b>Total</b>	<b>-</b>	<b>553.51</b>	<b>-</b>	<b>530.76</b>

## 22. Revenue From Operations

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Freight, Demurrage and Miscellaneous Charges	2,12,370.81	176,366.60
Logistics and Other Services	21,822.61	17,437.42
Other Operating Income (i)	420.17	449.71
<b>Total</b>	<b>2,34,613.59</b>	<b>1,94,253.73</b>

## 23. Other Income

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
<b>Income from Investments</b>		
Dividend Income	1.01	15.29
<b>Sub-total</b>	<b>1.01</b>	<b>15.29</b>
<b>Interest from</b>		
Financial Asset Carried at Amortised Cost	82.34	91.30
Others	55.98	57.02
<b>Sub-total</b>	<b>138.32</b>	<b>148.32</b>
Rent (i)	636.07	632.29
Profit on Disposal of Fixed Assets	121.56	-
Unclaimed Balances and Excess Provisions Written Back	32.28	220.59
Bad Debts and Irrecoverable Balances Written off Earlier, Realised	254.55	144.12
Fair Valuation of Mutual Funds	4.82	11.89
Government Grant	23.46	23.46
Miscellaneous Income	605.75	20.22
<b>Sub-total</b>	<b>1,678.49</b>	<b>1,052.57</b>
<b>Total</b>	<b>1,817.82</b>	<b>1,216.18</b>

The Company did not receive any dividend from the equity instruments designated as FVTOCI.

### Note:

(i) Break-Up of Sale of Power

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Sale of Power	420.17	449.71
Rental Income due to Embedded Leases (included in Rent)	260.16	260.16
<b>Gross Sale of Power</b>	<b>680.33</b>	<b>709.87</b>

## 24. Cost of Rendering of Services

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Freight	1,42,145.61	1,18,470.32
Vehicles' Trip Expenses	19,526.82	16,907.58
Tyres & Tubes etc.	827.78	689.99
Warehouse Rent	2,993.74	2,481.89
Warehouse Expenses	8,226.69	7,590.11
Other Transportation Expenses	1,333.87	1,125.38
Claims for Loss & Damages (Net)	13.95	(33.44)
Commission	11.11	19.30

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 24. Cost of Rendering of Services (contd.)

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Vehicles' Taxes	645.77	597.22
Vehicles' and Ship Insurance	705.36	474.27
Power, Fuel and Water Charges	5,002.61	3,419.40
Stores & Spare Parts Consumed	1,115.84	774.98
Port and Survey Expenses	1,399.30	787.30
Stevedoring and Cargo Expenses	4,358.43	3,399.01
Wages, Bonus and Other Expenses - Floating Staff	1,444.58	1,041.84
Contribution to Provident & Other funds - Floating Staff	26.70	17.58
Clearing and Forwarding Expenses	903.11	429.26
<b>Total</b>	<b>1,90,681.27</b>	<b>1,58,191.99</b>

## 25. Employee Benefit Expense

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Salaries, Wages And Bonus	10,567.15	8,846.60
Contribution to Provident and Other Funds	879.26	768.81
Contribution to Employees' State Insurance	209.61	161.33
Share Based Payments to Employees	202.82	192.29
Staff Welfare & Development Expenses	589.54	709.28
<b>Total</b>	<b>12,448.38</b>	<b>10,678.31</b>

## 26. Finance Costs

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Interest	3,119.41	2,877.77
Guarantee, Finance and Bank Charges	101.69	131.48
<b>Total</b>	<b>3,221.10</b>	<b>3,009.25</b>

## 27. Depreciation and Amortisation

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
<b>Depreciation on</b>		
Property, Plant and Equipment	6,849.10	5,874.76
<b>Amortisation on</b>		
Intangible Assets	15.56	45.19
<b>Total</b>	<b>6,864.66</b>	<b>5,919.95</b>

## 28. Other Expenses

### (A) Administrative Expenses

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Rent	1,327.64	1,329.35
Rates and Taxes	105.86	93.20
Insurance	123.20	136.94
Telephone Expenses	140.53	191.59
Printing and Stationery	392.49	356.87
Travelling Expenses	1,218.63	1,165.64
Legal Expenses	62.67	56.16
Postage and Courier	123.69	110.52
Electricity Expenses	670.14	425.26
Advertisement Expenses	44.12	34.51
Office Maintenance & Security exp.	659.63	524.80
E mail/I. net/Telex Expenses	222.97	209.13
Consultancy & Internal Audit fee*	239.56	187.02
Conference & Seminar exp.	185.68	152.68
Commission & Fee's to Directors	59.15	51.58

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 28. Other Expenses (contd.)

### (A) Administrative Expenses

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Remuneration to Auditors		
Audit Fees	30.06	16.58
Tax Audit Fees	7.26	6.10
Other Services	0.23	0.58
Bad Debts and Irrecoverable Balances Written Off**	489.15	531.02
Agricultural Expenses (Net of income)	8.99	9.09
Charity & Donations (Including CSR Expenses)	320.52	252.47
Loss on Sale of Assets	-	81.80
Exchange Difference	0.95	11.99
Miscellaneous Expenses	395.00	334.50
<b>Sub-total</b>	<b>6,828.12</b>	<b>6,269.38</b>

\*Includes ₹ 33.00 Lakhs paid to one director for services of a professional nature (Previous year ended ₹ 30.00 Lakhs)

\*\*Includes provision of ₹ 17,27 Lakhs (Previous year ended ₹ 141.05 Lakhs)

### (B) Repairs and Maintenance Expenses

₹ In Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Motor Trucks	1,923.97	1,604.66
Other Vehicles	272.05	253.69
Ships	448.57	381.09
Plant & Equipment	317.85	275.84
Computers	280.72	95.35
Buildings	138.88	300.10
<b>Sub-total</b>	<b>3,382.04</b>	<b>2,910.73</b>
<b>Total</b>	<b>10,210.16</b>	<b>9,180.11</b>

## 29. Tax Expense

### 1. Provision for tax recognised in profit and loss

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Current Tax	2,315.59	1,189.63
Deferred Tax	500.59	720.78
Taxe Relating to Earlier Years	49.88	-
<b>Total</b>	<b>2,866.06</b>	<b>1,910.41</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.608% and the reported tax expense in profit or loss are as follows:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
At Country's Statutory Income Tax Rate of 34.608% (31 <sup>st</sup> March 2018: 34.608%)	34.608%	34.608%
<b>Accounting Profit Before Income Tax</b>	<b>15,247.83</b>	<b>10,036.88</b>
Income Exempted from Income Taxes	(5,653.50)	(3,480.48)
Others	(1,312.87)	(1,036.25)
<b>Taxable Income</b>	<b>8,281.46</b>	<b>5,520.15</b>
Tax Expense Provided in Statement of Profit and Loss	2,866.06	1,910.41
	<b>2,866.06</b>	<b>1,910.41</b>

Consequence to reconciliation items shown above, the effective tax rate is 18.79% (31<sup>st</sup> March 2017: 19.03%)

### 2. Income Tax Recognised in Other Comprehensive Income

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Deferred Tax</b>		
Arising on Income and expenses recognised in other comprehensive income		
- Net fair value gain on investments in equity shares at FVTOCI	58.10	(6.39)
- Remeasurements of defined benefit obligation.	(15.55)	1.71
<b>Total income-tax expense recognised in Other Comprehensive Income</b>	<b>42.55</b>	<b>(4.68)</b>

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 30. Earnings Per Equity Share

The Group Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders of the Parent. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Net Profit Attributable to Equity Shareholders for Calculation of Basic EPS (A)	12,317.44	8,069.29
Effects of Dillution:		
Add: potential instrument that effect earning per share	-	-
Net Profit Attributable to Equity Shareholders for calculation of Dilluted EPS (B)	12,317.44	8,069.29
Weighted-Average Number of Equity Shares for Computing Basic Earnings Per Share (C)	7,65,77,450.00	7,65,13,951.00
Effects of Dillution:		
Stock Option under Scheme of Employee's Stock Option	83,896.00	-
Weighted-Average Number of Equity Shares Adjusted for the Effect of Dilution for Computing Diluted Earnings Per Share (D)	7,66,61,346.00	7,65,13,951.00
<b>Basic Earnings Per Share (A/C)</b>	<b>16.08</b>	<b>10.61</b>
<b>Diluted Earnings Per Share (B/D)</b>	<b>16.07</b>	<b>10.61</b>
*Diluted EPS when anti dilutive is restricted to basic EPS		

## 31. Financial Instruments

### i) Fair Values Hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and minimise the reliance on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### ii) Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements:

As at 31 <sup>st</sup> March 2018	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments at FVTPL					
Mutual Fund Investments	5	46.20	-	-	46.20
Investments at FVTOCI					
Equity Investments	5	457.50	-	714.93	1,172.43
<b>Total Financial Assets</b>		<b>503.70</b>	<b>-</b>	<b>714.93</b>	<b>1,218.63</b>
Financial Liabilities		-	-	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements:

As at 31 <sup>st</sup> March 2017	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments at FVTPL					
Mutual Fund Investments	5	41.38	-	-	41.38
Investments at FVTOCI					
Equity Investments & Mutual Fund	5	369.60	-	114.73	484.33
<b>Total Financial Assets</b>		<b>410.98</b>	<b>-</b>	<b>114.73</b>	<b>525.71</b>
Financial Liabilities		-	-	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### iii) Financial Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

As at 31 <sup>st</sup> March 2018	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	5	-	-	539.37	539.37
Deposits with Others	6	-	-	1,500.94	1,500.94
Security Deposits with Customers	6	-	-	736.50	736.50
Loans to Employees	6	-	-	114.62	114.62

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 31 Financial Instruments (contd.)

