

5th August, 2017

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

Scrip Code: 532349

Dear Sir/Madam,

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

SUB: SUBMISSION OF ANNUAL REPORT FOR THE FY 2016-17

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 2016-17 duly approved and adopted by the members in the 22nd Annual General Meeting held on 2nd August, 2017.

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 Ltd.

Corporate Office : TCI House, 69 Institutional Area, Sector 32, Gurgaon-122 207, Haryana, India www.tcil.com
Tel : 0124-2381-603 - 07 Fax : 0124-2381611 corporate@tcil.com

Regd. Office : Flat Nos. 306 & 307, 1-8-273, Third Floor, Ashoka Bhoopal Chambers, S P Road, Secunderabad - 500 003
Tel : 040-27840104 Fax : 040-27840163

CIN : L70109TG1995PLC019116



**MOVING INDIA'S
GROWTH STORY.**

Corporate Information

Corporate Office

TCI House, 69, Institutional Area, Sector 32,
Gurugram - 122001
Tel: 0124-238 1603-07 Fax: 0124-238 1611
Email: corporate@tcil.com
Website: www.tcil.com

Registered Office

Flat Nos. 306 & 307, 1-8-201 to 203, 3rd Floor,
Ashoka Bhopal, Chambers, SP Road, Secunderabad
500003
Tel: 040-278 40104 Fax: 040-278 40163
Email: secretarial@tcil.com
Website: www.tcil.com

Corporate Identification No.

L70109TG1995PLC019116

Other Information

Group CFO
Mr. Ashish Tiwari

Company Secretary & Compliance Officer
Ms. Archana Pandey

Statutory Auditors

R S Agarwala & Co, Chartered Accountants

Bankers

State Bank of India
HDFC Bank Ltd.
HSBC (Hongkong & Shanghai Banking Corporation
Ltd.)
ICICI Bank Ltd.
DBS Bank Ltd.

Registrar & Share Transfer Agent

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
Website: www.karvycomputershare.com

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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Transport Corporation of India Limited

India has seen a transformation in its economy, more so from the 90's. The connect between the villages, towns to the cities and Metros became of vital importance to ensure inclusive growth and be part of the globalization movement.

India could not be left behind in this journey. TCI traversed the past 60 years by connecting the dots through movement of cargoes across the length and breadth of the country, literally everything reached everywhere through its own extensive network of 1400 branches. Mission critical situations were also supported aptly by TCI; be it war times or during natural disasters, TCI has been there for the local commerce & community at large.

The seamless interaction between systems, people, processes and customers at The Transport Corporation of India Ltd., touched milestones far greater than isolated achievements of each of these individual entities, resulting in sustained and cumulative growth.

As the new era of Fourth Industrial revolution ushers in, TCI remains committed to MOVE ALONG with it and ensure that the nation, its customers and all stakeholders continue to keep the TRUST in TCI for

MOVING INDIA'S GROWTH STORY



Vision

TCL group 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.

Core Values

We believe that a brand is a living entity and it should be reflected in its behavior. Our behavior is governed by a set of values communicated by the acronym CORE

Customer Focus

Ownership

Responsiveness

Empathy



Board of Directors



S M Datta
Chairman



D P Agarwal
Vice Chairman &
Managing Director



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's Speak

From the Desk of Vice Chairman & Managing Director



Dear Shareholders and Readers,

In the year 2016-17, TCI has once again recorded exceptional financial performance. Market share gains in all business units underline that the focus on industry-specific logistics services and tailor-made solutions met customer expectations. The continuing strong performance also confirms the competence, professionalism and commitment of employees and on behalf of the Board of Directors I would like to thank them.

The past year observed few major happenings at TCI like the demerger of the division TCI Express from its parent company TCI and its listing on the NSE and BSE, the TCI Seaway's capacity addition and business expansion through addition of a new vessel in the west coast of India, opening of wholly owned subsidiary in Bangladesh namely-TCI Bangladesh, and inauguration of its first State of the Art Cold Chain Warehouse.

The TCI Group today moves 2.5% of India's GDP by value of cargo every year and hence, the theme of "Moving India" is very apt. In an environment where businesses, customers and competition are dynamic and constantly redefined, we maintain our competitive edge through the value-added services we offer. The company was very resilient in challenges of slow industrial growth and demonetization last year and is prepared to facilitate extensive changes due to

implementation of the new Goods and Services Tax (GST) in the coming months. We also believe that we are well positioned to capture growth opportunities arising of these macro changes. We have an extensive network of company owned offices, the largest warehousing footprint in the country, a strong information technology backbone and most important of all a committed team of trained employees.

With our strong corporate governance and ethical business practices, a commitment to value creation for our stakeholders and a strong sense of social responsibilities, the TCI Group stands dedicated to protect and preserve our reputation and brand. Over the six decades of our existence, the TCI family continues to embody a culture characterized by CORE (Customer, Ownership, Responsiveness and Empathy) principles. The Management enjoys the confidence of the Board of Directors to set the right long term strategy for continuing success, thereby, further increasing company value.

Thank you for being part of our Moving India story and we hope you will accompany us on the journey onward.

D P Agarwal
Vice Chairman & Managing Director

Management Discussion and Analysis

Global Outlook

Although a modest global recovery is projected for 2017-18, the world economy has not yet emerged from the period of slow growth, characterized by weak investment, dwindling trade and flagging productivity growth.

(Source: United Nations World Economic Situation and Prospects (WESP) Report-2017).

As per the report, the world economy expanded by just 2.2 percent in the year 2016 and this is the slowest growth rate since 2009's Great Recession. Further, it is projected that World Gross Product (WGP) will grow by 2.7 percent in the year 2017 and 2.9 percent in 2018.

Indian Economy

In the year 2017-18, India will remain the fastest growing G20 economy with the projected annual growth of 7.5 %. Private consumption will experience support with the hike in public wages and pensions and richer agricultural production with the return of normal rainfall. Private investments will recover gradually with excess capacity in some sectors diminishing, infrastructure projects mature, corporate deleverage, banks clean their loan portfolios, and with the implementation of GST.

Indian Scenario of Logistics Industry

The transport and logistics sector are fundamental to the development of a country. Indian logistics market is expected to grow at a CAGR of 12.17% by 2020 driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors. India spends around 14.4% of its GDP on logistics and transportation as compared to less than 8% spent by the other developing countries. The key drivers of this growth are infrastructure investment associated with ports, airports, and other logistics development plans, domestic demand growth and increasing trade.

Development of transportation and logistics-related infrastructure such as dedicated freight corridors, logistics parks, free trade warehousing zones, and container freight stations are expected to improve efficiency. Government reform initiatives, promotion of manufacturing and trade, improving investment climate are expected to transform the industry and drive growth between 2017 and 2020.

India Logistics issues and Challenges

- Roads are the main source of transportation. Despite major developments in road development in India in the last decade, India's investment to develop roads are still insufficient.
- Worldwide experience says that effective use of rail logistics can be more cost effective, reliable and timely. However, in India, Rail infrastructure is ignored and is underdeveloped.
- The development of ports also suffers from a similar story. The rise of the public-private partnership in infrastructure has not helped much and thus the transportation and network costs of doing business in India leads to disadvantage for the Indian firms.

Along with this, massive administrative costs that includes insurance and government taxes and the inefficient clearing process from control agencies and customs, is all adding up to make logistics a costly affair in India.



Emerging Trends for growth of Logistics & Transportation in India

Demonetization and impact on the Indian logistics Industry

The logistics industry is a dynamic component in the country's growth wheel which has also recently witnessed the effect of demonetisation followed by remonetisation (issue of new currency notes). This sudden shift has significantly disrupted the overall business operations of logistics, automobile, FMCG, pharmaceuticals and agriculture sectors. Though this move by the government gave a temporary jolt but, in the long run, there will be an increment in the overall business coming in from the international players.

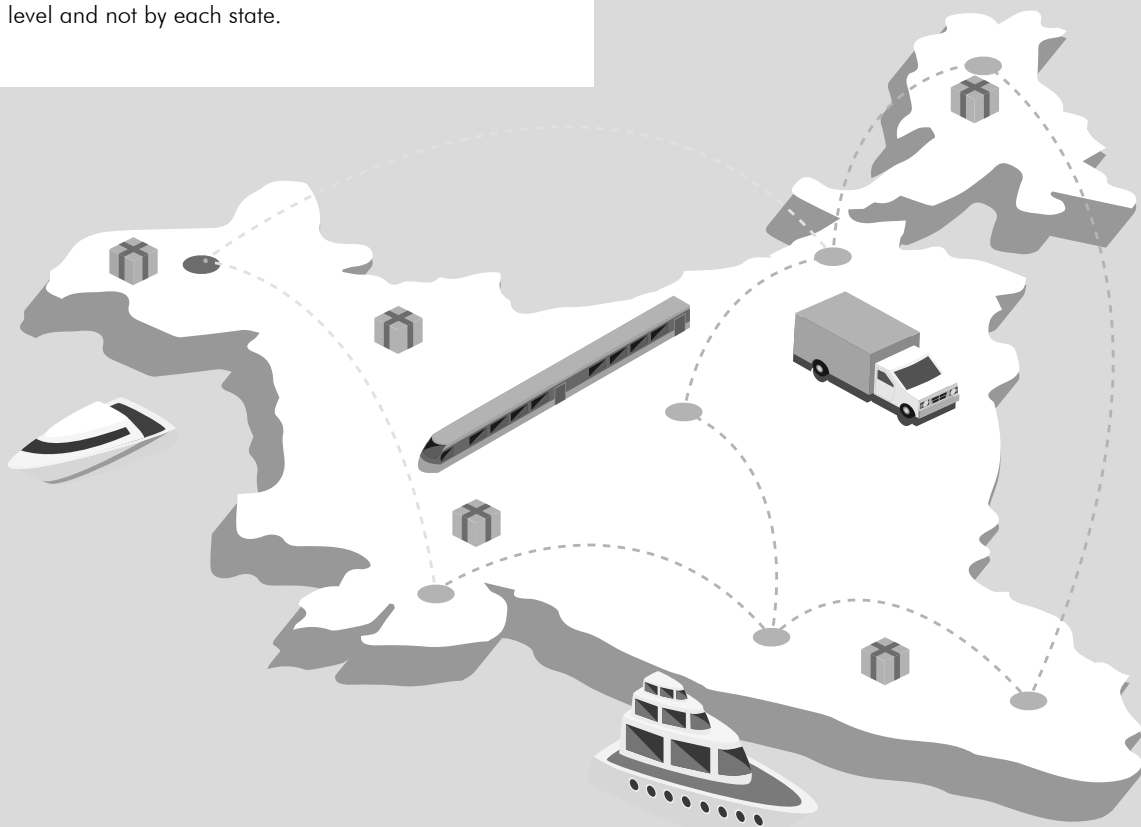
A part of the logistics industry is heavily dependent on COD (Cash on Delivery) mode of payment has plunged. It is only imperative that small to large vendors embrace this paradigm shift and reduce dependency on cash transactions. Demonetization, leading to digital ways of making payments, will erode the illicit ways of functioning in the sector. Digitization is a new reality which is critical to transforming India going forward. It will help to bring better regulation and governance in the industry.

Implementation of GST

Implementation of GST in the logistics industry will diminish logistics costs up to 10-15 percent over a period of 3- 4 years. With GST, there will be efficient cross—state transportation and rationalization of paper work for road transporters. This will reduce operations costs as taxation will be done at a national level and not by each state.

Implementation of GST (Goods & Services Tax) will be a game-changing event for businesses in general and organized logistics players. It would provide a boost to warehousing, supply chain management and 3PL business. It will enable the creation of the common market and permit free and unimpeded movement of goods & services across the country. The anticipated benefits for LSPs (logistics service providers) being consolidation of its network, larger warehouses, larger tonnage trucks, will boost overall efficiencies. This would mean that modern technologies like automatic storage and retrieval, material handling equipment, RFID, etc. will replace typically labour intensive activities, reducing errors in the supply chain and therefore cost. This will make Indian warehousing and trucking more or less at par with the western world and Far East.

Add to it, GST will bring everyone into the tax ambit, it will reduce the share of the unorganized sector in warehousing. Prices charged by the organized players will come down and reduce the price advantage that the unorganized players currently enjoy. Thus, GST will level the playing field and create an equitable development of the industry across India.



Massive Investment in Infrastructure
Government's new initiative on the projects like Dedicated Freight Corridors (DFC), 'Sagar Mala' and 'Bharat Mala' would further enable seamless multimodal logistics services.

Dedicated Freight Corridors:

The Upcoming game-changers: With the implementation of them will see a major boost in implementation of ICDs/CFS. Freight transportation by railways will also get a boost. Due to higher cargo containerization, operationalization of two Dedicated Freight Corridors (DFCs), and setting up of multi-modal logistics parks across the country and along the DFCs, the share of railways in carrying domestic freight could increase, strengthening the prospects of multi-modal transportation in India. The eastern (Ludhiana to Dankuni) and western (Dadri to JNPT) DFCs will cover almost 3,300 route kms, run longer and heavier trains, accommodate faster speeds up to 100 kmph, guarantee transit time and reduce unit transportation costs. In the near future, road transportation will still dominate rail transportation in terms of passenger and freight. However, as already mentioned, because of increased cargo containerization and the operational commencement of DFCs, the share of railways in carrying freight will increase marginally at the cost of a road share.

The Bharat Mala Project- Connecting India like Never Before

It will connect eastern and western India through 7,000 Km of National Highways. It will allow goods to move comfortably across the country and help reduce the cost of passenger and freight travel. The project will improve road connectivity not just in coastal and border areas, but in backward areas as well. Apart from providing connectivity to the ports under the Sagar Mala project, this project will provide seamless connectivity along the borders with Nepal, Bangladesh, China, Pakistan and Bhutan, which is crucial for strategic reasons.

Sagar Mala Project- Revolutionising logistics in India through port led development

It intends to achieve the broad objectives of enhancing the capacity of major and non-major ports and modernizing them to make them efficient. This will enable them to become drivers of port- led economic development, optimizing the use of existing and future transport assets, developing new transport lines/

linkages (including roads, rail, inland waterways and coastal route), setting up logistics hubs and establishing industries and manufacturing centers to be served by ports in Exim and domestic trade.

Omni Channel and E-commerce Trends

The current booming trends in e-commerce and Omni channel retailing have completely changed the conventional retail logistics and have resulted in a significant rise in the volume of freight traffic moved. This large volume of traffic has opened up new growth opportunities in all facets of logistics including transportation, warehousing, freight forwarding, express cargo delivery, container services, shipping services, etc. The alignment of Omni channel would require optimizing inventory and shipping processes to get products to customers as quickly as possible, identify the best operating model and develop an operating model that is capable of exploiting the similarities in order profiles and define order routing, order fulfillment locations and other key elements of the Omni channel fulfillment process.



Coastal Shipping

The need of the hour demands growth in Coastal Shipping and relatively dramatic because the country's ports are already in a position to handle the expected increase in cargo. After 2019, the planned introduction of India's dedicated freight rail corridor should boost that mode of transportation, and roads as a share of the modal mix are expected to fall 15 percentage points by 2025, to 43%.

The shift to coastal shipping should help improve the financial performance of port and logistics companies, too.



Chemical Logistics – the booming Industry

India is emerging as one of the most important global locations for the chemical industry, with continuous growth in the demand of chemicals. The Indian chemical market is one of the fastest growing in the world, with an annual growth rate of approximately 12%. By 2050, India is expected to become the second-largest individual market after China, cornering 20 per cent of the global chemical sales.

Consequently, India's large coastline, land area and the largest rail network provide an immense opportunity to logistics and warehousing companies. Since, Chemical is a complex industry- products range from solids to liquids to gases and nature from Inert to Hazmat. The complexity of handling, storage and transportation is compounded with the fragmentation of the industry and lack of domestic standards.