As at 31 <sup>st</sup> March 2018	Note No.	Level 1	Level 2	Level 3	Total
Others	7	-	-	943.88	943.88
<b>Total Financial Assets</b>		-	-	<b>3,835.31</b>	<b>3,835.31</b>
<b>Financial Liabilities</b>					
Borrowings	14, 15 & 19	-	-	43,963.49	43,963.49
Trade Payables	20	-	-	5,970.06	5,970.06
Others	15	-	-	4,438.22	4,438.22
<b>Total Financial Liabilities</b>		-	-	<b>54,371.77</b>	<b>54,371.77</b>

Financial Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

As at 31 <sup>st</sup> March 2017	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	5	-	-	759.37	759.37
Deposits with Others	6	-	-	1,515.25	1,515.25
Security Deposits with Customers	6	-	-	426.53	426.53
Loans to Employees	6	-	-	81.18	81.18
Others	7	-	-	371.12	371.12
<b>Total Financial Assets</b>		-	-	<b>3,153.45</b>	<b>3,153.45</b>
<b>Financial Liabilities</b>					
Borrowings	14, 15 & 19	-	-	42,126.87	42,126.87
Trade Payables	20	-	-	3,573.23	3,573.23
Others	15	-	-	4,230.18	4,230.18
<b>Total Financial Liabilities</b>		-	-	<b>49,930.28</b>	<b>49,930.28</b>

### iv) Valuation Process and Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the remaining financial instruments is determined based on the following methods:
  - Net assets value method
  - Valuation of investment in unquoted equity shares has been made using the of Discounted Cash Flow model and Net Assets Value method, as deemed fit by the group management

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management group.

- The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See above (iv)(b)(ii) for the valuation techniques adopted.

31 <sup>st</sup> March 2018	Fair Value as at		Significant Unobservable Inputs	Probability-Weighted Range		Sensitivity
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017	
Unquoted Equity Shares	714.93	114.73	Earnings Growth Rate	5%	2%	An increase/(decrease) in earnings growth rate of 100 basis points would increase/(decrease) fair value: 31 <sup>st</sup> March 2018 : 5 lakh/(5 lakh) 31 <sup>st</sup> March 2017 : 2 lakh/(2 lakh)

### vi) The Following Table Presents the Changes in Level 3 Items for the Periods Ended 31<sup>st</sup> March 2018 and 31<sup>st</sup> March 2017:

₹ In Lakhs

Particulars	Unlisted Equity Securities	Mutual Funds / Capital Venture	Unlisted Debentures
<b>As at 31<sup>st</sup> March 2017</b>	<b>84.73</b>	<b>30.00</b>	<b>-</b>
Acquisitions	270.00	30.00	-
Gains/losses recognised in statement of profit and loss	-	-	-
Disposal	-	-	-
Gains/losses recognised in other comprehensive income	300.20	-	-
<b>As at 31<sup>st</sup> March 2018</b>	<b>654.93</b>	<b>60.00</b>	<b>-</b>



# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 32. Financial Risk Management

### i) Financial Instruments by Category

For amortised cost instruments, carrying value represents the best estimate of fair value.

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018			As at 31 <sup>st</sup> March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised cost
<b>Financial Assets</b>						
Investments	46.20	1,172.43	539.37	41.38	484.33	759.37
Trade Receivables	-	-	42,485.45	-	-	35,844.20
Loans	-	-	2,352.06	-	-	2,022.96
Cash and Equivalents	-	-	1,423.22	-	-	1,865.59
Other Financial Assets	-	-	943.88	-	-	371.12
<b>Total</b>	<b>46.20</b>	<b>1,172.43</b>	<b>47,743.98</b>	<b>41.38</b>	<b>484.33</b>	<b>40,863.24</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	43,963.49	-	-	42,126.87
Trade payable	-	-	5,970.06	-	-	3,573.23
Other financial liabilities	-	-	4,438.22	-	-	4,230.18
<b>Total</b>	<b>-</b>	<b>-</b>	<b>54,371.77</b>	<b>-</b>	<b>-</b>	<b>49,930.28</b>

### ii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts"	Availability of committed credit lines and borrowing facilities
Market Risk - Foreign Exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging
Market Risk - Security Price	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Group's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit Risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions.

#### a) Credit Risk Management

The finance function of the Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: No Risk
- B: Low Risk
- C: Medium Risk
- D: High Risk

Assets under credit risk –

₹ In Lakhs

Credit rating	Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Low Risk	Trade Receivables	42,485.45	35,844.20
No Risk	Investments	10,435.77	8,663.59
No Risk	Loans	2,352.06	2,022.96
No Risk	Cash and Cash Equivalents	1,423.22	1,865.59
No Risk	Other Financial Assets	943.88	371.12
	<b>Total</b>	<b>57,640.38</b>	<b>48,767.46</b>

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 32 Financial Risk Management (contd.)

The risk parameters are same for all financial assets for all period presented. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than (60 days past due). A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

### b) Credit Risk Exposure

#### Provision for Expected Credit Losses

The Group provides for expected credit loss based on lifetime expected credit loss mechanism for loans and advances, deposits and other investments –

Particular	Years	Estimated Gross Carrying Amount at Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount Net of Impairment Provision
Trade receivables	31 <sup>st</sup> March 2018	43,565.46	2.48%	1,080.01	42,485.45
	31 <sup>st</sup> March 2017	37,153.30	3.52%	1,309.10	35,844.20

### B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

#### Maturities of Financial Liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 <sup>st</sup> March 2018	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	28,819.60	4,434.18	4,334.19	6,375.52	43,963.49
Trade Payable	5,970.06	-	-	-	5,970.06
Other Financial Liabilities	4,438.22	-	-	-	4,438.22
<b>Total</b>	<b>39,227.88</b>	<b>4,434.18</b>	<b>4,334.19</b>	<b>6,375.52</b>	<b>54,371.77</b>

As at 31 <sup>st</sup> March 2017	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	28,281.04	3,914.94	3,397.11	6,533.78	42,126.87
Trade Payable	3,573.23	-	-	-	3,573.23
Other Financial Liabilities	4,230.18	-	-	-	4,230.18
<b>Total</b>	<b>36,084.45</b>	<b>3,914.94</b>	<b>3,397.11</b>	<b>6,533.78</b>	<b>49,930.28</b>

### b) Price Risk Exposure

The Group exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the group diversifies its portfolio of assets.

#### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments in equity

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Price sensitivity (Investment at FVTOCI &amp; FVTPL)</b>		
Price Increase by (5 %)	25,18,499	20,24,014
Price Decrease by (5 %)	(25,18,499)	(20,24,014)

\* Holding all other variables constant

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 33. Capital Management

The Group's capital management objectives are

- To ensure the Company's ability to continue as a going concern
- To provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Net Debts (Net of Cash and Cash Equivalent)	42,540.27	40,261.28
Total Equity	76,644.08	65,083.53
<b>Net Debt to Equity Ratio (Times)</b>	<b>0.56</b>	<b>0.62</b>

### (i) Loan Covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the gearing ratio must be not more than 50%
- the ratio of net finance cost to EBITDA must be not more than 10 times.

The Group has complied with these covenants throughout the reporting period. As at 31<sup>st</sup> March 2018, the ratio of net finance cost to EBITDA is 7.17 times (31<sup>st</sup> March 2017 was 5.78 times).

### (ii) Dividends

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Equity Shares</b>		
Interim and final dividend for the year ended (In CY 2017-18 ₹ 1.60 Per Share and PY 2016-17 ₹ 1.10 Per Share)	1,225.24	842.40

### (iii) Net Debt Reconciliation

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Cash and Cash Equivalents	1,423.22	1,865.59
Non- Current Borrowings (Including Current Maturities)	(19,578.07)	(18,490.39)
Current Borrowings	(24,385.42)	(23,636.48)
Interest Payable	(87.21)	(96.33)
<b>Net Debt</b>	<b>(42,627.48)</b>	<b>(40,357.61)</b>

₹ In Lakhs

Particulars	Cash and Cash Equivalents	Non Current Borrowings (Including Current Maturities)	Current Borrowings	Interest Payable	Total
Net Debt as at 1 <sup>st</sup> April 2017	1,865.59	(18,490.39)	(23,636.48)	(96.33)	(40,357.61)
Cash Flows	(442.37)	(1,087.68)	(748.94)	-	(2,278.99)
Finance Costs	-	-	-	(3,221.10)	(3,221.10)
Interest Paid	-	-	-	3,230.22	(3,230.22)
<b>Net debt as at 31<sup>st</sup> March 2018</b>	<b>1,423.22</b>	<b>(19,578.07)</b>	<b>(24,385.42)</b>	<b>(87.21)</b>	<b>(42,627.48)</b>

## 34. The Consolidated Financial Statement Include Results of all the Subsidiaries, Step-Down Subsidiaries and Joint Ventures of Transport Corporation Of India Limited.

### (a) Name of Key Managerial Personnel and Relatives

Sl.	Name of the Company	Country of Incorporation	% of Shareholding	Consolidated as
1	Transystem Logistics International Pvt. Ltd.	India	49%	Joint Venture
2	TCI Global Pte Ltd.	Singapore	100%	Step-down Subsidiary
3	TCI Global Brazil Logistica Ltda	Brazil	100%	Step-down Subsidiary
4	TCI Holdings Netherlands B.V.	Netherlands	100%	Step-down Subsidiary

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

### 34. The Consolidated Financial Statement Include Results of all the Subsidiaries, Step-Down Subsidiaries and Joint Ventures of Transport Corporation Of India Limited. (contd.)

Sl.	Name of the Company	Country of Incorporation	% of Shareholding	Consolidated as
5	TCI Global (Shanghai) Co. Ltd.	China	100%	Subsidiary
6	TCI Holdings Asia Pacific Pte. Ltd.	Singapore	100%	Subsidiary
7	TCI Holdings SA & E PTE LTD	Singapore	100%	Subsidiary
8	TCI Transportation Company Nigeria Ltd	Nigeria	50%	Joint Venture
9	TCI Bangladesh Limited	Bangladesh	100%	Subsidiary
10	TCI Nepal Private Limited	Nepal	100%	Subsidiary
11	TCI Venture Limited	India	100%	Subsidiary
12	Stratsol Logistic Private Limited	India	100%	Step-down Subsidiary
13	TCI-CONCOR Multimodal Solutions Pvt. Ltd.	India	51%	Subsidiary

The Following companies has been struck off /liquidated during the year:

1	PT. TCI Global, Indonesia	Indonesia	48%	Step-down deemed Subsidiary
2	PT. TCI Global	Indonesia	100%	Step-down Subsidiary
3	TCI Global (Thailand) Co. Ltd.	Thailand	49%	Step-down deemed Subsidiary

The Following companies are under liquidation proceedings

1	TCI Global (Shanghai) Co. Ltd.	China	100%	Subsidiary
2	TCI Transportation Company Nigeria Ltd	Nigeria	50%	Joint Venture

#### (a) The financial statements of these companies are for the period as under:-

Sl.	Name of the Company	Period		Remarks
		From	To	
1	Transystem Logistics International Pvt. Ltd.	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
2	TCI Global Pte Ltd.	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
3	TCI Global Brazil Logistica Ltda	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
4	TCI Holdings Netherlands B.V.	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
5	TCI Global (Shanghai) Co. Ltd.	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Under Liquidation
6	TCI Holdings Asia Pacific Pte. Ltd.	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
7	TCI Holdings SA & E PTE LTD	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
8	TCI Transportation Company Nigeria Ltd	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Under Liquidation
9	TCI Bangladesh Limited	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
10	TCI Nepal Private Limited	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
11	TCI Venture Limited	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
12	Stratsol Logistic Private Limited	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company
13	TCI-CONCOR Multimodal Solutions Pvt. Ltd.	1 <sup>st</sup> April 2017	31 <sup>st</sup> March 2018	Financial year of the company

#### (b) The Consolidated financial statements have been prepared on the following principles:

- In respect of Subsidiary Companies, the financial statements have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits/losses on intra-group transactions as per Ind AS 110 "Consolidated Financial Statement.
- In case of Joint Venture Companies and associates, the financial statements have been consolidated considering the interest in the joint ventures using equity method as per the Ind AS 31 "Financial Reporting of Interest in Joint Ventures.
- In case of foreign subsidiary and joint venture, being Non-Integral Foreign Operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rate prevailing at the end of the year. Any exchange difference arising on consolidated is recognised as " Foreign Currency Translation Reserve
- The Excess of cost to the Group of its investment in subsidiary and joint venture companies is recognised in the financial statements as a Goodwill, which is tested for impairment on every Balance Sheet date. The excess of Company's share of equity and reserves of the subsidiary and joint venture companies over the cost of acquisition is treated as Capital Reserve.

The goodwill/capital Reserve arising from aquisition of an associates in included in carrying amount of the investment in associates

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 35. Additional Information, as Required Under Schedule III to the Companies Act 2013, of Enterprises Consolidated as Subsidiaries/ Associates/Joint Ventures.

₹ In Lakhs

Particulars	Net Assets, i.e., Total Assets Minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
<u>Parent</u>				
Transport Corporation of India Limited	88.86	67,693.68	84.23	10,375.12
<u>Subsidiary</u>				
<u>Indian</u>				
1 TCI-CONCOR Multimodal Solutions Pvt. Ltd.	1.25	953.11	1.14	140.63
2 TCI Venture Limited	0.61	462.21	(0.01)	(0.89)
3 TCI Stratsol Logistic Private Limited	0.16	120.28	(0.03)	(3.22)
<u>Foreign</u>				
1 TCI Global (Singapore) Pte Ltd.	0.30	230.51	0.55	67.78
2 TCI Holdings Asia Pacific Pte. Ltd.	3.70	2,822.01	(0.06)	(7.48)
3 TCI Global Brazil Logistica Ltda	0.09	65.44	(0.00)	(0.19)
4 TCI Holdings Netherlands B.V.	0.04	33.87	(0.16)	(19.77)
5 TCI Holdings SA & E PTE LTD	0.02	13.72	(0.03)	(3.78)
6 TCI Global (Shanghai) Co. Ltd.	0.07	51.53	(0.01)	(1.38)
7 TCI Bangladesh Limited	0.08	64.39	0.03	3.14
8 TCI Nepal Private Limited	0.05	41.33	(0.05)	(6.06)
<u>Non-Controlling Interests in All Subsidiaries</u>	(0.61)	(467.02)	(0.52)	(64.33)
<u>Joint Ventures (As Per Equity Method)</u>				
<u>Indian</u>				
1 Transystem Logistics International Pvt. Ltd.	11.16	8,497.74	18.21	2,242.63
<u>Foreign</u>				
1 TCI Transportation Company Nigeria Ltd	0.24	180.03	(0.01)	(0.64)
<u>Intercompany and Consolidation Adjustments</u>	(6.02)	(4,585.77)	(3.28)	(404.12)
<b>Grand Total</b>	<b>100</b>	<b>76,177.06</b>	<b>100</b>	<b>12,317.44</b>

## 36. Related Party Information

### (a) Name of Key Managerial Personnel and Relatives

Name of Key Managerial Personnel	Designation	Close Family Member
Mr. D.P. Agarwal	Vice Chairman and Managing Director	Mrs. Urmila Agarwal
Mr. Vineet Agarwal	Managing Director	Mrs. Priyanka Agarwal & Mr. Chander Agarwal
Mr. Ashish Tiwari	Group CFO	
Ms. Archana Pandey	Company Secretary	
Mr. Jasjit Singh Sethi	CEO-TCI Supply Chain Division	
Mr. Ishwar Singh Sagar	CEO-TCI Freight	

### (b) Joint Ventures Entities

Transystem Logistics International Pvt.Ltd	TCI Transportation Company Nigeria Ltd.
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### (c) Other Related Companies / Firms

TCI Global Logistics Ltd.	TCI Exim Pvt. Ltd.
Bhoruka Finance Corporation of India Ltd.	TCI India Ltd.
TCI Industries Ltd.	TCI Foundation (Trust)
Bhoruka International Pvt. Ltd.	TCI Warehousing (MH) – Partnership firm
TCI Properties (Guj) – Partnership firm	TCI Properties (South) – Partnership firm
TCI Properties (Delhi) – Partnership firm	TCI Properties (NCR) – Partnership firm
TCI Developers Ltd.	TCI Infrastructure Ltd.
TCI Properties (West) Ltd.	TCI Apex Pal Hospitality India Pvt. Ltd.
XPS Cargo Services Ltd.	TCI Institute Logistics
Gloxinia Farms Pvt. Ltd.	TCI Trading (Firm)
TCI Distribution Centres Ltd.	TCI Express Limited
Log Labs Ventures Private Limited	

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 36. Related Party Information (contd.)