SAARC - Moving commerce to New Horizons

The SAARC economic union: while SAARC's key aims are to promote peace, trade and development among its members, one of its major goals is to create a South Asian Economic Union by 2020. Establishment of the SAARC Preferential Trading Arrangement (SAPTA) in December 1995 and the South Asia Free Trade Agreement (SAFTA) framework in January 2006 have made the association more dynamic and further stimulated intra-regional trade and integration.

Currently, the SAPTA covers over 5,000 commodities for tariff concessions within member countries. The exports between member countries under the SAFTA have been witnessing a marked upward trend since the launching of the Trade Liberation Program (TLP). As of 2013, the total value of intra-SAARC exports (in terms of freight on board) by member countries under the SAFTA, has reached about US \$3 billion.

However, the intra-SAARC trade flows under the SAFTA are still far below the potential of the member countries. Efforts are in place to increase the quantum of regional trade within member countries by expanding the list of free trade goods. Being the largest economy within the SAARC countries, India and its trade with the rest of the member countries plays a pivotal role in enhancing the overall South Asian regional trade.

Technology and Innovation – The Way Ahead

Through the adoption of advanced technologies such as wireless networking, track-and-trace systems,

RFID tags, IoT, Big Data, AGV's , etc. the transport and logistics sector is bound to achieve significant productivity gains. It will completely transform the business of storage through more efficient warehouse management systems and changing the nature of transport through vehicle and load optimisation and systems that reconcile loads with invoices.

In the year 2016, the Logistics and Transportation Industry has witnessed some interesting transformation and trends. The ever increasing demands, new consumption patterns, digital age of commerce and global trade treaties has impacted warehousing and transportation formats. The "first mile" facilities are expanding with e-Commerce boom and the "last mile" facilities are becoming highly localized to support quick deliveries to consumers.

Future Prospects

The logistics firms are moving from a traditional setup to the integration of IT and technology to their operations to reduce the costs incurred as well as to meet the service demands. The growth of the Indian logistics sector depends upon its soft infrastructure like education, training and policy framework as much as the hard infrastructure.

To support India's fast-paced economy growth of logistics industry is very essential. ***It is estimated that the Indian logistics industry will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large.***

The global economic outlook, indeed that of India is expected to significantly improve as India begins to tackle the economic downturn. With a new government, many policies are expected to be implemented which will give a fresh impetus to India's growth engine particularly in the corporate and SME sector which in turn will expand demand for the logistics sector.

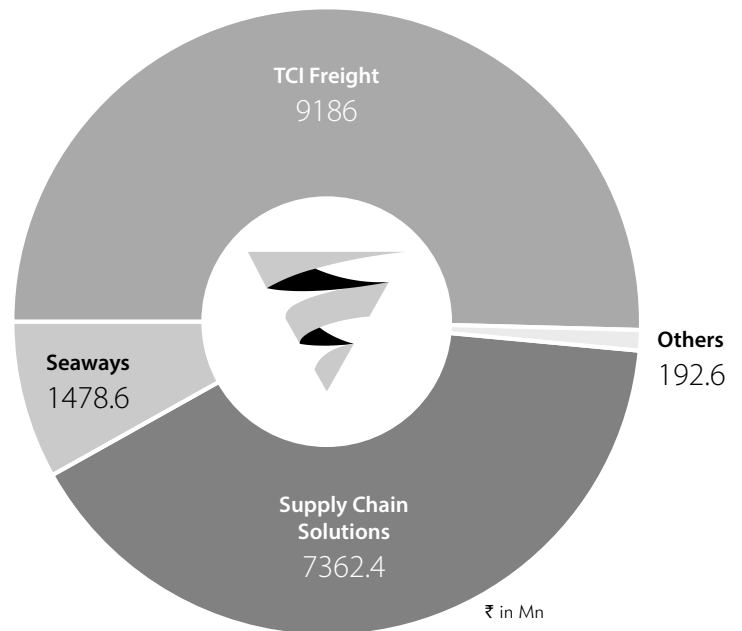
With the implementation of GST, logistics companies, which are currently forced to set up many small warehouses across multiple cities can set up just a few, big warehouses region wise and can follow the hub-and-spoke model for freight movement from the warehouses to the different manufacturing plants, wholesale outlets, retail outlets and the various POS. This growth is backed by the boom in the e-commerce sector and expansionary policies of the FMCG firms.



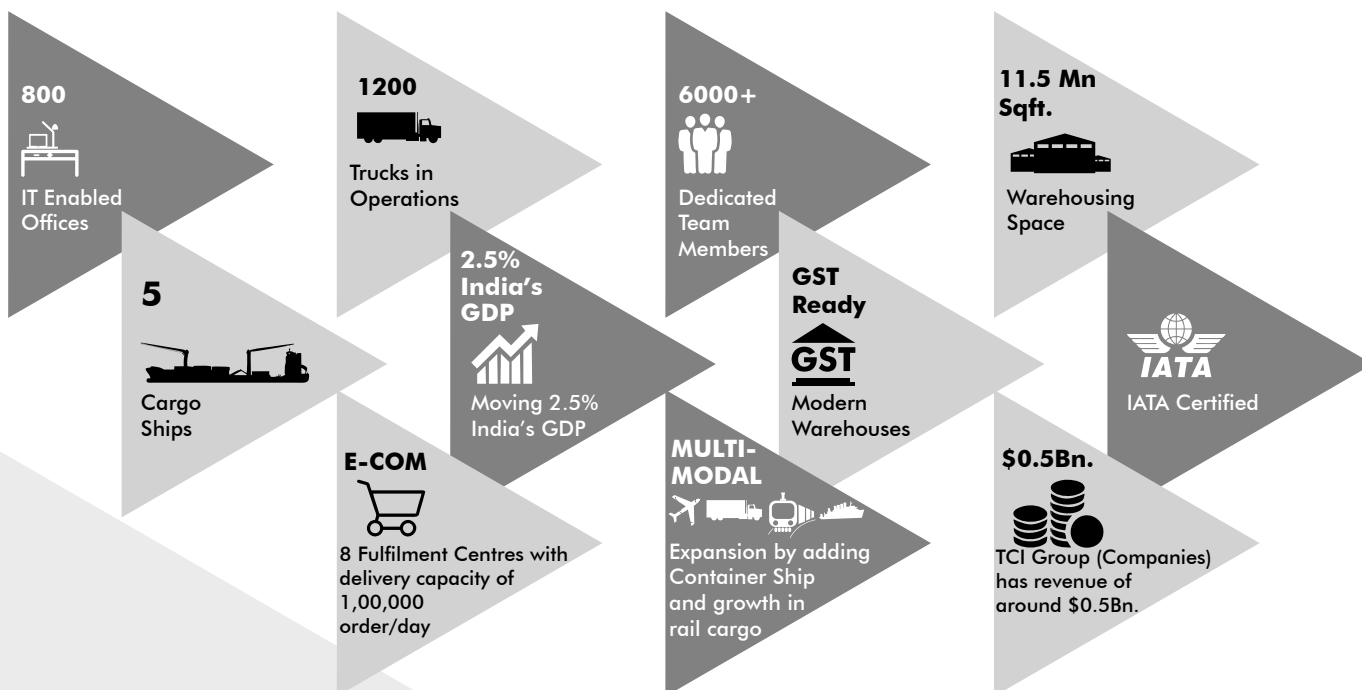
Business Divisions

TCI Group, with revenues of over Rs.3000 Cr. has grown from a single truck plying on a single route to becoming India's leading integrated supply chain solutions provider. It is with the amalgamation of many diverse forces that a complete solution emerges. TCI Group with expertise developed over 5 decades has an extensive network of company owned offices, 11.5 Mn Sqft. of warehousing space and a strong team of trained employees. With customer-centric approach, world class resources, State of the Art technology and professional management, the group follows strong corporate governance and is committed to value creation for its stakeholders and social responsibilities.

As services are getting more and more specialized and segmented, customized solutions are the need of the day. TCI's range of services encompasses the entire gamut of supply chain services from the point of origin to the final end customer. From multi-modal transportation (road, rail, air, sea) to express delivery solutions, from freight forwarding and customs clearances to warehouse management services, each of the services are linked under a single Customer Relationship management system for maximum benefit to clients.



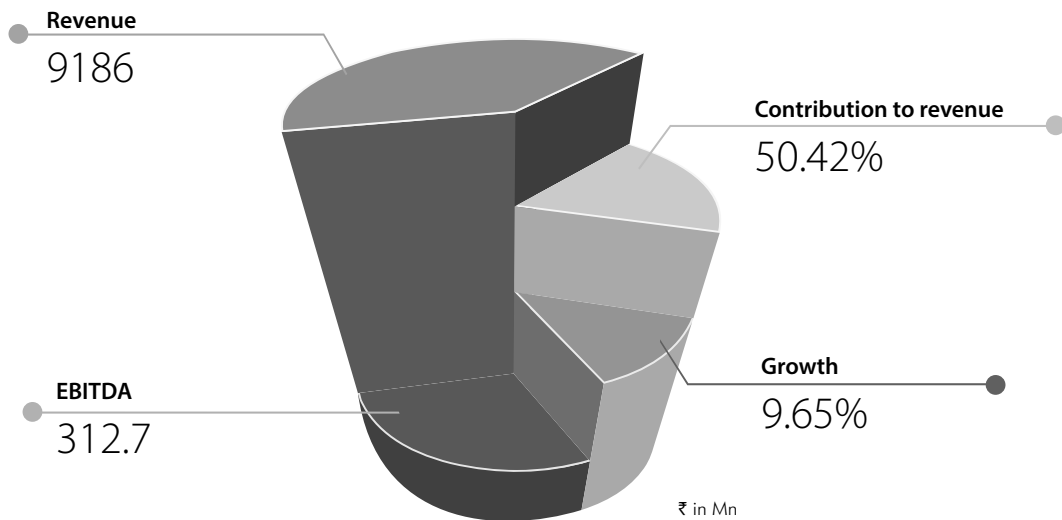
Even though for operational purposes, the business verticals operate as individual entities, they come together, creating synergy to offer a broad range of end-to-end customized services to a wide range of domestic and international clients.



TCI Freight

Moving India in Transportation

TCI Freight, one of the largest division of Group TCI, is India's foremost surface transport entity. The division is fully equipped to provide multimodal transport solutions for cargo of any dimension or product segment ranging from FTL (Full Truck Load), LTL (Less than Truck Load), Small packages and Consignments, ODC (Over dimensional Cargoes) PHH (Project Heavy Haul) & Rail.



Integrated Multi-modal Solutions

TCI Freight has strong back up in terms of its extensive and strategically located branch network and well-trained workforce. Supported by 625 company owned branches, TCI Freight offers from the Full Truck Load (FTL) to Small Truck Load (LTL), Sundry, and Project Heavy Haul (PHH) while its Rail logistics provide services such as containers, wagons and special automotive wagons to full train movement. For over dimensional cargo, TCI Freight has its own hydraulic axles and trailers.

Hi-Tech Modernized Fleet

A large number of owned and leased vehicles transport goods of varying dimensions coupled with highly equipped modern fleet ranging from hydraulic axles, multi-axle, prime movers to all kind of vehicles that are needed for safe and reliable transportation of goods. Fully computerized operations supported by online

tracking, GPS technology for shipment and vehicles & 24/7 dedicated customer care cells assures customers of reliability and access anytime, anywhere.

Single Window Solutions

TCI Freight's primary Key Account Management (KAM) system is a single window solution for its clients, which operates 24x7 for managing the information flow and tracking the cargo movement.

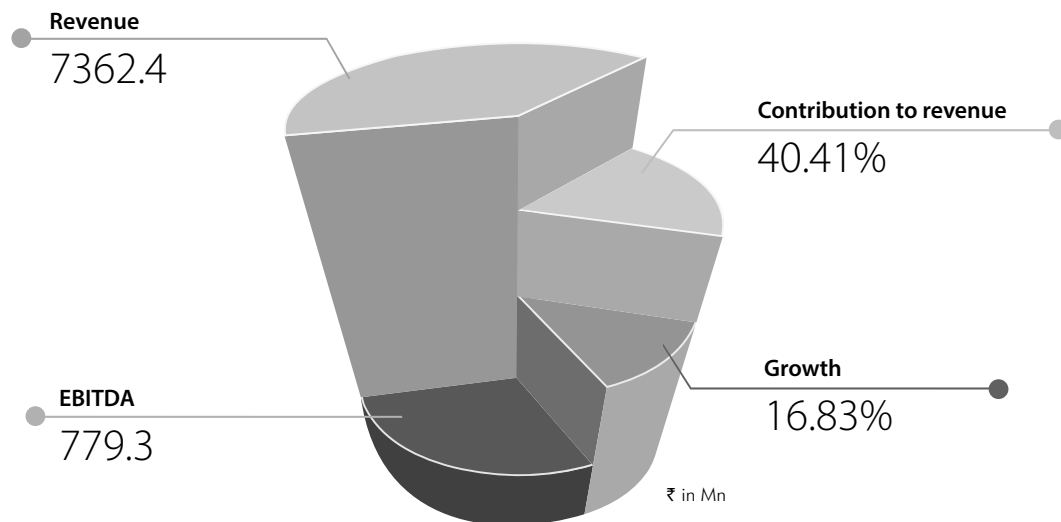
Growth Drivers

With infrastructure coming in, GST being implemented, the demand for long haul freight will increase. It is estimated that post GST organized players could see a growth of 15%.

TCI Freight will also see benefit of India's good relationship with SAARC countries & demand for multi-modal rail solutions being on the increase.



Moving India in Supply Chain



TCI Supply Chain Solutions is a single-window enabler of integrated logistics & supply chain solutions encompassing all the needs of a value-seeking progressive client-right from 'conceptualization to implementation'. TCI SCS provides customized solutions for key verticals such as Auto, Retail, Telecom, Electricals, Chemicals, Pharmaceuticals, FMCG, Record Management and Cold Chain.

Domain Expertise

The core competencies of TCI SCS lies in operating on shorter product life cycles, scientifically and professionally managed inventory, supplemented with state-of-the-art material handling equipment, warehousing and multi-modal transportation and also managing integrated information flow amongst hundreds of outsourced supply chain partners. What sets TCI SCS apart is its unique and innovative approach in managing the value chain of logistics where it takes a holistic approach

linking not only the customer and the consumer but also their tier I, II & III suppliers.

Serving to Critical Sectors

TCI SCS is a 3PL/4PL Lead Logistics Provider in Production Logistics, Finished goods Logistics and Warehousing & Distribution Centre management. TCI SCS provides customized, specialized solutions to varied and critical sectors of the economy like Auto, Hi Tech & Telecom (ICE), Health Care, Retail & Consumer Products, Chemicals and Cold Chain.

Assets

11.5 Mn Sqft. of warehousing space with own storage and material handling infrastructure enables TCI SCS to provide an expertise in Modern Warehouse and Distribution Center Management across all verticals. The division also has a customized fleet of 1350+ carriers including 50+ refrigerated vehicles.





Latest Offering of TCI SCS: World-Class Cold Chain Warehouse

Located in the heart of NCR, the cold storage is a part of a large 250,000 sqft warehouse that incorporates world-class design and technology, offering integrated cold chain services, and encompassing multi-temperature refrigerated storage, Blast Freezer, Ante Room, Processing Area, warehouse and inventory management services, and transport and distribution solutions to meet customer's varying requirements. The cold warehouse has 5000 pallet positions, totalling 11700 CMT of temperature-controlled space.

Focus on Excellence in Chemical SCS

TCI SCS understands the unique requirement of chemical shipments. TCI SCS has chemically compliant warehouses with HSE standards specially designed for warehousing requirement of HAZMAT and abides by complexity of the norms related to the products. To handle the complexity of chemical handling, storage and transportation TCI SCS has introduced ISO Tanktainers, which has a capacity to move 26,000 Liters of chemicals safely, both by Rail & Road.