### (d) Key Managerial Personnel Compensation

₹ In Lakhs

Description	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Short Term Employee Benefits	1,685.96	959.50
Post-Employment Benefits	31.83	31.44
Employee Share Based Payment	-	242.82
<b>Total Compensation</b>	<b>1,717.79</b>	<b>1,233.76</b>

### (e) Transactions During the Year with Related Parties

₹ In Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
<b>Income</b>			
Freight Income	Joint Ventures	6,087.35	5,189.01
	Other Related Party	109.60	51.72
Logistic Services	Joint Venture	439.34	822.05
	Other Related Party	162.40	41.38
Miscellaneous Income	Joint Venture	342.22	-
	Other Related Party	263.58	-
Dividend Income	Joint Venture	784.00	588.00
Reimbursement of Misc Expenditures	Other Related Party	-	1.10
Rent Received	Other Related Party	166.57	306.66
<b>Expenditure</b>			
Freight Expenses	Joint Venture	208.86	74.12
	Other Related Party	49.02	52.27
Fuel Purchase	Other Related Party	618.61	810.07
Training Expenses	Other Related Party	-	10.21
Reimbursement of Misc Expenditures	Other Related Party	-	1.20
Charity and Donation (Including CSR Expenditure)	Other Related Party	299.61	204.62
Vehicle Maintenance	Joint Venture	94.60	33.73
Rent paid	Other related Party	1,043.97	1,189.15
	Relatives of KMP	16.69	16.69
Directors and KMP Remuneration & Commission	Directors Non-Executive	48.00	33.00
	Directors Executive and Other KMP	1,717.79	1,233.76
<b>Finance and Investments</b>			
Investments Redeemed	Other Related Party	220.00	-
Property Management Services	Other Related Party	-	12.00
Advances / Deposits Refund	Other Related Party	-	13.40
Advances / Deposits Given	Other Related Party	6.00	-

### (f) Balance at the End of the Year

₹ In Lakhs

Description	Nature of Relation	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Advances /Deposit Given	Other Related Party	852.05	845.97
	Relatives of KMP	8.81	8.81
	Other Related Party	3.73	3.73
Trade Receivables	Joint Ventures	734.43	796.32
	Other Related Party	11.21	-
Corporate Guarantees	Other Related Party	363.00	1,348.00
Advances /Deposit Taken	KMP	5.06	5.74
Trade Payables	Joint Ventures	99.53	31.76

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 37. Segment Information

### Operating Segments:

- a) Freight Division      b) Supply Chain Solutions Division  
 c) Seaways Division      d) Energy Division

### Identification of Segments:

The chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/services and have been identified as per the quantitative criteria specified in the Ind AS.

### Segment Revenue and Results:

The expenses and incomes which are not attributable to any business segment are shown as unallocated expenditure (net of unallocated income).

### Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents etc. Segment liabilities primarily include trade payables, borrowings and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocated Corporate assets/ liabilities.

### Inter Segment Transfer:

Profit or loss on inter segment transfers are eliminated at company level.

₹ In Lakhs

Description	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Revenue</b>		
<b>Segment Revenue</b>		
Freight Division	1,19,922.73	1,05,885.91
Supply Chain Solutions Division	91,255.30	73,744.13
Seaways Division	25,642.23	16,392.12
Energy Division	683.12	738.13
Unallocated Income/Expenditure	1,104.43	849.04
<b>Total</b>	<b>2,38,607.81</b>	<b>1,97,609.33</b>
<b>Less: Inter Segment Revenue</b>	<b>2,176.40</b>	<b>2,139.42</b>
<b>Net Income from Operations</b>	<b>2,36,431.41</b>	<b>1,95,469.91</b>
<b>Segment Results</b>		
Freight Division	3,364.37	2,418.12
Supply Chain Solutions Division	6,050.96	4,473.15
Seaways Division	5,913.12	3,818.24
Energy Division	350.29	394.44
Unallocated Income	1,132.23	907.26
Unallocated Expenditure	(697.07)	(642.58)
<b>Less: Interest Expenses</b>	<b>3,108.06</b>	<b>2,877.88</b>
<b>Profit Before Tax</b>	<b>13,005.84</b>	<b>8,490.75</b>
Share of Profit/(Loss) from Joint Ventures	2,241.99	1,546.13
<b>Less: Provision for Taxes</b>		
Current Tax	2,315.59	1,189.63
Deferred Tax	500.59	720.78
Taxes for Earlier Years	49.88	-
<b>Net Profit for the Year</b>	<b>12,381.77</b>	<b>8,126.47</b>
<b>Other Information</b>		
Segment Assets		
Freight Division	27,850.98	25,950.12
Supply Chain Solutions Division	36,733.12	34,229.25
Seaways Division	30,224.34	22,630.13
Energy Division	2,623.72	2,426.76
Unallocated Corporate Assets	42,342.87	30,329.46
<b>Total Assets</b>	<b>1,39,775.03</b>	<b>1,15,565.72</b>
Segment Liabilities		
Freight Division	3,095.56	3,185.31
Supply Chain Solutions Division	8,771.14	6,527.09
Seaways Division	7.13	71.19
Energy Division	27.18	3.86
Unallocated Corporate Liabilities	3,228.81	4,388.46
<b>Total Liabilities</b>	<b>15,129.82</b>	<b>14,175.91</b>

# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 37. Segment Information (contd.)

₹ In Lakhs

Description		31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Capital Expenditure	Freight Division	148.77	220.44
	Supply Chain Solutions Division	6,102.02	4,189.43
	Seaways Division	7,592.91	6,150.20
	Unallocated Capital Expenditure	1,884.81	970.97
<b>Total Capital Expenditure</b>		<b>15,728.51</b>	<b>11,531.04</b>
Depreciation	Freight Division	981.65	1,139.65
	Supply Chain Solutions Division	3,364.63	3,319.55
	Seaways Division	2,333.54	1,250.11
	Energy Division	184.84	210.64
<b>Total Depreciation</b>		<b>6,864.66</b>	<b>5,919.95</b>

The Group operates mainly in India and therefore there are no separate geographical segments.

## 38. Leases:

### a) Operating Lease: Company as Lessor

The Group has given its Wind-power plants on lease under non-cancellable operating leases expiring in future. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Future Minimum Lease Rental Receivable in Relation to Non-Cancellable Operating Leases:		
Within one year	260.16	260.16
Later than one year but not later than five years	290.10	550.26
Later than five years	268.98	689.14
<b>Total Financial Assets</b>	<b>819.24</b>	<b>1,499.56</b>

### b) Operating Lease: Company as Lessee

The Group has significant operating lease for land. These lease arrangement for period from 30 years to 99 years which includes non cancellable lease. Most of the lease are renewable for further period on mutually agreeable terms and also include escalation clauses.

The Group has entered into cancellable operating lease for office premises and employee accommodation. The tenure of leases generally varies from 11 months to 2 years. Terms of lease include operating terms for renewal, terms of cancellation etc. Lease payment in respect of above lease are recognised in statement of profit and loss under head other expenses

## 39. Contingent Liabilities and Commitments:-

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>(i) Contingent Liabilities</b>		
(a) Claims Against the Company not Acknowledged as Debt		
Income Tax Demands Under Dispute	-	22.71
Sales Tax/Excise/Entry Tax/ESI/Trade Tax/Octroi/Stamp Duty	299.62	261.47
Other demands under Dispute not acknowledged as debt	172.85	105.26
(b) Guarantees excluding Financial Guarantees; and Counter Guarantees Outstanding	3,057.17	4,346.49
<b>(ii) Commitments</b>		
Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for Net of Advance on Tangible Assets	217.71	997.37



# Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March 2018

## 40. (a) Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

## (b) Details of Corporate Social Responsibility (CSR) Expenditure:

₹ In Lakhs

Particulars	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Amount required to be spent as per Section 135 of the Act	226.00	223.00
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	245.00	234.41
<b>Total</b>	<b>245.00</b>	<b>234.41</b>

## 41. Details of Loans Given, Investments Made and Guarantee Given Covered U/S 186 (4) of the Companies Act, 2013

Investments made are given under the respective heads (Refer Note 5).

Corporate Guarantees given by the Company in respect of loans as at 31<sup>st</sup> March 2018

₹ In Lakhs

Sl No	Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
1	ABC India Ltd	742.06	742.06
2	TCI Infrastructure Ltd.	363.00	1,348.00

## 42 Employee Stock Option plan

The Group during the year has granted 2,93,750 Stock Options to its eligible employees. The Group in accordance with the Employee Stock Options Scheme 2006 Part IX ("TCI ESOS 2006"), vesting period being 4 years from the date of grant and the exercise period being one year from the date on which the options are eligible for exercise. Holder of each option is eligible for one fully paid equity share of the Group of the face value of ₹ 2 each on payment of ₹ 140 per share, the exercise price. The fair value of option determined on the date of grant is ₹ 135.51 based on black scholes methodology. The impact of above for the year is ₹ 202.82, accordingly provision and disclosure have been considered in the financial statements.