TCI SCS incorporates diversified chemical services which includes movement of dry chemicals, gases, safe EXIM of Liquid Bulk in foreign countries and offers customized warehousing services, both for Solid and Liquid chemicals.

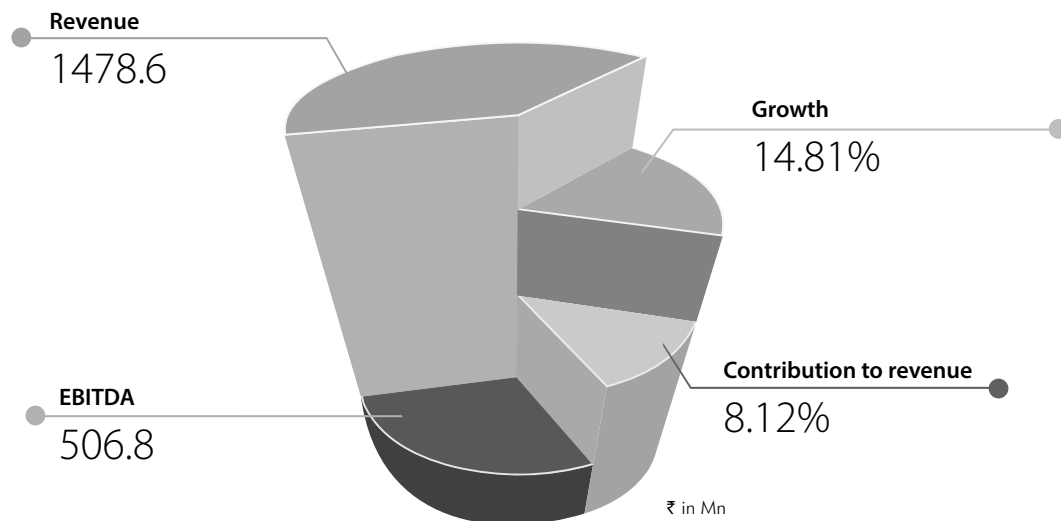
Growth Drivers

TCI SCS will largely benefit due to the implementation of GST this year. The demand for large warehouse and distribution services will fuel the growth for TCI SCS in coming years. TCI SCS will also invest in chemical vertical by providing solid liquid and gas bulk solutions to customers. The on-going influence and emergence of Omni-channel and E-commerce on supply chain management will remain a growth driver for this division.



TCI Seaways

Moving India in Coastal Trade



TCI Seaways heralded the dawn of a new era for the parent company TCI, with the territories having extended further from East coast of India to Andaman & Nicobar Islands and further. It provides coastal container and bulk cargo movements, Liner, Charter, Multi-modal and Transportation services.

Assets

TCI Seaways, now has five ships with a total capacity of 40,000 DWT. The division also owns 3650 marine containers. Three ships are deployed in the coastal Sectors inter alia, plying on sectors including Chennai-Andaman-Chennai and Vizag-Andaman-Vizag and Port Blair-Yangon-Kolkata-Vizag. And two ships are deployed on the west coast for Mundra-Cochin lane.

Coastal shipping Synergy

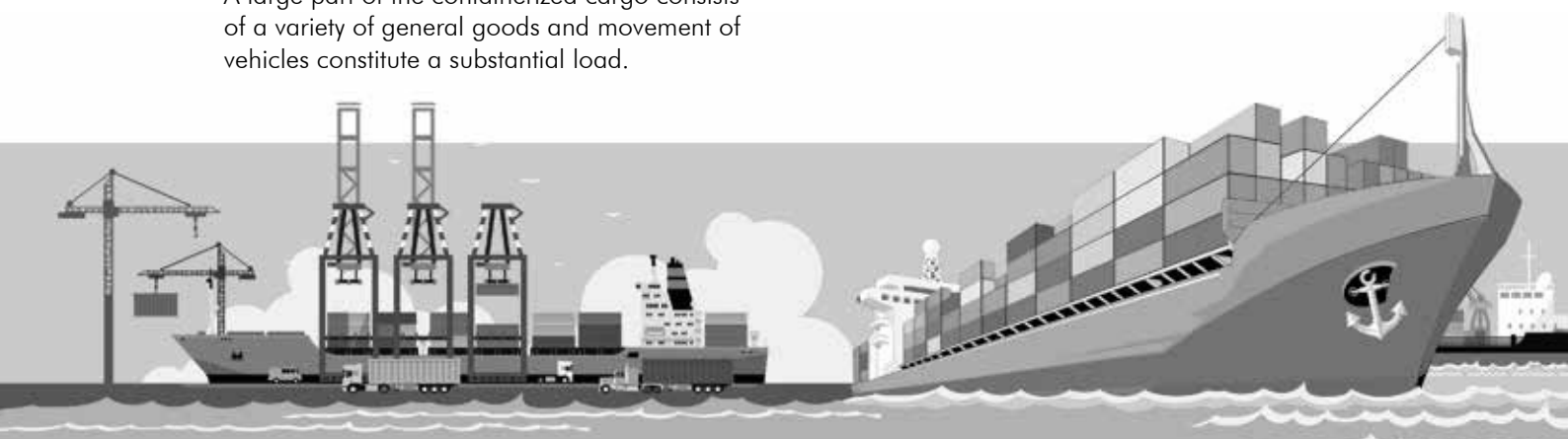
A large part of the containerized cargo consists of a variety of general goods and movement of vehicles constitute a substantial load.

Skilled Workforce

An experienced management team and well trained workforce ensure precision and co-ordination in achieving targets. Skill up gradation of the workforce through training programs and workshops keeps TCI Seaways globally competitive and enables itself to provide quality services and professional solutions.

Growth Drivers

With both Sagar Mala & Bharat Mala projects taking off, TCI seaways will benefit by connecting west coast and east coast of India effectively. Large corporates are under pressure to reduce the carbon foot prints, follow green supply chain practices. Hence the need to adopt coastal & multi-modal logistics solutions augur well for TCI Seaways.



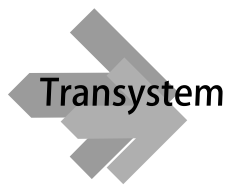
Competitive Advantage

Joint Ventures

Ensuring lasting Business success

TCI realizes that joint venture can help business grow faster, increase productivity and generate better profits. Each joint venture offers TCI:

- Access to new markets and distribution networks;
- Increased capacity
- Sharing of risks and costs with a partner;
- Access to greater resources including specialized staff, technology and finance.



Transystem Logistics International Pvt. Ltd.

A joint venture between TCI and Mitsui & Co Ltd, Transystem Logistics International Pvt. Ltd. is the main logistics partner for Toyota Kirloskar Motors Ltd. in India. It has been providing complete logistics solutions, from inbound Logistics (IBL) to Outbound Logistics of Completely Built Units (CBU) & Spare parts management, Warehousing and distribution.

TCI CONCOR

Multimodal Logistics Solutions

TCI - CONCOR Multimodal Solutions Pvt. Ltd.

It is TCI's joint venture with CONCOR to provide bulk multi-modal logistics solutions by rail and road.

TCI Transportation Company Nigeria Ltd.

TCI Transportation Company Nigeria Ltd. is a joint venture with Indorama Eleme Petrochemicals Limited with an objective to carry out Logistics and Transportation of goods/products to and within Nigeria.

TCI Group entities

Extended Services

TCI EXPRESS

LEADER IN EXPRESS

TCI Express Ltd (Erstwhile XPS Undertaking now demerged):

TCI XPS was established in 1996 as one of the foremost divisions of Transport Corporation of India (TCI). Today, TCI Express is an independent company listed with stock exchanges of India.

TCI Express is the only express cargo company in India having it's own set up across India reinforced with a team of over 2000 professionals and more than 13000 delivery points.



TCI Developers Ltd: The real estate arm of TCI undertakes development of large modern Warehouses, Logistics Parks etc.



TCI Foundation: As the group's social arm, TCIF fulfils corporate social responsibility and runs charitable hospitals and schools for the underprivileged in the rural areas amongst its multi-faceted activities.



TCI Institute of Logistics: TCI Institute of Logistics, a group venture of TCI Group, is a training provider. It is affiliated to National Skill Development Corporation (NSDC) and Logistics Skills Council (LSC).



Corporate Social Responsibility

TCI believes that the proper assessment of development, accomplishment and evolution goes beyond balance sheets or conservative fiscal indices. It is best mirrored in the difference that business and industry make to the lives of public at large.

TCI is committed to serve the nation with a motto of equality and better life for all citizens through TCI Foundation (TCIF), the social arm of TCI. The Foundation is in vanguard to support and assist the communities including less privileged in India by facilitating Health Services, Education, Community and Sports Development.

TCI Foundation is a registered entity under Indian Trust Act, 1882 and duly empowered by the Government of India under Section 12A and 80G of the Income Tax Act. It is an approved entity under Foreign Contribution Regulation Act, 2010 (FCRA) to receive global grants. It is one of the enlisted organizations with United Nations Office on Drugs & Crime (UNDOC).

The Foundation on behalf of other corporates/ companies in India serves as CSR implementing agency within the ambit of Section 135 and Schedule VII of the Companies Act 2013. TCI Foundation is proudly associated with Government of India, State Governments, International Organizations, Public Sector Undertakings and Corporates of repute to deliver the quality controlled CSR activities in India.

HEALTHCARE SERVICES

TCI has adopted five key elements identified by the World Health Organization (WHO), to achieve the goal of Healthcare Services.

- reducing exclusion and social disparities in health;
- organizing health services around people's needs and expectations;
- integrating health into all sectors;
- pursuing collaborative models of policy dialogue;
- increasing stakeholder participation.

TCI believes in equitable distribution of health care to all individuals irrespective of their gender, age, caste, color, urban/rural location and social class; in the FY 2016-17, TCI has provided medical services that are accessible, affordable, feasible and culturally acceptable to the community.

General & Specialized Healthcare Services for Truckers in India

TCI with a vision 'purpose beyond the profit' initiated project "Kavach" through TCIF, dedicatedly for long distance truckers to protect their health. Since 2003



TCIF and Bill & Melinda Gates Foundation (BMGF) worked in unison to prevent the spread of HIV/AIDS and sexually transmitted infections (STIs) among long distance truck drivers and their helpers who are nationally mobile. Additionally TCIF in collaboration with the State Governments implemented HIV/AIDS control program for truckers in different states of India. TCI Foundation is the only organization in India credited with maximum number of Government funded clinics (target interventions) focused on truckers. Currently TCIF operates 'Khushi Clinics' dedicatedly for truck drivers and allied population at 24 locations across 12 States in India.

TCI Foundation in association with its stakeholders provided leadership and resources for the enhancement of health and the quality of life for underserved citizens. The Foundation in alliance with Hindustan Petroleum Corporation Limited (HPCL), a Government of India Undertaking, delivered health services across seven states in India. The Gas Authority of India Limited (GAIL), another Government of India Undertaking, worked in unison with TCI to provide state of the art healthcare services to its truckers as well as residents around its plant. The Valvoline Cummins Private Limited, associated with TCIF and facilitated integral healthcare for mechanics, truckers, migrants and their families in north, east, west and south parts of India.

The Foundation served more than 715,000 truckers and allied population in the FY 2016-17. TCIF since last thirteen years is credited with HIV and STI prevention services to more than 7.8 million truckers in India.

TCIF association with Governments



The Government of Union Territory Chandigarh, Government of Punjab and Government of Uttarakhand, have uniquely associated with TCIF and jointly established Integrated Counseling and Testing Centres (ICTC) at Chandigarh, Ludhiana and Haridwar. These centres facilitated the testing and counseling of truckers and allied population at their workplace. With the advent of this facility truckers and others are now not required to cover long distance for medical tests in government hospitals; they are being provided free testing under one roof of TCIF managed Khushi Clinics.

The TCIF-ICTC at Chandigarh was inaugurated by Mr. Anurag Aggarwal IAS, Home Secretary Chandigarh. This is a unique partnership given first time by the government to non-governmental organization, earlier such kind of setup was only under government hospitals.

TCIF also associated with Government of Uttarakhand and Government of Union Territory Chandigarh with contribution of 50% of the total government budget of Clinics at Haridwar and Chandigarh established by the respective State Governments for provision of medical and healthcare services to truckers.

Transystem Family Healthcare Centre

Transystem Logistics International Private Limited (TLI) in technical collaboration with TCI Foundation established two new Family Healthcare Clinics at Bhilwara to provide complete medical and healthcare services uniquely for long and short distance truck drivers, mechanics, migrants and their families residing in the area.



Located off the strategic Transport Nagar and Bhilwara-Jaipur National Highway 79, the new modern Family Healthcare facilities in Bhilwara have preventive, testing and treatment regimens, staffed by professionally trained physician, counsellor, laboratory technicians and outreach workers. These clinics covered more than 60,000 patients/beneficiaries per annum, with services like dissemination of education

through interpersonal communication, advocacy meetings, demand generation activities, peer education and monthly specialized health camps.

The Family Healthcare Centre was inaugurated on 21 December 2016 by Shri Subhash Chandra Baheria, the Hon'ble Member Parliament Bhilwara in the august presence of Dr. Jagdish Chandra Jeengar, Chief Medical & Health Officer District Bhilwara, Sh. Masaki Shimmomura, Managing Director Transystem Logistics International Private Limited, Mr. Sagar Agarwal, Senior Vice President Transystem Logistics International Private Limited, and Dr. Munish Chander, Head TCI Foundation.

Dipper Condoms – A unison project of TATA Motors and TCI Foundation

Tata Motors, India’s largest truck maker, teamed up with the TCI Foundation to promote safe sex amongst truck drivers. And what better way to make it instantly memorable than by taking the phrase ‘use dipper at night’, and create a condom brand called Dipper.



Created by the creative agency Rediffusion, the Dipper condom campaign even won a silver lion at the Cannes Lions Festival in June 2016.

These condoms were dirt cheap (Rs 2 apiece), and their packaging had the quintessential truck art you get to see. And using various channels, they were being successfully distributed across the country. The project was launched in April 2016 to raise awareness about HIV and other sexually transmitted diseases. The prevalence of HIV among truck drivers is much higher as compared to other people and this is usually a result of unsafe sex with high-risk sex workers.

Blood Donation



TCI in collaboration of National AIDS Control Organization (NACO) conducted blood donation camps at 10 locations in India on 17th September 2016, the death anniversary of Mr. P.D. Agarwal, the founder of TCI and first private blood bank in India.

Community Medical & Healthcare Camps

TCIF in collaboration with corporates of repute and PSUs conducted community medical and healthcare



campus on monthly and bimonthly basis at Ludhiana (Punjab), Chandigarh (Union Territory), Haridwar (Uttarakhand), Jaipur & Bhilwara (Rajasthan), Allahabad, Pata & Kanpur (Uttar Pradesh), Vashi, Bhiwandi, Kalamboli and Satara (Maharashtra), Dabaspur (Karnataka), Hooghly (West Bengal), Hosur (Tamilnadu), Ravaapallam & Vijayawada (Andhra Pradesh). In the year 2016-17, TCIF through 47 camps successfully rendered healthcare services to 6278 patients.

TCI-Jaipur Foot & Rehabilitation Centre Patna

TCI Foundation with the technical support of leading prosthetic and other physical aids manufacturer 'Jaipur Foot' had established its prosthesis and orthotic center 'TCI Jaipur Foot & Rehabilitation Centre' at Patna, which works on the UN theme 'Break Barriers, Open Doors: For an Inclusive Society and Development for All'.



TCI Jaipur Foot and Rehabilitation Centre since its inception in 2008, had contributed its charitable services including free clinical examination, prosthesis and physical aids to underprivileged differently abled persons in the country. The center is fully equipped with mobile prosthesis workshop setup in a specially designed ambulance. The mobile workshop delivers charitable services to the deserving inhabitants of inaccessible areas in the country. The centre contributed its charitable services to 1594 beneficiaries in the FY 2016-17.

EDUCATION SERVICES

TCI has tried to bridge the education gap to provide better and standardized education to the children in tribal region of Jharkhand State. TCI-DAV Public School affiliated with CBSE provides



As to population in the rural hinterland by making education Available, Accessible and Affordable. The school journey was commenced in 2005 with a vision to provide quality and value based primary education to the underprivileged tribal children of district Khunti. The school was gradually developed to impart secondary education in the area and now it is one of the biggest schools in block Kara and imparts teaching to more than 650 students. The school has earned name for its strong academics, sports and cultural activities. TCI Foundation is committed to ensure the provision of good quality education to the girl children, elimination of gender disparities in primary and secondary schooling, and achievement of gender equality in all levels of education. The school has achieved 100% result of students appeared in CBSE exams. Kudos to the girls who were able to claim the first three ranks in CBSE Class 10 in the academic year 2016-17. The school girls also bagged Gold, Silver and Bronze medals in CBSE Cluster National Games and DAV National School Games.

Education Scholarships



TCI believes that education is the best tool to remove poverty from the country and thus contributed with TATA Motors in education scholarships to the children of truck drivers in the AY 2016-17.

SPORTS DEVELOPMENT



TCI recognized sport as a means to promote education, health, development and peace and resolved to establish 'Urmila Sports Academy' at Nayangal Bari in District Churu, Rajasthan. TCI will select probable sportspersons from all over India. The sportspersons will be selected by a team of technical experts comprising of learned coaches and scientists. The academy will be fully equipped to deliver indoor and outdoor sports training and competitions in accordance with sport specific rules and regulations. The academy has completed more than 70% of construction and will ready for operations by the end of 2017.

TCI also technically supported Government of Punjab, Professional Golf Tour of India and other sports organizations by rendering the services of Dr Munish Chander Head TCI Foundation. TCI was also in forefront to financially support the best talented athletes in the country.

SKILLS DEVELOPMENT

TCIF Skill Development Centre established at Village Jamhar District Khunti in Jharkhand, as part of skill development mission to fulfil the growing need



in India for skilled manpower across sectors and narrow the existing gap between the demand and supply of skills.

TCI Foundation worked for the skill development of tribal women and girls of Kara Block and conducted regular training and imparted skills for tailoring, stitching and embroidery to 80 women in 2016-17. After the completion of training, they were independent to initiate their own setups or to work with other establishments. The youngsters (boys and girls) of Kara Block of Jharkhand were imparted computer training by TCI Foundation, enabled them to setup their own establishments or to work with other establishments.

TCI Institute of Logistics participation in Job Mela

TCI Institute of Logistics participated in the First Job Mela organized by National Skill Development Council (NSDC) in association with the Ministry of Skill Development and Entrepreneur at Varanasi from 21-22 October 2016. The event saw huge response with participation of more than 50,000 students. MSDE and NSDC acknowledged the participation of employers under LSC banner in job mela.

TCI Institute of Logistics launched market storming in Hissar

In order to increase the awareness for career in Logistics Industry, TCI Institute of Logistics

participated launched a market storming drive in Hissar district of Haryana. The team directly approached unemployed youths through field work.

ROAD SAFETY



TCI under its CSR initiative and with support of its stakeholders including Society of Indian Auto Mobile Manufactures (SIAM) observed "The National Road Safety Week every year by conducting of integrated road safety training and health camp across the nation.

TCI Foundation in association with JK Tyre conducted the Road Safety Camps at Chandigarh, Haridwar, Vashi, Bhiwandi and Ludiana. The drive was initiated for heavy duty vehicle drivers, mechanics and other allied population in transport areas to education and information on road and traffic rules and regulations in India and to standard operating procedure to tackle situations in the event of emergency situations. More than 1250 targeted individuals were updated on road safety. The drive was supported by the State Transport Department and State Traffic Police. The renowned trainers were facilitated by Society for Indian Automobile Manufacturers (SIAM).

Recognition

- The Governor & Administrator of Chandigarh Government awarded TCI Foundation with Best NGO in Technical & Financial Support to the Government.
- TCI was awarded with World's prestigious Golden Peacock Award for its CSR initiatives.
- ABP News Award "CSR Leadership Award"
- 100 Most Impactful CSR Leaders amongst Global Listing.

Enterprise Risk Management

Your company has a Risk Management Policy and has constituted an internal Risk Management Committee. The Committee oversees the Risk Management framework which includes risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Key risks and their mitigation arising out of periodic reviews by the committee are assessed and reported to the audit committee, on a periodic basis.

The framework on one hand allows regular review of the existing risks and their mitigation measures so as to ensure their relevance and on other hand help identify existence of any new risks.

The framework has been established across various functions of the organisation and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives

There are no risks which in the opinion of the Board threaten the existence of your Company. Other details about Risk Management have been elaborated in the report on Corporate Governance forming part of this Annual Report.

INTERNAL CONTROLS, AUDIT AND COMPLIANCE

Your company has adequate internal audit and Compliance functions which are responsible for independently evaluating the adequacy of all internal controls and ensuring operating and business divisions adhere to internal processes and procedures as well as to regulatory and legal requirements. The audit function also proactively recommends improvements in operational processes and service quality. To mitigate operational risks, the company has put in place extensive internal controls including appropriate segregation of duties and post transaction monitoring processes at the back end to ensure independent checks and balances, adherence to the laid down policies and procedures of the company and to all applicable regulatory guidelines.

Your company has always adhered to the highest standards of compliance and governance and has put in place controls and an appropriate structure to ensure this. To ensure independence, the internal audit function has a reporting line to the Chairman of the Audit Committee of the Board and only a dotted line reporting to the Managing Director. The Audit Committee of the Board also reviews the performance of the audit and compliance functions and reviews the effectiveness of controls and compliance with regulatory guidelines.



Key Financials

Key Financial Ratios (Standalone)

(₹ In Mn)

| Particulars | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Total Income | 14,009.63 | 14,327.95 | 15,502.07 | 16,140.13 | 18,219.65 |
| EBIDTA | 1,047.94 | 1,073.47 | 1,308.19 | 1,493.26 | 1,751.75 |
| Finance Cost | 265.44 | 245.49 | 261.58 | 239.28 | 286.07 |
| Depreciation & Amortisation | 376.38 | 380.40 | 434.54 | 507.11 | 578.13 |
| Profit before Tax & Exceptional Items | 406.12 | 447.58 | 612.07 | 746.87 | 887.55 |
| Exceptional Item | 3.70 | - | 1.70 | - | - |
| Taxes | | | | | |
| -Current | 121.70 | 63.50 | 126.49 | 83.86 | 111.47 |
| -Deferred | 2.90 | 15.00 | 3.28 | 67.42 | 73.45 |
| Net profit | 277.8 | 369.1 | 480.6 | 595.6 | 702.6 |
| Cash profit | 657.1 | 764.5 | 918.4 | 1,170.1 | 1,354.2 |
| Dividend per share | 1.0 | 1.3 | 1.5 | 1.5 | 1.1 |
| EPS | 3.8 | 5.1 | 6.4 | 7.8 | 9.2 |
| Gross Block | 5,725.3 | 6,076.1 | 7,200.6 | 5,912.2 | 7,084.7 |
| Net Block | 3,749.6 | 3,848.6 | 4,704.8 | 5,338.5 | 5,893.3 |
| Share capital | 145.7 | 145.9 | 151.3 | 152.1 | 153.2 |
| Avg Net Worth | 3,214.9 | 3,185.6 | 3,957.4 | 4,775.3 | 5,350.7 |
| Total Debts | 3,302.4 | 3,028.7 | 3,057.1 | 3,382.6 | 4,057.2 |
| Avg Capital Employed | 6,421.2 | 6,805.0 | 7,496.6 | 8,880.0 | 9,449.1 |
| Return on Net Worth | 9% | 12% | 12% | 12% | 13% |
| Return on capital employed | 10% | 10% | 12% | 11% | 12% |
| Debt Equity Ratio (times) | 1.0 | 1.0 | 0.8 | 0.7 | 0.8 |
| Interest cover (times) | 3.9 | 4.4 | 5.0 | 6.2 | 6.1 |
| Book value per share (in ₹) | 40.8 | 46.6 | 59.6 | 66.2 | 74.0 |

Key Financial Ratios (Consolidated)

(₹ In Mn)

| Particulars | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---------------------------------------|---------|---------|---------|---------|---------|
| Total Income | 15822.0 | 16354.9 | 17668.6 | 17348.4 | 19547.0 |
| EBIDTA | 1355.9 | 1295.0 | 1502.9 | 1490.6 | 1896.6 |
| Finance Cost | 280.0 | 260.0 | 275.6 | 250.2 | 300.9 |
| Depreciation & Amortisation | 419.6 | 424.3 | 485.0 | 521.1 | 592.0 |
| Profit before Tax & Exceptional Items | 656.3 | 610.6 | 742.3 | 719.3 | 1003.7 |
| Exceptional Item | 0.0 | 0.0 | 1.8 | 0.0 | 0.0 |
| Taxes | | | | | |
| -Current | 188.0 | 128.3 | 212.8 | 84.6 | 119.0 |
| -Deferred | 14.7 | 10.8 | -9.6 | 69.4 | 72.1 |
| Minority Interest | 0.2 | 1.4 | 2.3 | 4.1 | 5.7 |
| Net profit | 453.3 | 470.1 | 535.0 | 561.2 | 806.9 |
| Cash profit | 887.6 | 905.2 | 1010.4 | 1155.8 | 1476.7 |
| EPS | 6.2 | 6.4 | 7.0 | 7.4 | 10.6 |
| Gross Block | 6200.1 | 6761.4 | 7887.9 | 6066.1 | 7203.6 |
| Net Block | 4030.2 | 4328.4 | 5040.0 | 5447.1 | 5985.0 |
| Share capital | 145.7 | 145.9 | 151.3 | 152.1 | 153.2 |
| Avg Net Worth | 3464.6 | 3518.4 | 4327.3 | 5257.1 | 5551.3 |
| Total Debts | 3523.3 | 3339.6 | 3188.0 | 3382.6 | 4057.2 |
| Avg Capital Employed | 6893.4 | 7380.8 | 8171.2 | 9358.2 | 9594.2 |
| Return on Net Worth | 13% | 13% | 12% | 11% | 15% |
| Return on capital employed | 14% | 12% | 12% | 10% | 14% |
| Debt Equity Ratio (times) | 1.0 | 0.9 | 0.7 | 0.6 | 0.7 |
| Interest cover (times) | 4.8 | 5.0 | 5.5 | 6.0 | 6.3 |
| Book value per share (in ₹) | 45.2 | 51.4 | 64.9 | 73.7 | 71.8 |

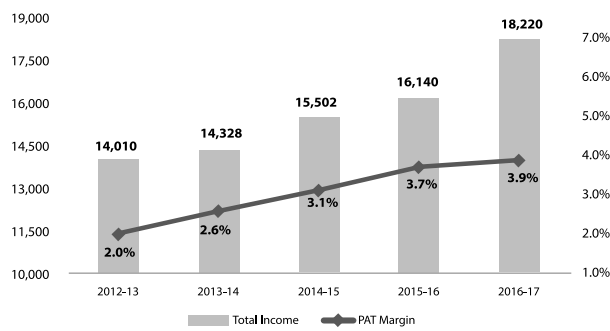
* Above figures are excluding of demerged TCI XPS Division

Key Financials

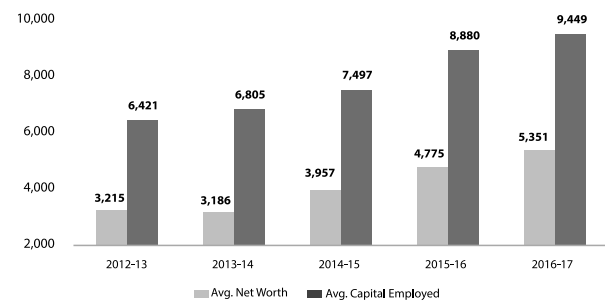
Standalone

₹ in Mn.

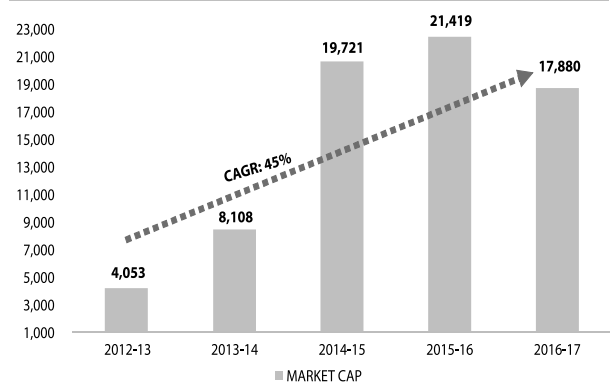
Revenue & PAT Margin



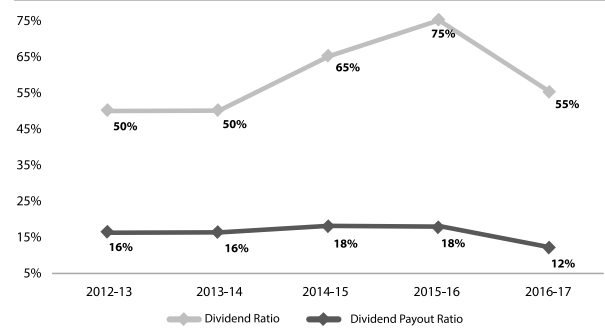
Avg Capital Employed & Avg Net Worth



Market Cap



Dividend Ratio & Dividend Payout Ratio

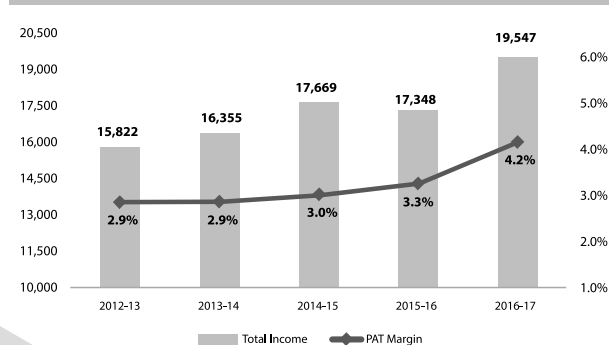


* Market Cap as on March 31 of every Financial Year

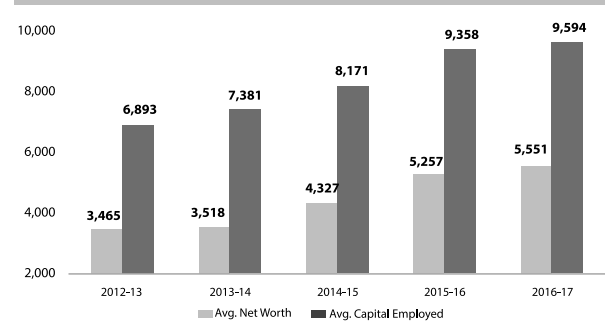
Consolidated

₹ in Mn.

Revenue & PAT Margin



Avg Capital Employed & Avg Net Worth



* Above figures are excluding of demerged TCI XPS Division



Boards' Report

Your Directors are pleased to present the 22nd Annual Report on the business and operations of the Company together with the Audited Accounts for the Financial Year ended 31st March, 2017.