## 43. (a) There is no outstanding as at 31<sup>st</sup> March 2017 due to Micro and Small Enterprises registered under Micro, Small and Medium Enterprises development Act, 2006, (MSME)

(b) Interest paid/payable to the enterprises register under MSME ₹ NIL ( Previous Year ₹ NIL)

## 44. Previous year figure's have been regrouped /rearranged wherever considered necessary.

In terms of our Report of even date For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**D.P.Agarwal**  
(Vice Chairman &  
Managing Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)  
Membership No.222320

**Archana Pandey**  
(Company Secretary)

**Ashish Tiwari**  
(Group CFO)

Place: Gurugram  
Date: 16<sup>th</sup> May 2018

# Form AOC-I

Persuant to First Proviso to Sub-Section (3) of Section 129 Read With Rules 5 of Companies (Accounts) Rules, 2014  
Statement Containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

SI No	Name of the Subsidiary	Reporting Currency and Exchange Rate as on the last date of the Financial Year in Case of Foreign Subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (a)	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	% of Shareholding
1	TCI Global (Singapore) Pte Ltd.	SGD 1 = 49.3791	1033.20	(1037.80)	124.68	59.25	Nil	188.83	67.78	0.00	67.78	100%
2	TCI Holdings Asia Pacific Pte. Ltd.	SGD 1 = 49.3791	3349.47	(560.53)	2825.13	3.11	Nil	0.00	(7.48)	0.00	(7.48)	100%
3	TCI Global Brazil Logistica Ltda	BRL 1 = 19.6047	54.63	(40.91)	380.56	366.84	Nil	0.00	(0.19)	0.00	(0.19)	100%
4	TCI Holdings Netherlands BV.	EUR 1 = 79.8664	325.28	(312.92)	306.07	272.20	Nil	0.00	(19.77)	0.00	(19.77)	100%
5	TCI Holdings SA & E Pte Ltd.	SGD 1 = 49.3791	276.12	(45.61)	272.42	41.91	Nil	0.00	(3.78)	0.00	(3.78)	100%
6	TCI Global (Shanghai) Co. Ltd.	CNY 1 = 10.3201	472.67	(467.88)	193.42	141.90	Nil	0.00	(1.38)	0.00	(1.38)	100%
7	TCI Bangladesh Limited	BDT 1=0.077455	30.17	34.22	108.46	44.07	Nil	141.43	5.25	2.11	3.14	100%
8	TCI Nepal Pvt. Limited	NC 1 = 0.60	31.25	(6.06)	43.94	2.61	Nil	0.00	(6.06)	0.00	(6.06)	100%
9	TCI-CONCOR Multimodal Solutions Pvt. Ltd.		700.00	253.11	3607.18	2654.07	Nil	16871.66	223.38	82.75	140.63	51%
10	TCI Ventures Limited		469.51	(7.30)	462.53	0.32	335.01	0.00	(0.89)	0.00	(0.89)	100%
11	Stratsol Logistics Private Limited		123.50	(3.22)	120.38	0.10	120.00	0.00	(3.22)	0.00	(3.22)	100%

(a) Excluding investment in subsidiaries

(b) The annual accounts of subsidiaries and step down subsidiaries with related detailed information are available for inspection by the members at the registered/corporate office of the company

## Part "B": Associates and Joint Ventures

Persuant to First Proviso to Sub-Section (3) of Section 129 read with Rules 5 of Companies (Accounts) Rules, 2014

SI No	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Associate/ Joint Ventures Held By The Company On The Year End			Description of how there is Significant Influence	Reason Why the Associate/Joint Venture is Not Consolidated	Network Attributable to Shareholding as Per Latest Audited Balance Sheet	Profit /Loss for the year	
			No of Shares	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Transystem Logistics International Pvt. Ltd.	31.03.2018	39.2	8,497.74	49%	N.A.	N.A.	8497.74	2,242.63	2334.17
2	TCI Transportation Company Nigeria Ltd (a)	31.03.2018	50	180.03	50%	N.A.	N.A.	180.03	(0.64)	(0.64)

(a) Figures of TCI Transportation Company Nigeria Ltd translated at exchange rate as on 31<sup>st</sup> March 2018 as NGN 1 = ₹ 0.1777

In terms of our Report of even date For and on behalf of the Board

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No 000511S

**S.M Datta**  
(Chairman)

**O. Swaminatha Reddy**  
(Director)

**Vineet Agarwal**  
(Managing Director)

**Lokesh Vasudevan**  
(Partner)

Membership No.222320

Place: Gurugram

Date: 16<sup>th</sup> May 2018

**Ashish Tiwari**  
(Group CFO)

**Archana Pandey**  
(Company Secretary)

**D.P.Agarwal**  
(Vice Chairman & Managing Director)

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Third Annual General Meeting of the Company will be held on Thursday, the 2<sup>nd</sup> August, 2018 at 10:00 a.m. at the Drawing Room, Basement 1, Park Hyatt, Hyderabad, Road No. 2, Banjara Hills, Hyderabad-500034, Telangana to transact the following business(es):

## ORDINARY BUSINESS:

1. Adoption of Financial Statements (Standalone & Consolidated) for the financial year ended 31<sup>st</sup> March, 2018 together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S N Agarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Urmila Agarwal, Director who retires by rotation and, being eligible, offers herself for re-appointment.

## SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 2(54), 2(78), 196, 197 and 203 of the Companies Act 2013 (Act) and other applicable provisions, if any, the Company hereby approves re-appointment of Mr. D P Agarwal (DIN: 00084105) as Vice Chairman & Managing Director for a period of 05 (five) years with effect from 1<sup>st</sup> August, 2018 upon the terms and conditions as set out in explanatory statement annexed hereto, including minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with the liberty to the Board of Directors to alter and vary terms and conditions of said re-appointment in such manner as may be agreed to between the Board and Mr. D P Agarwal.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be expedient to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 2(54), 2(78), 196, 197 and 203 of the Companies Act 2013 (Act) and other applicable provisions, if any, the Company hereby approves re-appointment of Mr. Vineet Agarwal (DIN: 00380300) as Managing Director for a period of 05 (five) years with effect from 1<sup>st</sup> July, 2018 upon the terms and conditions as set out in explanatory statement annexed hereto, including minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with the liberty to the Board of Directors to alter and vary terms and conditions of said re-appointment in such manner as may be agreed to between the Board and Mr. Vineet Agarwal.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be expedient to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 23, 42, 62(1)(C) and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder including

any amendments thereto (collectively, the "Companies Act"), the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the listing agreements entered into with the stock exchanges and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations"), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015, the provisions of the Foreign Exchange Management Act, 1999, ("FEMA") and rules and regulations framed thereunder as amended from time to time and subject to other applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Government of India ("GoI"), the stock exchanges and / or any other competent governmental or regulatory authorities from time to time to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of Equity Shares of the Company of face value ₹ 2 each ("Equity Shares"), fully convertible debentures/ partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities, in one or more tranches, by way of one or more public and/or private offerings, and/or on preferential allotment basis including Qualified Institutions Placement ("QIP") or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the "Investors") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate amount

not exceeding ₹ 300 Crores (Rupees Three Hundred Crores) or equivalent thereof, inclusive of such premium as may be fixed on such Securities by offering the Securities through public offer(s) or private placement(s) or a combination thereof at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and / or to be appointed by the Company (the "Issue").

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolutions:

- a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects; and
- c) Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organisation or restructuring.

**RESOLVED FURTHER THAT** if any issue of Securities is made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** any issue of Eligible Securities made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations (the "QIP Floor Price"). The Company may, however, in accordance with applicable law, also offer a discount of not more than 5% (Five Percent) or such percentage as permitted under applicable law on the QIP Floor Price."

**RESOLVED FURTHER THAT** in the event that Equity Shares are issued to QIBs by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares as Eligible Securities and in case Eligible Securities are eligible convertible securities, then either the date of the meeting in which the Board decides to open the proposed issue or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Securities or Equity Shares on conversion of Securities, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities or Equity Shares as the case may be, on one or more Stock Exchanges in India.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all

such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the dates and timing of the Issue, identification and class of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, offer and allotment of Securities, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the issue proceeds, and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of directors or any director(s)/officials of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue.

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

**"RESOLVED THAT** pursuant to Section 180 (1)(c) and other applicable provisions of the Companies Act, 2013 & Rules made thereunder (the Act) including any modification or re-enactment thereof, if any, consent be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of money on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary Loan obtained/to be obtained from Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the company and its free reserves, not set apart from any specific purpose provided however that the total monies so borrowed including the money already borrowed shall not exceed ₹ 1,000 Crores (Rupees One Thousand Crores) excluding interest at any time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be expedient to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013 & rules made thereunder including any modification or re-enactment thereof,

if any, the consent of the shareholders be and is hereby accorded to the creation by the Board of Directors of the Company of such mortgages, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to takeover substantial assets of the Company in certain events in favor of the Banks, Financial Institutions, Trustees, other agencies to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and /or securities linked to Equity Shares and/or rupee or foreign currency, convertible bonds and/ or bonds with detachable share warrants, as permitted (hereinafter collectively referred to as Loans) and/or secured Loan(s) together with interest and all the monies payable by the Company in connection therewith provided that the total amount of Loans together with liquidated damages, commitment charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Limit approved under section 180(1) (c) of the Companies Act, 2013 or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be expedient to give effect to this resolution."

9. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of section 181 and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 2013 & rules made

thereunder (the Act), consent of the Company be and is hereby accorded to the Board of Directors to contribute, donate, subscribe or otherwise provide assistance from time to time to any charitable, public, social, benevolent or general fund, society, association, institution, trust, organization, not directly relating to the business of the Company or the welfare of its employee, for taking up any programme, activities of social, cultural, educational, sports economic, rural development of people at large and/or incur any expenditure on their behalf, upto an amount not exceeding to ₹ 10 Crores (Rupees Ten Crore only) in any financial year, notwithstanding the fact that said amount may exceed 5% of the Company's average net profit as determined in accordance with the provisions of the Companies Act, 2013 during the three years immediately preceding the current Financial Year.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be expedient to give effect to this resolution."