Financial Highlights

(Amount in Mn.)

| Particulars | Consolidated | | Standalone | |
|--|--------------|----------|------------|----------|
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Income | 19,547.0 | 17,348.4 | 18,219.7 | 16,140.1 |
| Less: Provision for Tax-Current | 119.0 | 288.0 | 111.5 | 83.9 |
| - Deferred | 72.1 | 69.4 | 73.5 | 67.4 |
| Add: Profit from JV | 154.7 | 118.6 | 0.0 | 0.0 |
| Profit for the year from continuing operations | 812.6 | 565.3 | 702.6 | 595.6 |
| Profit for the year from discontinued operations | 0.0 | 311.0 | 0.0 | 311.0 |
| Profit for the year | 812.6 | 876.3 | 702.6 | 906.6 |

Overview of Company's operational performance

The above financial results of the Company for the year ended 31st March, 2017 are not comparable with the financial results for the year ended 31st March, 2016 as the financial results for FY 2016-17 exclude the financials pertaining to TCI Express Ltd. (erstwhile TCIXPS, a division of the Company) which has been demerged from the Company vide Scheme of arrangement between Transport Corporation of India Ltd. and TCI Express Ltd. and their respective creditors and shareholders, approved by the Hon'ble High Court, Hyderabad for the state of Telangana and for the state of Andhra Pradesh, vide its order dated 14th June, 2016. The Scheme has become effective from 11th August, 2016, post necessary filing of the order of Hon'ble High Court on the even date.

The shares of TCI Express Ltd, the Resultant Company have since got listed and admitted for dealings on National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) w.e.f. 15th December, 2016.

Standalone Performance

During the Financial Year ended 31st March, 2017, on Standalone basis, your Company earned revenues of ₹ 18,219.7 Mn from operations as against ₹ 16,140.1 Mn in the previous year, thereby showing a marginal increase of 12.9%. The profit for the year was ₹ 702.6 Mn as against ₹ 595.6 Mn in the previous year, registering an improvement of 18.0%.

Consolidated Performance

During the Financial Year ended 31st March, 2017, on Consolidated basis, your Company earned revenues of ₹ 19,547.0 Mn from operations as against ₹ 17,348.4 Mn in the previous year recording a growth of 12.7%. The Profit for the years stood at ₹ 812.6 Mn as against ₹ 565.3 Mn in the previous year, recording an improvement of 43.8%.

Dividend

The Board of Directors in their meeting held on 4th November, 2016 has approved the Dividend Distribution Policy of the Company. In line with the Policy, your Board declared Interim Dividend twice during the Year ended 31st March, 2017 @30% (Re. 0.60/-) and @25% (Re. 0.50) respectively, aggregating to 55% i.e. ₹ 1.10 per equity share of ₹ 2/- each.

Since the total dividend outflow has met the targets in line with the Dividend Policy, your Board does not recommend any final dividend for the Financial Year 2016-17.

Transfer to General Reserve

For the Financial Year ended 31st March, 2017, the Company has transferred ₹ 500 Mn towards general reserves.

Transfer of Unpaid & Unclaimed dividend Amount to IEPF

Pursuant to the provisions of the Companies Act, 2013, all dividend(s), remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.

The details of unpaid or unclaimed dividend(s) 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.

Share Capital

Pursuant to Employee Stock Option Scheme-2006, the Share Transfer Committee of the Board in its meeting held on 16th May, 2016 has allotted 503,850 equity shares to the eligible employees of the Company, due to which the paid up share capital has increased from ₹ 152,147,200 divided into 76,073,600 shares of ₹ 2/- each to 153,154,900 divided into 76,577,450 shares of ₹ 2/- each.

The details of options granted and exercised are as below:

| Employee Option Scheme 2006 (ESOS 2006) | Exercise Price (In ₹) | Options Exercised |
|---|-----------------------|-------------------|
| ESOS Part-VI | 30 | 162,600 |
| ESOS Part-VII | 60 | 341,250 |
| Total | | 503,850 |

With regard to Employees Stock Option Scheme, the disclosures stipulated under the SEBI Regulations as on 31st March, 2017 are provided in "Annexure A" to this report.

Subsidiaries, Joint Ventures & Associate Companies

With an ambition to diversify and expand its operations, your Company has incorporated/formed various Subsidiary(ies)/Joint Ventures Companies. The Company does not have any Associate Company in terms of the provisions of the Companies Act, 2013.

A separate statement containing the salient features of the financial statements of subsidiaries of the Company in form AOC-1 has been disclosed in the Consolidated Financial Statements.

The table below gives the details of subsidiary companies incorporated and liquidated / struck off during the Financial Year 2016-17.

| Sl. No. | Name of the Subsidiary Company | %age of shareholding | Status | Subsidiary/ Step down subsidiary |
|---------|--------------------------------|----------------------|--------------|----------------------------------|
| 1 | TCI Ventures Ltd. | 100 | Incorporated | Subsidiary |
| 2 | TCI Bangladesh Ltd. | 100 | Incorporated | Subsidiary |
| 3 | TCI Global Logistik GmbH | 100 | Liquidated | Step down Subsidiary |

As required under Section 136 of the Companies Act, 2013, the financial statements of the subsidiaries and related information are open for inspection by the members at the Registered Office of the Company during business hours on all working days. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company.

The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have also been uploaded on the website of your Company www.tcil.com. 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 accordance with the provisions of the Companies Act, 2013, the Abridged Annual Report is being sent to all shareholders who have not registered their email address(es). The complete Annual Report for the year 2016-17 is being sent via email to all shareholders who have provided their email address(es) and is also available at the Company's website www.tcil.com and is available for inspection at the Registered Office of the Company during working hours upto the date of ensuing Annual General Meeting.

Any member desirous of obtaining the full Annual Report may write to the Company Secretary and the same will be provided on request.

Directors And Key Managerial Personnel (KMPs)

During the period under review, Mr. Chander Agarwal was re-designated as Non-Executive Director w.e.f 18th August, 2016. Mr. Phool Chand Sharma, CEO-TCI XPS Division, one of the KMPs, was transferred to TCI Express Ltd. upon coming into effect of the Scheme of Arrangement on 11th August, 2016 between Transport Corporation of India Ltd. and TCI Express Ltd. and their respective creditors and shareholders.

Further, the Board has appointed Mr. Vijay Sankar as an Additional Director on the Board, in the capacity of Non-Executive Independent Director w.e.f. 4th November, 2016, who shall hold office upto the date of the ensuing Annual General Meeting (AGM). As prescribed under the Companies Act, 2013, the Board of Directors propose to appoint Mr. Vijay Sankar as an Independent Director on the Board for a period of 5 (Five) consecutive years subject to the approval of shareholders in the ensuing AGM.

Pursuant to the Companies Act, 2013 and Rules made thereunder, Mr. Chander Agarwal and Mr. M.P. Sarawagi, Directors, retire by rotation at the ensuing AGM, and being eligible, offer themselves for re-appointment.

None of the Directors are disqualified under Section 164(2) of the Companies Act, 2013.

As per Regulation 36 of SEBI Listing Regulations, 2015, the brief resume of the directors proposed to be appointed/ reappointed in the ensuing AGM, is incorporated in the explanatory statement to the notice of AGM.

There has been no change in KMPs during the year under review.

Declaration by Independent Directors

All the Independent Directors have duly confirmed that they meet the criteria of independence as prescribed under the Companies Act, 2013.

Meetings of the Board

Four Meetings of the Board of Directors were held during the Financial Year 2016-17. For more details, kindly refer the Corporate Governance Report annexed to this Report.

Meeting of Independent Directors

A separate meeting of Independent Directors was held during the Financial Year 2016-17. Other relevant information regarding the meeting are provided in the Corporate Governance Report.

Board Evaluation

In compliance with the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under SEBI Listing Regulations, 2015, the Board has carried out annual performance evaluation of Individual Directors, the Board as a whole and the Board level Committees during the year. The policy has well defined standards for evaluation including performance of directors against objectives set by the Board, their contribution towards the development of strategies, updation in relevant areas, their attendance & participation in the Board & Committee Meetings etc.

Directors' Responsibility Statement

In terms of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and representations obtained by the management, your directors state the following:

- ❖ That in the preparation of the annual financial statements for the Financial Year 2016-17, all the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- ❖ That 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 that period;

- ❖ The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ❖ The directors have prepared the annual accounts on a going concern basis;
- ❖ The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- ❖ The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Composition of Audit & CSR Committee

In terms of requirements of the Companies Act, 2013, the relevant details pertaining to composition of Audit Committee and CSR Committee are given in the Corporate Governance Report annexed to this report.

Particulars of Contracts/Arrangements with Related Parties

All contacts/arrangements/transactions entered by the Company with its related parties are pre-approved by the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of repetitive nature.

During the year, all contacts/arrangements/transactions entered into by your Company with its related parties were in the ordinary course of business & on arms' length basis and thus the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Accordingly, the disclosure in form AOC-2 as provided in terms of section 134 of the Companies Act, 2013 is not required.

Further, there were no materially significant related party transactions undertaken by the Company with its related parties as defined under the Related Party Transactions Policy of the Company.

The policy on Related Party Transactions may be accessed on the Company's website at the following link: http://www.tcil.com/tcil/pdf/FINAL_RPT_POLICY-TCI.pdf.

Vigil Mechanism/ Whistle Blower Policy

Your Company has in place, a Whistle Blower mechanism for providing safeguard against victimization of employees and to report instances of any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. For more information, please refer the Corporate Governance Report.

Internal Financial Control and their Adequacy

Your Company has an effective internal control and risk mitigation system, commensurate with its size, scale and complexities of its operations, which is assessed on regular basis. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The audit of internal control system is carried out by the Chief Internal Auditor, who reports directly to the Audit Committee. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Chief Internal Auditor reports the status of Internal Controls including the adequacy and effectiveness of the internal control systems to the Audit Committee on quarterly basis.

Risk Management Policy

Your Company has a well-defined Risk Management Policy which establishes a structured and disciplined approach to Risk Management. The risks existing in the internal and external environment are periodically identified and reviewed, based on which, the cost of treating risks is assessed and risk treatment plans are devised.

With the recommendations of the Board, the policy undergoes continuous improvements to allow the Company to optimize risk exposures.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

The details pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo are attached as **"Annexure B"** to this report.

Extract of Annual Return

Pursuant to the Companies Act, 2013, the extract of Annual Return as on 31st March, 2017 is attached as **"Annexure C"**.

Auditors

Statutory Auditors

As per the provisions of section 139 of the Companies Act, 2013, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. The Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In line with the above provisions, the Company's existing Auditors, M/s. R S Agarwala & Co., (Firm Registration No. 304045E), Chartered Accountants, Kolkata, are retiring at the ensuing Annual General Meeting. Accordingly, the Audit Committee has recommended the appointment of M/s. Brahmayya & Co., Chartered Accountants, (Firm Registration No. 000511S) as Statutory Auditors of the Company in place of the retiring auditor, to hold office from the conclusion of 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting to be held in the calendar year 2022.

M/s. Brahmayya & Co., Chartered Accountants, have confirmed their willingness and eligibility to the effect that their re-appointment, if made would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board had appointed M/s Vinod Kothari & Associates, Company Secretaries, as Secretarial Auditors of the Company for the Financial Year 2016-17. The Report on Secretarial Audit in the prescribed format of MR-3 is attached as **"Annexure D"** to this report.

During the Financial Year 2016-17, there were no observations/ qualifications or remarks either by the Statutory or the Secretarial Auditors in their Report, which call for any further comments. Further, no instance of fraud has been reported by the Statutory Auditors under the Companies Act, 2013.

Particulars of Loans, Guarantees and Investments

The information pertaining to the loans/guarantees given, investments made and securities provided under section 186 of the Companies Act, 2013 is provided in the notes to standalone financial statement.

Corporate Social Responsibility Policy

During the Financial Year 2016-17, the initiatives taken by your Company towards CSR have been detailed in the 'Annual Report on CSR Activities' which is set out in **"Annexure E"** to this Report.

In addition, the Company has in place a CSR policy in conformity with the Companies Act, 2013 which is available on the Company's website at the following link: <http://www.tcil.com/tcil/tci-policies.html>.

Remuneration Policy and Disclosures

Your Company has a well-structured Remuneration Policy in respect of the remuneration of its Directors, KMPs and Senior Management as required under SEBI Listing Regulations, 2015 and the Companies Act, 2013. The details on the Remuneration Policy are available in the Corporate Governance Report.

The disclosures pertaining to Remuneration of Directors, KMPs and Senior

Managerial Personnel as required under the Companies Act, 2013, are attached as **"Annexure F"** to this report.

Corporate Governance Report

The constructive corporate governance function is a device that preserves a Board's ability to pursue long-term strategies that maximizes stakeholders' value on a sustainable basis. The Company strives to adopt and implement best Corporate Governance practices. The report on Corporate Governance as stipulated under the SEBI Listing Regulations, 2015 forms an integral part of this Report.

Management Discussion and Analysis Report

The Annual Report contains a detailed report on Management Discussion and Analysis.

Disclosure Under The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

Keeping in view the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has in place a Policy on Sexual Harassment, which provides for setting up of Internal Complaint Committee to regularly redress complaints received.

During the year under review, no complaints were reported against sexual harassment.

Human Resources

Human Resource is the most vital factor to achieve the goals of any organization. Being a progressive organization, TCI firmly believes in the strength of its most vital asset- the 4000+ strong workforce. To maintain its competitive edge in a highly dynamic industry, TCI recognizes the importance of having a workforce which is customer focused, performance driven and future capable. In keeping with this, a number of policies and initiatives have been drawn up to ensure a healthy balance between business needs and individual aspirations.

Your Company's employees relentlessly strive to deliver world-class performance and discharge their role as 'trustees' of all stakeholders with true faith and in the spirit of allegiance.

Fixed Deposits

During the year under review, your Company has not accepted any fixed deposit within the meaning of the Companies Act, 2013.

Significant/Material Orders Passed by the Regulators

There are no material litigations pending as on 31st March, 2017. Details of litigations 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.

Acknowledgement

The Board of Directors of your Company wish to express their deep gratitude towards the valuable co-operation and support received from various Ministries and Departments of Government of India, various State Governments, Banks/Financial Institutions and other stakeholders such as shareholders, customers and vendors etc.

Further, the Board places its special appreciation for the co-operation and continued support extended by employees of the Company at all levels whose enthusiasm drives the Company to grow and excel.

For and on behalf of Board of Directors

**Place: Gurugram
Date: 16th May, 2017**

**S M Datta
Chairman**

Annexure-A

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

| Sl. No. | Particulars | Employee Stock Option Scheme-2006 |
|---------|---|---|
| 1 | Date of Shareholder's approval | 23 rd October, 2006 |
| 2 | Total number of options approved under Employees Stock Option Scheme 2006 | 5% of the total paid up capital existing as on 31 st March, 2006 aggregating to 52,500 options which were later on converted into 26,25,000 options post split of face value of Equity shares from ₹ 10/- each to ₹ 2/- each. |
| 3 | Vesting requirements | There shall be a minimum period of one year between the grant of options and 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. |
| 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, relevant date being the date of grant. |
| 5 | Maximum term of Options granted | Exercise period will commence from the vesting date and 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. The Compensation/Nomination & Remuneration Committee will decide on the expiry period of options for employees leaving the Company after grant of options in their favour. |
| 6 | Sources of shares | Primary |
| 7 | Variation in terms of Option | The terms of the Employee Stock Option Scheme-2006 (ESOS-2006) have been modified for the limited purpose of removing Independent Directors from the category of eligible employees as defined under the Scheme. 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 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 amendment/ modification/ variation has been introduced in terms of options granted by the Company. |
| 8 | Method used for accounting | Fair value Method |

Options Movement - Financial Year 2016-17

| Sl. No | Particulars | ESOS-2006 Part VI | ESOS-2006 Part VII |
|--------|--|-------------------|--------------------|
| 1 | Number of options outstanding at the beginning of the period i.e. 1 st April, 2016 | 178,000 | 371,000 |
| 2 | Number of options granted during Financial Year 2016-17 | Nil | Nil |
| 3 | Number of options forfeited/ lapsed during Financial Year 2016-17 | 26,350 | 38,900 |
| 4 | Number of options vested during Financial Year 2016-17 | 178,000 | 371,000 |
| 5 | Number of options exercised during Financial Year 2016-17 | 162,600 | 341,250 |
| 6 | Number of shares arising as a result of exercise of options | 162,600 | 341,250 |
| 7 | Money realized by exercise of options if scheme is implemented directly by the Company (In ₹) | 4,878,000 | 20,475,000 |
| 8 | Loan repaid by the Trust during the year from exercise price received | Not Applicable | Not Applicable |
| 9 | Number of options outstanding at the end of the year i.e. 31 st March, 2017 | Nil | Nil |
| 10 | Number of options exercisable at the end of the year i.e. 31 st March, 2017 | Nil | Nil |
| 11 | Employee's details who were granted options during the year: | | |
| | (a) Key Managerial Personnel/ Senior Managerial Personnel | | |
| | (b) Any other employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year | | |
| | (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 ₹) | | 9.18 |
| 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 | Not Applicable |
| 14 | Weighted average exercise price of options whose Exercise price is less than market price (In ₹) | 30.00 | 60.00 |
| 15 | Weighted average fair value of options whose Exercise price is less than market price (In ₹) | 26.58 | 93.25 |
| 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 | 15-May-13 | 24-May-14 |
| | Risk Free Interest Rate | 7.21% | 8.41% |
| | Expected Life | 2.18 | 2.18 |
| | Expected Volatility | 36.12% | 46.24% |
| | Dividend Yield | 1.15% | 1.40% |
| | Price of the underlying share in market at the time of the option grant (₹) | 52.70 | 146.45 |

* ESOS 2006 Part VIII has been cancelled in totality by the Compensation/Nomination & Remuneration Committee in its meeting held on 1st February, 2016.