BY Order of the Board  
For Transport Corporation of India Ltd

**Archana Pandey**  
Company Secretary

**Registered Office:**

Flat Nos. 306 & 307, 1-8-201 to 203,  
3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers,  
S.P. Road, Secunderabad-500003,  
Phone: +91 40 2784-0104

Email: [secretarial@tcil.com](mailto:secretarial@tcil.com) | Website: [www.tcil.com](http://www.tcil.com)

CIN: L70109TG1995PLC019116

**NOTES:**

1. **Proxy: A MEMBER ENTITLED TO ATTEND AND VOTE IS AUTHORIZED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. 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 48 hours before the commencement of the meeting.

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.

2. **Authorized Representatives:** Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing them in this behalf.

3. **Explanatory Statement:** The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business at Items 4 to 9 of the Notice is annexed hereto. The relevant details, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.

4. **Closure of Books:** The Share Transfer Books and the Register of Members shall remain closed from Saturday, 28<sup>th</sup> July, 2018 to Thursday, 2<sup>nd</sup> August, 2018 (both days inclusive).

5. **Change of the name of the Company:** The name of the Company had been changed from TCI Industries Ltd. to Transport Corporation of India Ltd. vide fresh Certificate of Incorporation dated 29<sup>th</sup> January, 1999, issued by the Registrar of Companies, Hyderabad.

6. **NRI Shareholders:** The Non-Resident Indian shareholders are requested to inform the company immediately about:

- The change in the residential status on return to India for permanent settlement.
- The particulars of NRO bank Account in India, if not furnished earlier.

7. **Details of Shareholders:** 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. **ECS facility to Shareholders:** ECS facility is presently available at certain specified locations by RBI. To avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment, shareholders are requested to avail of ECS facility – where dividends are directly credited in electronic form to their respective bank accounts. This also ensures faster credit of dividend.

9. **Shareholders Correspondence:** The members are requested to address all their communications to M/s. Karvy Computershare Pvt. Ltd., Hyderabad, the common agency to handle electronic connectivity and the shares in physical mode or at the Corporate Office of the Company for prompt redressal.

10. **Exchange of old Share Certificates:** The members who have still not exchanged their old share certificates, are requested to surrender the same (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. TCI Industries Ltd., Mukesh Mills Compound, N.A. Sawant Marg, Colaba, Mumbai-400005, as several times requested by the said Company and subsequent reminders from our Company as well to obtain their new share certificates of four Companies including this Company.

11. **Listing with Stock Exchanges:** The shares of the Company are at present listed with BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The listing fees in respect of the year 2018-19 have since been paid to both NSE and BSE.

12. **Unclaimed Dividend:** Pursuant to Section 124 of the Companies Act, 2013, the unclaimed final dividend for the year ended 31<sup>st</sup> March 2011 will be transferred to the "Investor Education and Protection Fund" (IEPF) on expiry of 7 years from the date the dividend became due for payment. Further, Section 124(6) of the Companies Act, 2013 mandates transfer of all those shares, in respect of which unpaid or unclaimed dividend have been transferred by the Company to the IEPF. Thus, all the shares against which dividend has not been claimed, shall also stand transferred to the IEPF. Accordingly, members who have not encashed their Dividend Warrants for the said financial year and any of subsequent years are requested to send the same for revalidation to the company's corporate office at Gurugram. It may further be noted that SEBI has, vide its circular dated April 20, 2018, mandated the transfer of unpaid dividend directly to the Bank Account of Shareholders. Therefore, you are requested to update your Bank Details with the Company's RTA.

13. **Nomination:** Pursuant to Section 72(1) of the Companies Act, 2013, individual shareholders holding shares in the Company, singly or jointly, may nominate an individual to whom all the rights in the Shares in the Company shall vest in the event of death of the sole / all joint shareholders.

**14. Information and other instructions relating to e-voting are as under:**

Voting through electronic means:

I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.

The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

II. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM.

III. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

IV. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.

V. The Board of Directors of the Company has appointed V K Bajaj, Practising Company Secretaries, Hyderabad as Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner.

VI. A person, whose name is recorded in the register of members or in

the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 27<sup>th</sup> July, 2018 only, shall be entitled to avail the facility of remote e-voting.

VII. The Scrutinizer shall immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizers Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.

VIII. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.

Please read the instructions given below before exercising the vote. The Notice of the Annual General Meeting and this Communication are also available on the website of the Company at [www.tcil.com](http://www.tcil.com) and that of the Service provider "Karvy" at [www.evoting.karvy.com](http://www.evoting.karvy.com).

The instructions for the Shareholders for remote e-voting are as under:

1. The remote e-Voting will be kept open from Monday, the 30<sup>th</sup> July, 2018 from 10.00 a.m. (IST) to 1<sup>st</sup> August, 2018 till 5.00 p.m. (IST).
2. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
3. Enter the login credentials (i.e. User ID and password mentioned above). Your Folio No. /DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

User – ID	For Members holding shares in Demat Form:- a) For NSDL : 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed in this communication/ or sent via email along with the Notice sent in electronic form.
Captcha	Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

4. Please contact our toll free No. 1-800-34-54-001 for any further clarifications.
5. After entering these details appropriately, click on "LOGIN".
6. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
7. You need to login again with the new credentials.

8. On successful login, the system will prompt you to select the E-Voting Event Number for Transport Corporation of India Limited.
9. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number of shares held, "FOR" and partially "AGAINST" but the total number of shares mentioned both "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
10. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
11. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
12. You may then cast your vote by selecting an appropriate option and click on "Submit".
13. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
14. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: scrutinizertci@vkbajajassociates.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
15. In case a person has become a member of the Company after dispatch of the AGM Notice but on or before the cut-off date i.e. Friday, the 27<sup>th</sup> July, 2018 may email to Karvy on the email id einward.ris@karvy.com or call Mr. Rajeev Kumar at 040-67161524 or write to Karvy at (Unit: Transport Corporation of India Ltd.) Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad -500 032, requesting for the user id and password. After receipt of the same, please follow all the steps as from 1.to 7 as mentioned above to cast the vote.
16. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
17. In case of Members receiving physical copy of the AGM Notice by Courier [for Members whose email IDs are not registered with the Bank/Depository Participant(s)]:
  - i. User ID and initial password as provided in attendance slip.
  - ii. Please follow all steps from Sr. No. (1) to (7) as mentioned above, to cast your vote.
18. The remote e-voting period commences on Monday, the 30<sup>th</sup> July, 2018 at 10:00 A.M. and ends on Wednesday, the 1<sup>st</sup> August, 2018 at 5:00 P.M. During this period, the Members of the company holding shares in physical form or in dematerialized form, as on the cut-off date, being Friday, the 27<sup>th</sup> July, 2018, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter.
19. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
20. The Members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the AGM through Ballot Papers.
21. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com> or contact Mr. Rajeev Kumar at 040-67161524 or write to Karvy at Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
22. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company ([www.tciil.com](http://www.tciil.com)) and on Karvy's website (<https://evoting.karvy.com>) after communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

## EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 4

Pursuant to recommendations of the Compensation/ Nomination and Remuneration Committee, the Board of Directors at their meeting held on 16<sup>th</sup> May, 2018 have re-appointed Mr. D P Agarwal (DIN: 00084105) as Vice Chairman and Managing Director with effect from 1<sup>st</sup> August, 2018.

The principal terms and conditions of re-appointment of Mr. D P Agarwal as Vice Chairman and Managing Director inter alia contain the following.

- I. Subject to supervision and control of the Board of Directors of the Company, Vice Chairman and Managing Director shall be in charge of affairs of the Company and exercise such functions and powers as may be entrusted to him by the Board of Directors from time to time.
- II. Period of Agreement: 05 years effective from 1<sup>st</sup> August, 2018.
- III. Remuneration:
  - a. Basic Salary: ₹ 28 lakh per month (in the range of ₹ 25 Lakhs (Rupees Twenty Five Lacs only) per month to ₹ 50 Lakhs per month (Rupees Fifty Lakhs only) with the liberty to the Board or Committee thereof in its absolute discretion to fix basis salary and annual increment within the above range.
  - b. Commission: @ 2% of the net profit.
  - c. Perquisite and other allowances:
    - i. Housing: Furnished/Unfurnished residential accommodation or house rent allowance as may be applicable. Expenses incurred on gas, electricity, water and furniture etc. shall be valued as per Income Tax Rules.
    - ii. Medical reimbursement/allowance: Reimbursement of actual expenses for self and family and/or allowances will be paid as per the rules of the Company.
    - iii. Leave travel concession/allowance: For self and family in accordance with the rules of the Company.
    - iv. Club Fees: Fee payable subject to the rules of the Company.
    - v. Personal accident insurance: As per the rules of the Company.

vi. Provision of driver/allowance for driver's salary: As per the rules of the Company.

vii. Company car and telephone: Expenses in relation to use Company car and telephone for official purpose.

viii. Any other expenses incurred/reimbursed not specifically included hereinabove.

d. Other benefits:

i. Earned/privilege leave: As per the rules of the Company

ii. Company's contribution to provident fund and superannuation fund: As per the rules of the Company

iii. Gratuity: As per the rules of the Company

iv. Encashment of leave: As per the rules of the Company

The aggregate of the salary, commission, perquisite and allowances and other benefit taken together in respect of payment to Mr. D P Agarwal shall always be subject to the compliance with applicable statutory requirements.