Annexure-B

Particulars pursuant to Section 134(3) (m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Conservation of Energy and Research & Development

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

Fleet Management

- ❖ Route optimization and Electronic Toll Cards to reduce waiting time at Toll Plaza's across the country.
- ❖ Conversion of National Capital Region (NCR) Delivery vehicles to CNG.
- ❖ Increased use of multi-modal by trains and ships for reducing the carbon footprint.

Warehouses

- ❖ Innovative HVLS (High Velocity Low Speed) large industrial fans for warehouses for maintaining temperature at low energy costs.
- ❖ Conversion to LED is complete in all warehouses, substantially lowering the energy bills.

Technology Absorption, Adoption and Innovation

TCL is always a leader in Logistics and Information Technology (IT) has contributed substantially in the progress of the Company. Emerging new technologies are creating strategic opportunities for the organizations to build competitive advantages in various functional areas of management. IT has helped in reducing the cost of operations and fast flow of information between various departments of TCL, suppliers and customers. Now, as India has emerged as an IT powerhouse and

started exploring all dimensions and new ventures for the growth of the business and benefit to society, Logistics and Transportation sector has also adopted best of IT innovations like IoT, RFID, and Analytics. This adoption has given a boost to the business and comfort to the customers. Below are some of IT initiatives already implemented in TCL:

- ❖ Developed own GPS for Vehicle tracking.
- ❖ Integration of various GPS systems using API's for a Single-Screen experience and informatics.
- ❖ The ERP has been made more robust and omni-present by use of Android based smartphones for real time information and control.
- ❖ Automation of various process for a single /one time entry system reducing executives' time.
- ❖ Quick adoption of Demonetization and digital payments.
- ❖ Online payments of Toll Tax and other government liabilities.

There are several new initiatives taken to enhance IT capabilities especially in Digital space. It would need lots of investments in Hardware, Software and training of team members. E-waste management is also being started for which a clear strategy is in place.

Foreign exchange earnings and Outgo:

(₹ in Million)

| Particulars | 2016-17 | 2015-16 |
|---------------------------|---------|---------|
| Foreign Exchange Outgo | 199.06 | 178.9 |
| Foreign Exchange Earnings | - | - |

Annexure-C

| FORM NO. MGT 9 | | | |
|--|--|---|------------------------------------|
| Extract of Annual Return as on Financial Year ended on 31 st March, 2017 | | | |
| Pursuant to Section 92(3) of the Companies Act, 2013 & Rule 12(1) of the Company (Management & Administration) Rules, 2014 | | | |
| I REGISTRATION & OTHER DETAILS | | | |
| 1. | CIN | L70109TG1995PLC019116 | |
| 2. | Registration Date | 2 nd January, 1995 | |
| 3. | Name of the Company | Transport Corporation of India Limited | |
| 4. | Category/Sub-category of the Company | Company Limited by Shares/ Indian Non- Government Company | |
| 5. | Address of the Registered office & contact details | Flat No. 306 & 307, 1-8-271 to 273, 3 rd Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad- 500003 (Telangana) Tel: 040-278 40104 Fax: 040-278 40163 Email: secretarial@tcil.com Website: www.tcil.com | |
| 6. | Whether listed Company | Yes | |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s Karvy Computershare Private Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032. Phone: 040- 23420818. Fax: 040- 23420814 Email: rajeev.kr@karvy.com , Website: www.karvycomputershare.com | |
| II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY | | | |
| Sl. No. | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the Company |
| 1 | TCI Freight | 4923 | 50.42% |
| 2 | TCI Supply Chain Solutions | 5210 | 40.41% |

| III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES | | | | | | |
|--|--|---|-----------------------|--------------------------------|------------------|--------------------|
| Sl. 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, 11 th Cross, 2 nd 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 I, New Delhi-110020 | U65999DL2016PLC303211 | Subsidiary | 100 | 2(87) (ii) |
| 4 | TCI Global (Shanghai) Co. Ltd | North Sichuan Road No. 888, Hi-Time International Building Room 1102, Hongkou District, 200080, Shanghai | NA | Subsidiary | 100 | 2(87)(ii) |
| 5 | PT. TCI Global | C/o PT. Regus Grand Indonesia, 50 th Floor, Regus Grand Indonesia Menara BCA Ji M.H Thamrian No.1 Jakarta 10310, Indonesia | NA | Subsidiary | 100 | 2(87) (ii) |
| 6 | TCI Global (Thailand) Co. Ltd. | Suite 2985 G. Level 29, The Offices at Central World, 999/9 Rama I Road Khwaeng Pathumwam, Bangkok, Thailand 103300 | NA | Subsidiary | 49 | 2(87) (ii) |
| 7 | TCI Global Pte (Singapore) Ltd. | 435, Orchard Road, # 11-F, Wisma Atria, Singapore-238 877 | NA | Subsidiary | 100 | 2(87) (ii) |
| 8 | TCI Holdings Asia Pacific Pte Ltd. | 435, Orchard Road, # 11-F, Wisma Atria, Singapore-238 877 | NA | Subsidiary | 100 | 2(87) (ii) |
| 9 | TCI Global Brazil Logistica Ltda. | Rua Jeronimo da-Veiga 45, 5 Andar-Parte, jd Europa, Sao Paulo, SP Brasil | NA | Subsidiary | 100 | 2(87) (ii) |
| 10 | 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) |
| 11 | TCI Holdings SA & E Pte Ltd. | 435, Orchard Road # 11-F, Wisma Atria, Singapore-238877 | NA | Subsidiary | 100 | 2(87) (ii) |

| Sl. No | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of Shares held | Applicable Section |
|--------|--|---|---------|--------------------------------|------------------|--------------------|
| 12 | PT. TCI Global Indonesia | C/o PT. Regus Grand Indonesia, 50 th Floor, Regus Grand Indonesia Menara BCA Ji. M.H. Thamrian No. I, Jakarta 10310, Indonesia | NA | Subsidiary | 48 | 2(87) (i) |
| 13 | 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) |
| 14 | TCI Bangladesh Ltd. | UTC Building, 19 th Floor, Kawran Bazar, Dhaka-1215, Bangladesh | 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) |
| (A) | Promoter And Promoter Group | | | | | | | | | |
| (1) | Indian | | | | | | | | | |
| (a) | Individual /HUF | 16,496,032 | - | 16,496,032 | 21.68 | 16,496,032 | - | 16,496,032 | 21.54 | 0.14 |
| (b) | Central Government/State Government(s) | - | - | - | - | - | - | - | - | - |
| (c) | Bodies Corporate | 34,104,908 | - | 34,104,908 | 44.83 | 34,104,908 | - | 34,104,908 | 44.54 | 0.29 |
| (d) | Financial Institutions / Banks | - | - | - | - | - | - | - | - | - |
| (e) | Others | - | - | - | - | - | - | - | - | - |
| | Sub-Total A(1) | 50,600,940 | - | 50,600,940 | 66.52 | 50,600,940 | - | 50,600,940 | 66.08 | 0.44 |
| (2) | Foreign | | | | | | | | | |
| (a) | Individuals (NRIs/Foreign Individuals) | - | - | - | - | - | - | - | - | - |
| (b) | Bodies Corporate | - | - | - | - | - | - | - | - | - |
| (c) | Institutions | - | - | - | - | - | - | - | - | - |
| (d) | Qualified Foreign Investor | - | - | - | - | - | - | - | - | - |
| (e) | Others | - | - | - | - | - | - | - | - | - |
| | Sub-Total A(2) | - | - | - | - | - | - | - | - | - |
| | Total A=A(1)+A(2) | 50,600,940 | - | 50,600,940 | 66.52 | 50,600,940 | - | 50,600,940 | 66.08 | 0.44 |
| (B) | PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) | Institutions | | | | | | | | | |
| (a) | Mutual Funds /UTI | 5,360,002 | 500 | 5,360,502 | 7.05 | 4,653,845 | 500 | 4,654,345 | 6.08 | 0.97 |
| (b) | Financial Institutions /Banks | 43,064 | 20,680 | 63,744 | 0.08 | 16,564 | 20,680 | 37,244 | 0.05 | 0.04 |
| (c) | Central Government / State Government(s) | - | - | - | - | - | - | - | - | - |
| (d) | Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| (e) | Insurance Companies | - | - | - | - | - | - | - | - | - |
| (f) | Foreign Institutional Investors | 280,844 | 5,520 | 286,364 | 0.38 | 19,100 | 5,520 | 24,620 | 0.03 | 0.34 |
| (g) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - |
| (h) | Qualified Foreign Investor | - | - | - | - | - | - | - | - | - |
| (i) | Others | - | - | - | - | - | - | - | - | - |
| | Sub-Total B(1) | 5,683,910 | 26,700 | 5,710,610 | 7.51 | 4,689,509 | 26,700 | 4,716,209 | 6.16 | 1.35 |
| (2) | Non-Institutions | | | | | | | | | |
| (a) | Bodies Corporate | 2,023,127 | 47,970 | 2,071,097 | 2.72 | 2,011,923 | 47,760 | 2,059,683 | 2.69 | 0.03 |
| (b) | Individuals | | | | | | | | | |
| | (i) Individuals holding nominal share capital upto ₹2 lakh | 7,848,559 | 2,150,310 | 9,998,869 | 13.14 | 9,062,581 | 2,108,190 | 11,170,771 | 14.59 | (1.44) |
| | (ii) Individuals holding nominal share capital in excess of ₹2 lakh | 2,147,359 | - | 2,147,359 | 2.82 | 2,036,576 | - | 2,036,576 | 2.66 | 0.16 |
| (c) | Others | | | | | | | | | |
| | Foreign Portfolio Investors | 1,603,890 | - | 1,603,890 | 2.11 | 1,689,634 | - | 1,689,634 | 2.21 | -0.10 |

| 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 | |
| | Non Resident Indians | 985,205 | 922,665 | 1,907,870 | 2.51 | 1,003,124 | 245,165 | 1,248,289 | 1.63 | 0.88 |
| | NRI Non-Repatriation | - | - | - | - | 1013681 | - | 1013681 | 1.32 | (1.32) |
| | Overseas Corporate Bodies | - | 2,030,965 | 2,030,965 | 2.67 | - | 2,030,965 | 2,030,965 | 2.65 | 0.02 |
| | Trusts | 2,000 | - | 2,000 | - | 10,702 | - | 10,702 | 0.01 | (0.01) |
| | Sub-Total B(2) | 14,610,140 | 5,151,910 | 19,762,050 | 25.98 | 16,828,221 | 4,432,080 | 21,260,301 | 27.76 | (1.79) |
| | Total B=B(1)+B(2) | 20,294,050 | 5,178,610 | 25,472,660 | 33.48 | 21,517,730 | 4,458,780 | 25,976,510 | 33.92 | (0.44) |
| | Total (A+B) | 70,894,990 | 5,178,610 | 76,073,600 | 100.00 | 72,118,670 | 4,458,780 | 76,577,450 | 100.00 | - |
| (C) Shares held by custodians, against which Depository Receipts have been issued | | | | | | | | | | |
| (1) | Promoter and Promoter Group | - | - | - | - | - | - | - | - | - |
| (2) | Public | - | - | - | - | - | - | - | - | - |
| | GRAND TOTAL (A+B+C) | 70,894,990 | 5,178,610 | 76,073,600 | 100.00 | 72,118,670 | 4,458,780 | 76,577,450 | 100.00 | - |

(ii) Shareholding of Promoters

| Sl. No. | Shareholders Name | No. of shares held at the beginning of the year | | | No. of shares held 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 | M/s. Bhoruka Finance Corporation of India Ltd. | 15,904,679 | 20.91 | - | 15,904,679 | 20.77 | - | - |
| 2 | M/s. Bhoruka International (P) Ltd. | 10,561,755 | 13.88 | - | 10,561,755 | 13.79 | - | - |
| 3 | M/s. D P Agarwal- TCI Trading | 4,974,995 | 6.55 | - | 4,974,995 | 6.50 | - | - |
| 4 | M/s. TCI India Ltd. | 4,045,564 | 5.32 | - | 4,045,564 | 5.28 | - | - |
| 5 | M/s. TCI Global Logistics Ltd. | 2,306,910 | 3.03 | - | 2,306,910 | 3.01 | - | - |
| 6 | Mr. Chander Agarwal | 2,104,262 | 2.77 | - | 2,104,262 | 2.75 | - | - |
| 7 | M/s. Dharm Pal Agarwal-HUF | 2,039,756 | 2.68 | - | 2,039,756 | 2.66 | - | - |
| 8 | Mr. Vineet Agarwal | 1,982,935 | 2.61 | - | 1,982,935 | 2.59 | - | - |
| 9 | Mrs. Priyanka Agarwal | 1,945,208 | 2.56 | - | 1,945,208 | 2.54 | - | - |
| 10 | Mrs. Urmila Agarwal | 1,850,591 | 2.43 | - | 1,850,591 | 2.42 | - | - |
| 11 | M/s. XPS Cargo Services Ltd. | 972,855 | 1.28 | - | 972,855 | 1.27 | - | - |
| 12 | Mr. Dharpal Agarwal | 828,628 | 1.08 | - | 828,628 | 1.08 | - | - |
| 13 | Mrs. Chandrima Agarwal | 741,057 | 0.97 | - | 741,057 | 0.97 | - | - |
| 14 | M/s. TCI Exim (P) Ltd. | 313,145 | 0.41 | - | 313,145 | 0.41 | - | - |
| 15 | Mr. 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 | - | - | 835 | - | - | - |
| | Total | 50,600,940 | 66.52 | - | 50,600,940 | 66.08 | - | - |

(iii) Change in Promoters' Shareholding

There has been no change in Promoter's Shareholding during the year except for equity dilution arising out of share issuance due to exercise of options by employees under Employees Stock Option Scheme- 2006.

(iv) Shareholding pattern of Top 10 shareholders (Other than Directors, Promoters & Holders of GDRs & ADRs)

| Sl. No. | Particulars | 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 | ARCEE HOLDINGS LIMITED OCB | | | | |
| | Opening Balance 1 st April, 2016 | 2,030,965 | 2.67 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 2,030,965 | 2.65 |
| 2 | IDFC PREMIER EQUITY FUND | | | | |
| | Opening Balance 1 st April, 2016 | 2,783,125 | 3.66 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | (780,934) | - | 2,002,191 | - |
| | Closing Balance 31 st March, 2017 | | | 2,002,191 | 2.61 |

| Sl. No. | Particulars | 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 |
| 3 | CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING FUND | | | | |
| | Opening Balance 1 st April, 2016 | 1,177,825 | 1.55 | | |
| | Bought during the year | 638,128 | - | 1,815,953 | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 1,815,953 | 2.37 |
| 4 | SANGEETA NIRMAL BANG | | | | |
| | Opening Balance 1 st April, 2016 | 867,921 | 1.14 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 867,921 | 1.13 |
| 5 | HDFC TRUSTEE COMPANY LTD - HDFC CORE AND SATELLITE | | | | |
| | Opening Balance 1 st April, 2016 | 1,018,820 | 1.34 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | (319,128) | - | 699,692 | - |
| | Closing Balance 31 st March, 2017 | | | 699,692 | 0.91 |
| 6 | SUSHMA CHAMARIA | | | | |
| | Opening Balance 1 st April, 2016 | 674,665 | 0.89 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 674,665 | 0.88 |
| 7 | PADMAVATI PROPERTIES & TRUST PVT. LTD. | | | | |
| | Opening Balance 1 st April, 2016 | 507,432 | 0.67 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 507,432 | 0.66 |
| 8 | NEW HORIZON OPPORTUNITIES MASTER FUND | | | | |
| | Opening Balance 1 st April, 2016 | 473,000 | 0.62 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 473,000 | 0.62 |
| 9 | TATA INVESTMENT CORPORATION LIMITED | | | | |
| | Opening Balance 1 st April, 2016 | 340,128 | 0.45 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 340,128 | 0.44 |
| 10 | PRADEEP PHULCHAND AGARWAL | | | | |
| | Opening Balance 1 st April, 2016 | 317,608 | 0.42 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 317,608 | 0.41 |

(v) Shareholding of Directors and KMPs

| SHAREHOLDING PATTERN OF DIRECTORS & KMP | | | | | |
|---|--|---|----------------------------------|---|----------------------------------|
| Sl. No. | Particulars | 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 | MR. DHARM PAL AGARWAL | | | | |
| | Opening Balance 1 st April, 2016 | 828,628 | 1.09 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 828,628 | 1.08 |
| 2 | MS. URMILA AGARWAL | | | | |
| | Opening Balance 1 st April, 2016 | 1,850,591 | 2.43 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 1,850,591 | 2.42 |
| 3 | MR. CHANDER AGARWAL | | | | |
| | Opening Balance 1 st April, 2016 | 2,104,262 | 2.77 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 2,104,262 | 2.75 |

| SHAREHOLDING PATTERN OF DIRECTORS & KMP | | | | | |
|---|--|---|----------------------------------|---|----------------------------------|
| Sl. No. | Particulars | 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 |
| 4 | MR. VINEET AGARWAL | | | | |
| | Opening Balance 1 st April, 2016 | 1,982,935 | 2.60 | | |
| | Bought during the year | - | - | - | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 1,982,935 | 2.59 |
| 5 | MR. ISHWAR SINGH SIGAR | | | | |
| | Opening Balance 1 st April, 2016 | 24,650 | 0.03 | | |
| | Bought during the year | 25,500 | - | 50,150 | - |
| | Sold during the year | (20,095) | - | 30,055 | - |
| | Closing Balance 31 st March, 2017 | | | 30,055 | 0.04 |
| 6 | MR. ASHISH KUMAR TIWARI | | | | |
| | Opening Balance 1 st April, 2016 | 9,316 | 0.01 | | |
| | Bought during the year | 13,400 | - | 22,716 | - |
| | Sold during the year | - | - | - | - |
| | Closing Balance 31 st March, 2017 | | | 22,716 | 0.03 |
| 7 | MR. JASJIT SINGH SETHI | | | | |
| | Opening Balance 1 st April, 2016 | 19,665 | 0.02 | | |
| | Bought during the year | 73,000 | - | 92,665 | - |
| | Sold during the year | (45,477) | - | 47,188 | - |
| | Closing Balance 31 st March, 2017 | | | 47,188 | 0.06 |

Note: apart from above, none of the directors and/or KMP holds any share in the Company.

V INDEBTEDNESS

(Amount in ₹)

| Indebtedness of the Company including interest outstanding/accrued but not due for payment | | | | |
|--|----------------------------------|----------------------|----------|----------------------|
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the Financial Year | | | | |
| i) Principal Amount | 2,092,935,280 | 1,300,587,274 | - | 3,393,522,554 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 8,165,955 | - | - | 8,165,955 |
| Total (i+ii+iii) | 2,101,101,235 | 1,300,587,274 | - | 3,401,688,509 |
| Change in Indebtedness during the Financial Year | | | | |
| Additions | 889,998,669 | 679,986,581 | - | 1,569,985,250 |
| Reduction | (1,322,101,292) | - | - | (1,322,101,292) |
| Net Change | (432,102,623) | 679,986,581 | - | 247,883,958 |
| Indebtedness at the end of the Financial Year | | | | |
| i) Principal Amount | 1,659,440,660 | 1,980,573,855 | - | 3,640,014,515 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 9,557,952 | - | - | 9,557,952 |
| Total (i+ii+iii) | 1,668,998,612 | 1,980,573,855 | - | 3,649,572,467 |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

| Particulars of Remuneration | Mr. DP Agarwal | Mr. Vineet Agarwal | Mr. Chander Agarwal* | Total |
|--|--|--------------------|----------------------|--------------------|
| Gross salary | | | | |
| (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961. | 41,800,000 | 34,200,000 | 12,356,452 | 883,564,452 |
| (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | 5,657,925 | 3,519,087 | 1,174,220 | 10,351,232 |
| (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | - | - | - |
| Stock option | - | - | - | - |
| Sweat Equity | - | - | - | - |
| Commission as % of profit | 1,000,000 | 500,000 | - | 1,500,000 |
| Others | - | - | - | - |
| Total | 48,457,925 | 38,219,087 | 13,530,672 | 100,207,684 |
| Ceiling as per Companies Act, 2013 | 101,441,976 (10% of the net profit as computed under Section 198 of the Companies Act, 2013) | | | |

* Re-designated as Non-Executive Director w.e.f. 18th August, 2016.

B. Remuneration to other Directors
I. Independent Directors

(Amount in ₹)

| Sl. No. | Particular | Name of the Director | | | | | Total Amount (In ₹) |
|---------|---|----------------------|------------------------|----------------|-----------------------|------------------|---------------------|
| | | Mr. S.M Datta | Mr. O Swaminatha Reddy | Mr. K.S Mehta | Mr. Ashish Bharat Ram | Mr. Vijay Sankar | |
| (a) | Fee for attending Board/ Committee meetings | 225,000 | 165,000 | 135,000 | 105,000 | 60,000 | 690,000 |
| (b) | Commissions | 550,000 | 550,000 | 550,000 | 550,000 | 550,000 | 2,750,000 |
| | Total (I) | 775,000 | 715,000 | 685,000 | 655,000 | 610,000 | 3,440,000 |

II. Non-Executive Non Independent Directors

| Sl. No. | Particulars of Remuneration | Name of the Director | | | | Total Amount (In ₹) |
|--|---|--|------------------|-----------------|---------------------|---------------------|
| | | Ms. Urmila Agarwal | Mr. M.P Sarawagi | Mr. S.N Agarwal | Mr. Chander Agarwal | |
| (a) | Fee for attending Board/ Committee meetings | - | - | - | - | |
| (b) | Commission | 550,000 | - | 550,000 | 550,000 | 1,650,000 |
| | Total (II) | 550,000 | - | 550,000 | 550,000 | 1,650,000 |
| Ceiling as per Special Resolution dated 4th November, 2016 | | 5,072,099 (0.5% of the net profit as computed under Section 198 of the Companies Act, 2013) | | | | |
| Total Managerial Remuneration (A+B) | | ₹ 104,607,684 | | | | |
| Overall Ceiling as per Companies Act, 2013 | | 106,514,075 (10.5% of the net profit as computed under Section 198 of the Companies Act, 2013) | | | | |

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

(Amount in ₹)

| Particulars of Remuneration | Mr. Jasjit Singh Sethi | Mr. Ishwar Singh Sagar | Mr. Ashish Tiwari | Ms. Archana Pandey | Total |
|--|------------------------|------------------------|-------------------|--------------------|-------------------|
| Gross salary | | | | | |
| (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | 13,594,482 | 4,078,056 | 3,844,228 | 992,894 | 22509660 |
| (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | 21,600 | 21,600 | 232,952 | - | 276152 |
| (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | - | - | - | - |
| Stock option | 15,785,375 | 5,663,213 | 2,833,895 | - | 24282483 |
| Sweat Equity | - | - | - | - | - |
| Commission as % of profit | - | - | - | - | - |
| Others | 1,688,808 | 721,944 | 728,772 | 92,856 | 3232380 |
| Total | 31,090,265 | 10,484,813 | 7,639,847 | 1,085,750 | 50,300,675 |

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

No penalties/punishment/compounding of offences were levied under Companies Act, 2013.

Annexure-D

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[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, 3rd Floor,
Ashoka Bhoopal Chambers, SP Road, Secunderabad-500003

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, 2016 to March 31, 2017 (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.

Resolutions have been approved by majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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 that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

(i) Scheme of Arrangement

The Scheme of Arrangement ("Scheme") among Transport Corporation of India Limited and TCI Express Limited and their respective shareholders and creditors, as approved by the shareholders, secured creditors and unsecured creditors of Transport Corporation of India Limited at separate meetings of Equity Shareholders & Unsecured Creditors convened as per order of Hon'ble High Court of Telangana and Andhra Pradesh ('Hon'ble High Court') held on March 19, 2016, has been approved by the Hon'ble High Court vide its order dated June 14, 2016. Certified true copy of the order was received on July 26, 2016 and was filed with the office of Registrar of Companies, Andhra Pradesh & Telangana on August 11, 2016.

(ii) Allotment under ESOP:

The Company is having an Employee Stock Option Scheme ('the Scheme'), which was duly approved by the shareholders in the Annual General Meeting held on October 23, 2006. Under the said scheme, Compensation/ Nomination & Remuneration Committee of the Board, has been granting options to the eligible employees in various parts.

During the Audit Period, Compensation/Nomination & Remuneration Committee has not granted any fresh options. Further, the Share Transfer Committee of the Board has allotted 503,850 equity shares under Part VI & VII of the Scheme to the eligible employees during the year ended March 31, 2017.

**For M/s Vinod Kothari & Company
Company Secretaries in Practice**

**Place: Kolkata
Date: 16th May, 2017**

**Arun Kumar Maitra
Partner
Membership No: A3010
CP No.: 14490**

Annexure-I

LIST OF DOCUMENTS

- | | |
|---|--|
| 1. Corporate Matters; | |
| 1.1 Minutes books of the following meetings were provided in original | 1.6 Policies framed under the Act and the Listing Regulations; |
| 1.1.1 Board Meeting; | 1.7 Employees Stock Options Plan; |
| 1.1.2 Audit Committee; | 1.8 Documents pertaining to Listing Agreement/ Listing Regulations compliance; |
| 1.1.3 Compensation/Nomination and Remuneration Committee; | 1.9 Documents pertaining to proof of payment of Dividend; |
| 1.1.4 Stakeholders Relationship Committee; | 1.10 Register maintained under Act; |
| 1.1.5 Corporate Social Responsibility Committee; | 1.11 Forms and returns filed with the ROC & RBI; |
| 1.1.6 General Meeting; | 1.12 Checklists duly filled for specific laws; |
| 1.2 Agenda papers for Board Meeting along with Notice; | 1.13 Documents under SEBI (Prohibition of Insider Trading) Regulations, 2015; |
| 1.3 Annual Report for the Financial year 2015-2016; | 1.14 Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. |
| 1.4 Memorandum and Articles of Association; | |
| 1.5 Disclosures under Act and Listing Regulations; | |

Annexure-E

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 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 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.

2. The Composition of CSR Committee

| Name of the Director | Designation | Member/Chairman |
|-----------------------|-----------------------------------|-----------------|
| Mr. Ashish Bharat Ram | 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:

₹ 1,118,881,791

4. Prescribed CSR Expenditure:

₹ 22,286,440

5. Details of CSR spent during the Financial Year 2016-17:

| | | |
|-----|---|--------------|
| (a) | Total amount to be spent for the Financial Year | ₹ 22,286,440 |
| (b) | Total amount unspent, if any | None |
| (c) | Manner in which the amount spent during the Financial Year is detailed below: | |

| Sl. 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 st March, 2017 | Amount spent: Direct or through implementing agency*. |
|--------|--|---|---|---|--|--|---|
| 1. | | Education | TCI-DAV Public School, Village Jamhar, Block Kara, Distt. Khunti (Jharkhand) | 4,980,500 | Direct | 15,00,000 | Implementing Agency |
| 2. | Promotion of Education | Medical Education & Research | AIIMS-TCI Scholarship | | Direct | 1,000,000 | Implementing Agency |
| 3. | | Education | TATA-TCI Educational Scholarship | | Direct | 302,000 | Implementing Agency |
| 4. | | Education | Noida, Uttar Pradesh | | Direct | 200,000 | Direct |
| 5. | National Sports Development | National Sports | Urmila Sports Academy (Establishment of sports academy in village Nayngal Bari, Rajasthan) | 14,901,068 | Direct | 15,000,000 | Implementing Agency |
| 6. | | Aids and appliances for differently abled people | TCI Jaipur Foot & Rehabilitation Centre | 2,496,068 | Direct | 750,000 | Implementing Agency |
| 7. | Preventive Healthcare | HIV/AIDS control amongst Adolescent/Young Key Population. | Mobile educational application for adolescent and young population in India. | | Direct | 1539,875 | Implementing Agency |
| 8. | | Healthcare Service for underprivileged communities | Sunder Ban (West Bengal) | | Direct | 300,000 | Direct |
| 9. | | Corporates for Hepatitis | National | | Direct | 100,000 | Implementing Agency |
| 10. | Incidental and administrative expenses | Incidental expenses | - | | Direct | 9,50,000 | |
| | | GRAND TOTAL | | 22,377,636 | | 23,441,875 | |

*Details of implementing Agency: Hans Vahini Shiksha Samiti, Uttar Pradesh, Tagore Society for Rural Development, West Bengal

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

Place: Gurugram
Date: 16th May, 2017

D P Agarwal
Vice Chairman and Managing Director

Ashish Bharat Ram
Chairman-CSR Committee

Annexure-F

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/ KMP | Designation | % increase in remuneration over last year | Ratio of Remuneration of Directors with Median Remuneration of employees |
|--|-----------------------------------|--|---|
| Executive Directors | | | |
| Mr. D P Agarwal | Vice Chairman & Managing Director | 3.30 | 298.84 |
| Mr. Vineet Agarwal | Managing Director | 6.14 | 235.70 |
| Mr. Chander Agarwal* | Director | (52.20) | 83.44 |
| Non-Executive Directors | | | |
| Mr. S M Datta | Chairman | - | 3.39 |
| Mr. S N Agarwal | Director | - | 3.39 |
| Mr. O Swaminatha Reddy | Director | - | 3.39 |
| Mr. K S Mehta | Director | - | 3.39 |
| Mr. Ashish Bharat Ram | Director | - | 3.39 |
| Mr. Vijay Sankar | Director | - | 3.39 |
| Mr. M P Sarawagi | Director | - | 3.39 |
| Mrs Urmila Agarwal | Director | - | 3.39 |
| Key Managerial Personnel (other than Executive Directors) | | | |
| Mr. Ishwar Singh Sigar | CEO-TCI Freight | 59.92 | Not Applicable |
| Mr. Jasjit Singh Sethi | CEO-TCI SCS | 21.50 | Not Applicable |
| Mr. Ashish Tiwari | Group CFO | 58.33 | Not Applicable |
| Ms. Archana Pandey | CS & Compliance Officer | 24.09 | Not Applicable |

*Re-designated as Non-Executive Director w.e.f. 18th August, 2016.