IV. Termination: The Company or Mr. D P Agarwal shall be entitled at any time to terminate this appointment by giving six months written notice or by any shorter notice as may be mutually agreed to, by both the parties. If any time, he ceases to be director of the Company for any cause whatsoever, the appointment shall forthwith be terminated.

V. Duties: Mr. D P Agarwal shall perform such duties as may, from time to time, be entrusted to him, subject to the superintendence and control of the Board of Directors.

VI. Minimum Remuneration: Notwithstanding the foregoing, if in any Financial Year during the currency of the tenure of Mr. D P Agarwal, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

VII. Overall Remuneration: The remuneration payable to Mr. D P Agarwal, in any financial year may exceed 5% of the net profits of the Company subject to the overall limits for all managerial persons specified in Section 197 (1) read with other relevant provisions of the said Act, as may be prescribed from time to time.

In compliance with the provisions of Sections 2(54), 2(78), 197 and 203 of the Companies Act 2013 and other applicable provisions, if any, the appointment and terms of remuneration specified above are now being placed before the Members for their approval as Special Resolution.

Except Mr. S N Agarwal, Mrs. Urmila Agarwal, Mr. Vineet Agarwal and Mr. Chander Agarwal being related to Mr. D. P. Agarwal and Mr. D. P. Agarwal himself, no other Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP are interested/ concerned in this resolution.

The Board of Directors of your Company recommends this resolution for your approval as a Special Resolution.

#### ITEM Nos. 5

Pursuant to recommendations of the Compensation/ Nomination and Remuneration Committee, the Board of Directors at their meeting held on 16<sup>th</sup> May, 2018 have re-appointed Mr. Vineet Agarwal (DIN: 00380300) as Managing Director with effect from 1<sup>st</sup> July, 2018.

The principal terms and conditions of re-appointment of Mr. Vineet Agarwal as Managing Director inter alia contain the following.

I. Subject to supervision and control of the Board of Directors of the Company, Managing Director shall be in charge of affairs of the Company and exercise such functions and powers as may be

entrusted to him by the Board of Directors from time to time.

II. Period of Agreement: 05 years effective from 1<sup>st</sup> July, 2018.

III. Remuneration:

a. Basic Salary: ₹ 23 Lakhs per month (in the range of ₹ 23 Lakhs (Rupees Twenty Three Lacs only) per month to ₹ 40 Lakhs per month (Rupees Forty Lacs only) with the liberty to the Board or Committee thereof in its absolute discretion to fix basis salary and annual increment within the above range.

b. Commission: @ 2% of the net profit.

c. Perquisite and other allowances:

i. Housing: Furnished/Unfurnished residential accommodation or house rent allowance as may be applicable. Expenses incurred on gas, electricity, water and furniture etc. shall be valued as per Income Tax Rules.

ii. Medical reimbursement/allowance: Reimbursement of actual expenses for self and family and/or allowances will be paid as per the rules of the Company.

iii. Leave travel concession/allowance: For self and family in accordance with the rules of the Company.

iv. Club Fees: Fee payable subject to the rules of the Company.

v. Personal accident insurance: As per the rules of the Company.

vi. Provision of driver/allowance for driver's salary: As per the rules of the Company.

vii. Company car and telephone: Expenses in relation to use Company car and telephone for official purpose.

viii. Any other expenses incurred/reimbursed not specifically included hereinabove.

d. Other benefits:

i. Earned/privilege leave: As per the rules of the Company

ii. Company's contribution to provident fund and superannuation fund: As per the rules of the Company

iii. Gratuity: As per the rules of the Company

iv. Encashment of leave: As per the rules of the Company

The aggregate of the salary, commission, perquisite and allowances and other benefit taken together in respect of payment to Mr. Vineet Agarwal shall always be subject to the compliance with applicable statutory requirements.

IV. Termination: The Company or Mr. Vineet Agarwal shall be entitled at any time to terminate this appointment by giving six months written notice or by any shorter notice as may be mutually agreed to, by both the parties. If any time, he ceases to be director of the Company for any cause whatsoever, the appointment shall forthwith be terminated.

V. Duties: Mr. Vineet Agarwal shall perform such duties as may, from time to time, be entrusted to him, subject to the superintendence and control of the Board of Directors.

VI. Minimum Remuneration: Notwithstanding the foregoing, if in any Financial Year during the currency of the tenure of Mr. Vineet Agarwal, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

VII. Overall Remuneration: The remuneration payable to Mr. Vineet Agarwal, in any financial year may exceed 5% of the net profits of the Company subject to the overall limits for all managerial persons specified in Section 197 (1) read with other relevant provisions of the said Act, as may be prescribed from time to time.

In compliance with the provisions of Sections 2(54), 2(78), 197 and 203 of the Companies Act 2013 and other applicable provisions, if any, the appointment and terms of remuneration specified above are now being placed before the Members for their approval as a Special Resolution.

Except Mr. D. P. Agarwal, Mrs. Urmila Agarwal and Mr. Chander Agarwal



being related to Mr. Vineet Agarwal and Mr. Vineet Agarwal himself, no other Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP are interested/ concerned in this resolution. The Board of Directors of your Company recommends this resolution for your approval as a Special Resolution.

#### ITEM NO. 6

Considering the business expansion plans of the Company, in order to meet the capital expenditure and working capital requirements and other general corporate purposes, the Company could explore options to raise funds by issuing various securities including but not limited to Equity shares, Convertible or Non-convertible Preference shares, Convertible or Non-convertible Debentures etc.

For issuance of any of these securities, the Company would require approval from shareholders by way of Special Resolution.

Citing this, it is hereby proposed to seek an enabling approval from shareholders authorising the Board to create, issue, offer and allot Equity Shares, Convertible or Non-Convertible Debentures and such other securities as stated in the resolution (the "Securities"), including by way of a qualified institutions placement in accordance with Chapter VIII of the SEBI ICDR Regulations, in one or more tranches, at such price and on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue up to an amount not exceeding ₹ 300 Cr. (Rupees Three Hundred Crores Only).

The Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

#### ITEM Nos. 7 & 8

The shareholders, in the AGM held on 23<sup>rd</sup> July, 2014, had granted its approval to the Board of Directors in order to enable them to borrow monies and create mortgages and/or charge on all the moveable and immovable properties of the company, present and future, wheresoever situated, in favour of Financial/Investment Institution(s)/Bank(s) to secure the loan(s) and/or other fund/non-fund based credit facilities upto an amount not exceeding ₹ 600 Crores.

In view of the business expansion plans of the Company, the overall borrowing of the Company may increase upto the maximum borrowing limit of ₹ 600 Crores. Hence as a precautionary measure, it is hereby proposed to enhance its borrowing limits and consequent limit of charge creation/ mortgages from the present ₹ 600 Crores to ₹ 1000 Crores.

The Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

#### ITEM No. 9

The shareholders, in the AGM held on 23<sup>rd</sup> July, 2014, had granted its approval to the Board of Directors in order to enable them to contribute and/or donate to any charitable and other funds not directly relating to the business of the Company or welfare of its employees for an amount not exceeding in aggregate of ₹ 05 Crores (Rupees Five Crores) during any financial year of the Company.

Now, the company wishes to take up the CSR initiatives on a larger scale. In order to fulfil this, it may be necessary to contribute/donate over and above this amount. Therefore, it is hereby proposed to enhance the current limit in this regard from ₹ 05 Crores (Rupees Five Crores) to ₹ 10 Crores (Rupees Ten Crores).

The Directors recommends the resolution for members' approval as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

BY Order of the Board  
For Transport Corporation of India Ltd

Place : Gurugram  
Date : 16<sup>th</sup> May 2018

**Archana Pandey**  
Company Secretary

#### Registered Office:

Flat Nos. 306 & 307, 1-8-201 to 203,  
3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers,  
S.P. Road, Secunderabad-500003,  
Phone: +91 40 2784-0104

Email: [secretarial@tcil.com](mailto:secretarial@tcil.com) | Website: [www.tcil.com](http://www.tcil.com)

CIN: L70109TG1995PLC019116

## BRIEF PROFILE OF THE DIRECTORS TO BE RE-APPOINTED

Particulars	Mr. S N Agarwal	Mrs. Urmila Agarwal	Mr. D P Agarwal	Mr. Vineet Agarwal
Age	73	65	67	44
Qualifications	MBA, Davenport College of Business, US.	Graduate	Graduate	B.SC in Economics & Industrial Mgmt., Carnegie Mellon University, USA
Expertise in specific Functional Area*	Over 04 decades of rich experience in various industries including logistics. He also serves as the Chairman of Boruka Gases Ltd and Boruka Power Corporation Ltd.	Over two decades of expertise and knowledge about the garment manufacturing sector.	He has been associated with the transport industry for more than 50 years and contributing in developing the unorganized logistics sector into an organized one.	Mr. Vineet Agarwal joined TCI in 1996 as the Executive Director. He has been associated with the transport industry for more than 22 years & he has held various finance & management roles within the Company.
Terms and conditions of appointment/re-appointment	As per existing terms and conditions.	As per existing terms and conditions.	As per terms & condition as mentioned under the Explanatory Statement to Item No. 4 & 5 of the AGM notice.	
Remuneration last drawn (including sitting fee), if any	–	–	₹ 839.25 Lakhs	₹ 581.25 Lakhs
Remuneration proposed to be paid	–	–	–	–
Date of first appointment on the Board	02/01/1995	01/11/2012	11/09/1998	18/06/1998
Directorship held in other Companies#	I. Kirloskar Electric Company Ltd. II. Boruka Steel & Services Ltd. III. Pharmed Ltd. IV. Boruka Power Corporation Ltd V. Boruka Cogen Power Pvt. Ltd. VI. Boruka Agro Business Pvt Ltd VII. Prabhu Structures Investment India Pvt. Ltd. VIII. BIT Old Students Global Association IX. Boruka Gases Ltd. X. Boruka Gases Investments India Pvt Ltd.	I. Boruka Supply Chain Solutions Holdings Ltd. II. Boruka Express Consolidated Ltd. III. TDL Real Estate Holdings Ltd.	I. Jay Bharat Maruti Ltd. II. TCI Express Ltd. III. TCI Developers Ltd. IV. TCI Industries Ltd. V. Boruka Power Corporation Ltd. VI. TCI Institute of Logistics	I. Transcorp International Ltd. II. TCI Express Ltd. III. TCI Developers Ltd. IV. Loglabs Ventures Pvt. Ltd. V. TCI-CONCOR Multimodal Solutions Pvt Ltd. VI. Transystem Logistics International Pvt. Ltd. VII. Gloxinia Farms Pvt. Ltd. VIII. TCI Institute Of Logistics IX. YPO South Asia Chapter
Memberships/ Chairmanships of committees of other companies	<b>Kirloskar Electric Company Ltd.</b> i. Member, Audit Committee, ii. Member, Nomination & Remuneration Committee	Nil	<b>Jay Bharat Maruti Ltd.</b> i. Member, Audit Committee, ii. Member, Nomination & Remuneration Committee iii. Member, Stakeholder' Relationship Committee iv. Member, CSR Committee, <b>TCI Express Limited</b> i. Member, Nomination & Remuneration Committee	<b>Transcorp International Ltd.</b> i. Member, Audit Committee ii. Member, Nomination & Remuneration Committee iii. Member, Stakeholder' Relationship Committee <b>TCI Express Limited</b> i. Member, Audit Committee, ii. Member, Stakeholder' Relationship Committee <b>TCI Developers Limited</b> i. Member, Audit Committee ii. Member, Nomination & Remuneration Committee iii. Member, Stakeholder' Relationship Committee
No. of shares held in the Company	Nil	1,850,591	828,628	1,982,935
Relationship with other directors/Key Managerial Personnel	Related to Mr. DP Agarwal, Vice Chairman & Managing Director	Related to Mr. DP Agarwal, Vice Chairman & Managing Director, Mr. Vineet Agarwal, Managing Director, Mr. Chander Agarwal, Director	Related to Mr. Vineet Agarwal, Managing Director, Mr. Chander Agarwal, Director, Mrs. Urmila Agarwal, Director, Mr. S N Agarwal, Director	Related to Mr. DP Agarwal, Vice Chairman & Managing Director, Mr. Chander Agarwal, Director, Mrs. Urmila Agarwal, Director
No. of meetings attended during the year	04	04	04	04

\* Please refer Company's website [www.tcil.com](http://www.tcil.com) for detailed profile of the directors.


**Transport Corporation of India Limited**

CIN: L70109TG1995PLC019116

**Regd. Office:** Flat Nos. 306 & 307, I-8-273, 3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S P Road, Secunderabad – 500003

**Corporate Office:** TCI House, 69 Institutional Area, Sector-32, Gurugram – 122001, Haryana

**Web:** [www.tcil.com](http://www.tcil.com), **E-mail:** [secretarial@tcil.com](mailto:secretarial@tcil.com), **Tel:** +91-124-2381603-07

**ATTENDANCE SLIP**

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I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the Company on Wednesday, the 2<sup>nd</sup> day of August, 2017 at 10.00 a.m. at Salon II & III, Basement 1, Park Hyatt Hyderabad, Road No 2, Banjara Hills, Hyderabad – 500034, Telangana

Member's Folio/DP ID- Client ID

Member's/Proxy's Name in Block Letters

Signature of Member/Auth. Representative/Proxy

**Note:**

1. Please fill the Folio / DP ID–Client ID, Name & sign this attendance slip and hand it over at the ENTRANCE OF THE HALL.
2. Please read the instructions given at Note No 14 of the Notice of the 23<sup>rd</sup> Annual General Meeting carefully before voting electronically.
3. No gifts will be distributed at the AGM.

EVEN (E-Voting Event Number)	ELECTRONIC VOTING PARTICULAR	User ID	Password


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**PROXY FORM**

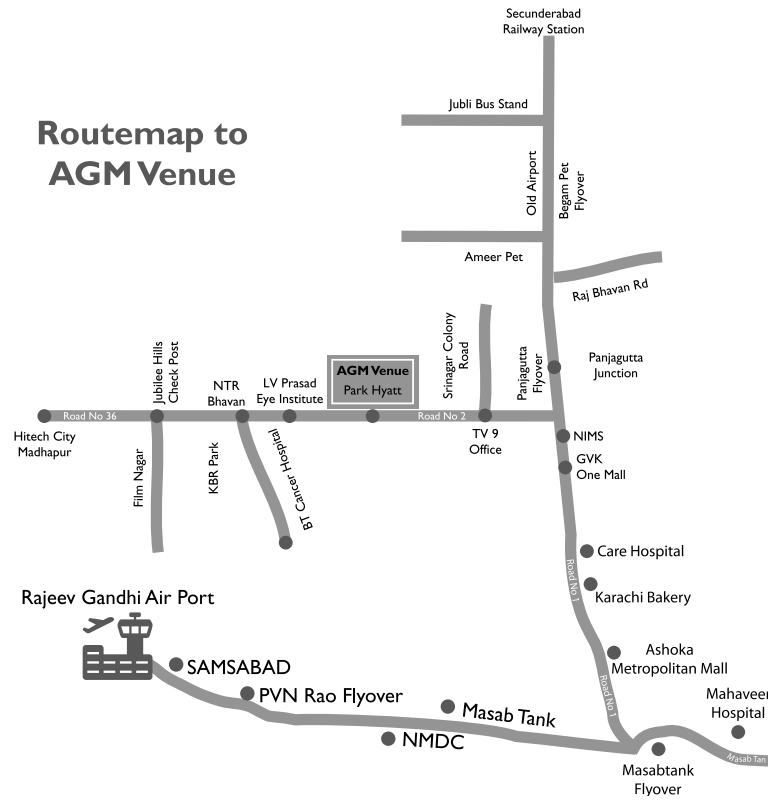
Name of Member(s):	Registered address:
Folio No/Client ID:	
DP ID:	Email ID:

I/We, being the Member(s) of Transport Corporation of India Limited holding.....share(s) of the company, hereby appoint

1. Name:.....Address:.....  
 .....Email ID:.....Signature:....., or failing him
2. Name:.....Address:.....  
 .....Email ID:.....Signature:....., or failing him
3. Name:.....Address:.....  
 .....Email ID:.....Signature:.....

as my/our proxy/Authorised Representative to attend and vote, in case of a poll, for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Thursday, the 2<sup>nd</sup> day of August, 2018 at 10:00 a.m. at the Drawing Room, Basement 1, Park Hyatt Hyderabad, Road No 2, Banjara Hills, Hyderabad - 500034, Telangana and at any adjournment thereof in respect of such resolutions and in such manner as are indicated hereinafter:

## Routemap to AGM Venue



Resolution no.	Description	For	Against
1	Adoption of Financial Statements (Standalone & Consolidated) for the Financial Year ended 31 <sup>st</sup> March, 2018 together with the Report of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. S N Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.		
3	To appoint a Director in place of Mrs. Urmila Agarwal, Director who retires by rotation and being eligible, offers herself for reappointment.		
4	Re-appointment of Mr. D P Agarwal as Vice Chairman & Managing Director for a period of 05 years w.e.f 1 <sup>st</sup> August, 2018.		
5	Re-appointment of Mr. Vineet Agarwal as Managing Director for a period of 05 years w.e.f. 1 <sup>st</sup> July, 2018.		
6	To create, issue, offer and allot Equity Shares, Convertible or Non-convertible Debentures and other securities upto an amount of Rs. 300 Crores.		
7	To approve the increase the limit of borrowing from Rs. 600 Crores to Rs. 1000 Crores.		
8	To approve the increase in the limit of charge creation/mortgages from Rs. 600 Crores to 1000 Crores.		
9	To approve the increase in limit of donations to charitable and other funds from Rs. 5 Crores to Rs. 10 Crores.		

Signed this .....Day of .....2018.

Signature of shareholder..... Signature of Proxy holders(s).....

Affix  
Revenue  
Stamp

### Notes:

- Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all these solutions, your Proxy will be entitled to vote in the manner a he/she thinks appropriate.
- A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty (50) Members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
- This form of Proxy, to be effective, should be deposited at the Registered Office of the Company at Flat Nos. 306 & 307, I-8-273, 3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S P Road, Secunderabad – 500003 not later than 48 hours before the commencement of the afore said meeting.



**Transport Corporation of India Limited**

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