II. Total employees on the payroll of the Company: 4379

III. Percentage increase in the median remuneration of employees during FY 2016-17: 13%

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% as against 8% 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.

VI. Details of top ten employees in terms of remuneration drawn including the employees who, if employed throughout the year, were in receipt of remuneration at the rate of not less than ₹ 10,200,000/- per annum and if employed for part of the year, were in receipt of remuneration at the rate of not less than ₹ 850,000/- per month.

| Sl. No | Name | Designation/ Nature of Duties | Qualification | Experience (in years) | Date of commencement of employment | Age (in years) | Gross Salary (In ₹) | Previous employment held |
|--------|------------------------|--|----------------|-----------------------|------------------------------------|----------------|---------------------|---------------------------------------|
| 1 | Mr. D P Agarwal | Vice Chairman & Managing Director | B.Com | 48 | 10 th April, 1969 | 66 | 47,457,925 | - |
| 2 | Mr. Vineet Agarwal | Managing Director | B.Sc. | 21 | 1 st April, 1996 | 43 | 37,719,087 | - |
| 3 | Mr. Chander Agarwal | Director | B.Sc. | 15 | 1 st November, 2002 | 38 | 13,530,672 | - |
| 4 | Mr. Jasjit Singh Sethi | CEO-TCI Supply Chain Solutions | B.Sc. | 29 | 1 st August, 2000 | 49 | 31,090,265 | Gravity Logistic Ltd. |
| 5 | Mr. Ishwar Singh Sigar | CEO-TCI Freight | Matric | 31 | 4 th November, 1985 | 48 | 10,484,813 | - |
| 6 | Mr. P K Jain | Head-Human Resources | L.L.B. | 30 | 20 th May, 1987 | 55 | 8,834,025 | - |
| 7 | Mr. Rajkiran Kanagala | Head- Marketing & Business Development | MBA-Marketing | 24 | 5 th April, 2006 | 46 | 8,799,413 | Compsoft BPO Services India Pvt. Ltd. |
| 8 | Mr. Ashish Tiwari | Group CFO | CA | 14 | 7 th February, 2008 | 44 | 7,639,847 | DTDC Courier and Cargo Ltd. |
| 9 | Mr. Ramujagar Singh | CEO-TCI Seaways | BA | 49 | 1 st March, 1968 | 71 | 7,600,000 | - |
| 10 | Mr. Bhैया Sumit Kumar | Vice President- TCI Supply Chain Solutions | MBA- Marketing | 19 | 23 rd June, 1998 | 44 | 7,339,950 | - |

Note: None of the employees is covered under Rule 5(3)(viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Section 197 of the Companies Act, 2013

Report on Corporate Governance

In compliance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), your Company's Report on Corporate Governance for the year ended 31st March, 2017 is as follows:

1. Company's Philosophy

Transport Corporation of India Limited believes that good governance goes beyond good working results & financial propriety. The Company's policies on conduct of business are based on transparency, integrity and ethical standards which are also considered the prerequisites for attainment of excellent performance in terms of stakeholders' value creation.

Your Company is compliant with the provisions of Corporate Governance as provided in the SEBI Listing Regulations. The goal of your Company is to achieve excellence in Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance and to improve on these aspects on an ongoing basis with a continuous attempt to adopt best business practices to meet the expectations of all the stakeholders.

2. Board of Directors

(a) Board Composition

The Board of Directors of your Company consists of individuals having considerable professional expertise and a wide range of experience in their areas of specialization. The Company has an optimum combination of Executive, Non-executive and Independent Directors on its Board which is in conformity with the Companies Act, 2013 and SEBI Listing Regulations.

As on 31st March, 2017, the Board comprised of 11 Directors. None of the directors hold directorship in more than 20 companies of which directorship in public companies does not exceed 10. Further, no director holds membership of more than 10 Committees of Board nor is he a chairman of more than 5 Committees of Board across companies with which he is associated as a Director.

The names and categories of each Director and the number of Directorships and Committee positions held by them are given hereunder:

| Sl. No. | Name of Director | Category of Directorship | No. of Directorships | | No. of Committee positions held | | Attendance at the last AGM |
|---------|---|-----------------------------------|----------------------|---------|---------------------------------|--------|----------------------------|
| | | | Public | Private | Chairman | Member | |
| 1 | Mr. S M Datta | Independent | 10 | 2 | 2 | 7 | Yes |
| 2 | Mr. O Swaminatha Reddy | Independent | 8 | 3 | 5 | 2 | Yes |
| 3 | Mr. K S Mehta | Independent | 5 | 1 | 1 | 1 | No |
| 4 | Mr. Ashish Bharat Ram | Independent | 4 | 2 | - | 1 | Yes |
| 5 | Mr. Vijay Sankar* | Independent | 5 | 7 | 1 | 2 | NA |
| 6 | Mr. S N Agarwal | Non-Executive Non- Independent | 7 | 5 | - | 3 | Yes |
| 7 | Mr. M P Sarawagi | Non-Executive Non- Independent | 3 | - | - | - | Yes |
| 8 | Ms. Urmila Agarwal | Non-Executive Non- Independent | 1 | - | - | - | No |
| 9 | Mr. D P Agarwal (Vice Chairman & Managing Director) | Executive | 6 | - | - | 2 | Yes |
| 10 | Mr. Vineet Agarwal (Managing Director) | Executive | 5 | 3 | - | 7 | Yes |
| 11 | Mr. Chander Agarwal** | Non-Executive Non- Independent | 4 | 2 | - | 1 | Yes |

*Appointed Additional Director w.e.f. 4th November, 2016.

**Re-designated as Non-Executive Director w.e.f. 18th August, 2016.

Notes:

- Directorship in Foreign Companies and companies under Section 8 of the Companies Act, 2013 (corresponding section 25 of the erstwhile Companies Act, 1956) are excluded in the above table.
- For the purpose of reckoning the limit, membership of Audit Committee and Stakeholders' Relationship Committee has been considered.
- 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.
- Details of directors being re-appointed are given in the notice to Annual General Meeting.
- Brief profile of each of the above directors is available on the website of the Company www.tcil.com.

(b) Board Meetings

The Board of Directors meet at least four times in a year with a maximum time gap of not more than 120 days between two consecutive meetings. Additional meetings of the Board of Directors are held as and when deemed necessary by the Board of Directors. In case of exigencies or urgency of matters, resolutions are passed by circulation and are adopted in the subsequent Meeting.

During the year under review, the Board met 4 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 | 30 th May, 2016 | 10 | 10 | Gurugram |
| 2 | 18 th August, 2016 | 10 | 06 | Hyderabad |
| 3 | 4 th November, 2016 | 11 | 09 | Hyderabad |
| 4 | 2 nd February, 2017 | 11 | 08 | Gurugram |

(c) Information to the Board

The dates of the meeting are decided in due consultation with all the Directors. The notice and agenda of the meeting alongwith relevant papers are sent well in advance to the Directors in line with the Secretarial Standards issued by Institute of Company Secretaries of India (ICSI).

The Board reviews all the information provided periodically for discussion and consideration at meetings including matters related to annual operating plans and budgets, capital budgets and updates, quarterly results of the Company, minutes of the meetings of Audit Committees & other Committees of the Board and other material information as required under the Companies Act, 2013 and SEBI Listing Regulations, to the extent relevant and applicable.

(d) Board Support

The Company Secretary attends all the meetings of the Board and its Committees and advises & assures the Board on compliance and governance principles.

(e) Code of Conduct for Board of Directors and Senior Management

The Company has in place a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to all the Directors and the members of Senior Management and is also posted on the Company's website www.tcil.com. The code of conduct suitably incorporates the conduct expected from Directors and the duties of Independent Directors as laid down in the Companies Act, 2013. The affirmation by all Board members and senior management confirming compliance with the Code for the year ended 31st March, 2017 is annexed hereto and forming part of this report.

(f) Familiarization Programme for Directors

Your Company has put in place a structured programme for orientation and training of Directors with an aim to familiarize them with the Company's vision & strategic direction, business model of the Company and other relevant information. The Company provides suitable training & education to Directors on matters which are relevant for the Boards' effective performance.

The details of the familiarization programme imparted to the Directors are available on the Company's website at the following link: <http://www.tcil.com/tcil/corporate-governance.html>.

(g) Meeting of Independent Directors

In compliance with the requirements laid down in the Companies Act, 2013 and SEBI Listing Regulations, a separate meeting of Independent Directors was held during the year, without the presence of the non-independent Directors and the members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Chairperson, the Board as a whole and the Committees of the Board and also assessed the quality, quantity & timeliness of flow of information between the Company management and the Board.

3. Board Committees

In compliance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations, the Board of the Company has constituted various committees with specific mandates to deal with various aspects of business. Besides the aforesaid requirement, some non-mandatory committees have also been set up for focusing on matters which need regular or immediate attention. The minutes of the Committee meetings are placed before the Board for noting.

| Mandatory Committees | Non- Mandatory Committees |
|--|-------------------------------------|
| Audit Committee | Finance Committee |
| Stakeholder's Relationship Committee | Corporate & Restructuring Committee |
| Compensation/Nomination and Remuneration Committee | |
| Corporate Social Responsibility Committee | |
| Share Transfer Committee | |

Details of the role and composition of these Committees, the number of meetings held during the Financial Year, their terms of reference and attendance of members thereof are given below.

I. Audit Committee

The Audit Committee met four times during the period under review on 30th May, 2016, 18th August, 2016, 4th November, 2016 and 2nd February, 2017.

The details of the Committee meetings, composition, category and attendance by the members of the Committee during the Financial Year ended 31st March, 2017 are given as under:

| Sl. No. | Name of the Member | Category | Position | Number of Meetings attended |
|---------|-------------------------|---------------------------|----------|-----------------------------|
| 1 | Mr. O. Swaminatha Reddy | Non-Executive Independent | Chairman | 3 |
| 2 | Mr. S. M. Datta | Non-Executive Independent | Member | 4 |
| 3 | Mr. K. S. Mehta | Non-Executive Independent | Member | 2 |
| 4 | Mr. S. N. Agarwal | Non-Executive | Member | 3 |

Besides the members, the Chief Internal Auditor and the representatives of the Statutory Auditors also attend the Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee.

The roles and responsibilities of Audit Committee primarily include oversight of the Company's financial reporting process, recommendation for appointment, remuneration and terms of appointment of Auditors, approval of payment to Statutory Auditors, reviewing the Annual Financial Statements and Auditor's Report with the management, scrutiny of inter- corporate loans and investments and carrying out all other functions as are elaborated in the terms of reference of the Audit Committee.

II. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee met 3 times during the year under review, on 30th May, 2016, 4th November, 2016 and 2nd February, 2017.

The details of the Committee meetings, composition, category and attendance by the members of the Committee during the Financial Year ended 31st March, 2017 are given as under:

| Sl. No. | Name of the Member | Category | Position | Number of Meetings attended |
|---------|--------------------|---------------------------|----------|-----------------------------|
| 1 | Mr. K. S. Mehta | Non-Executive Independent | Chairman | 02 |
| 2 | Mr. S. N. Agarwal | Non-Executive | Member | 03 |
| 3 | Mr. Vineet Agarwal | Executive | Member | 03 |

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

The Committee ensures cordial relations with stakeholders and oversees the mechanism for redressal of their grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipt of annual reports, non-receipt of declared dividend and such other matters of like nature.

Following are the details of shareholders complaints received, resolved during the year and pending as on 31st March, 2017:

| No. of Investors' Complaints pending at the beginning of the year | No. of Investors' complaints received during the year | No. of Investors' complaints disposed off during the year | No. of Investors' complaints unresolved at the end of the year |
|---|---|---|--|
| Nil | 06 | 06 | Nil |

III. Compensation/Nomination & Remuneration Committee

The Compensation/Nomination and Remuneration Committee met 2 times during the year under review, on 30th May, 2016 and 2nd February, 2017. Details of the Committee meetings, composition, category and attendance by the members of the Committee

during the Financial Year ended 31st March, 2017 are given as under:

| Sl. No. | Name of the Member | Category | Position | Number of Meetings attended |
|---------|-------------------------|---------------------------|----------|-----------------------------|
| 1 | Mr. Ashish Bharat Ram | Non-Executive Independent | Chairman | 01 |
| 2 | Mr. S M Datta | Non-Executive Independent | Member | 02 |
| 3 | Mr. O. Swaminatha Reddy | Non-Executive Independent | Member | 01 |
| 4 | Mr. M.P. Sarawagi | Non-Executive | Member | 02 |

The Terms of Reference of Compensation/Nomination & Remuneration Committee include Identification of persons who are qualified to become Director & KMP and recommendation to Board thereof, assisting the Board in ensuring that plans are in place for orderly succession for appointment to the Board & Senior Management, ensuring that the Board is balanced & follows a diversity policy, formulation of the criteria for determining qualification, positive attributes and independence of a director, formulation of evaluation criteria for Independent/Non-Independent/Executive Directors, the Board as a whole & KMPs. etc.

Nomination & Remuneration Policy

Your Company has in place a well-defined Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees. The Policy is devised to ensure that the persons appointed as Directors, Key Managerial Personnel and at other positions possess requisite qualifications, attributes, experience, expertise that is commensurate with their positions and level of management responsibilities. Further, the policy also ensures that the remuneration to such persons is fair, reasonable and sufficient to retain and motivate these persons to achieve the defined targets. The remuneration structure comprises of basic salary, perquisites and allowances, variable pay and contribution to provident, superannuation and gratuity funds.

Remuneration to Executive Directors

On recommendation of the Compensation/Nomination and Remuneration Committee, the payment of remuneration to the Executive Directors of the Company is approved by the Board, subject to the approval of the Shareholders and the Central Government, wherever applicable.

The details of Remuneration paid to Executive Directors for the Financial Year ended 31st March 2017 are given as under. No executive director has been granted stock options.

Remuneration/Compensation to Executive Directors

(Amount in ₹ except as stated)

| Name of the Director | Salary | Perks* | Commission | Total | No. of shares held |
|-----------------------|------------|-----------|------------|------------|--------------------|
| Mr. D. P. Agarwal | 41,800,000 | 5,657,925 | 1,000,000 | 48,457,925 | 828,628 |
| Mr. Vineet Agarwal | 34,200,000 | 3,519,087 | 500,000 | 38,219,087 | 1,982,935 |
| Mr. Chander Agarwal** | 12,356,452 | 1,174,220 | - | 13,530,672 | 2,104,262 |

*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.

**re-designated as Non-Executive Director w.e.f. 18th August, 2016.

Remuneration to Non-Executive/Independent Directors

Remuneration to Non-Executive/Independent Directors includes payment of sitting fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. In addition, Non-Executive/Independent Directors may be paid commission on approval of shareholders subject to a limit of 0.5% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. Details of Remuneration paid to Non-Executive Directors/Independent Directors during the year 2016-17 are provided as under:

Remuneration/Compensation to Non- Executive Directors/ Independent Directors

(Amount in ₹ except as stated)

| Name of the Director | Sitting Fees [#] | Commission | Total | No. of shares held |
|-------------------------|---------------------------|------------|---------|--------------------|
| Mr. S. M. Datta | 225,000 | 550,000 | 775,000 | - |
| Mr. O. Swaminatha Reddy | 165,000 | 550,000 | 715,000 | - |
| Mr. K. S. Mehta | 135,000 | 550,000 | 685,000 | - |
| Mr. Ashish Bharat Ram | 105,000 | 550,000 | 655,000 | - |
| Mr. Vijay Sankar | 60,000 | 550,000 | 610,000 | - |
| Mr. S. N. Agarwal | - | 550,000 | 550,000 | 930* |
| Mr. M. P. Sarawagi | - | - | - | 10,930* |
| Mrs. Urmila Agarwal | - | 550,000 | 550,000 | 1,850,591 |
| Mr. Chander Agarwal** | - | 550,000 | 550,000 | 2,104,262 |

[#]Includes Sitting Fee for Board & Committee meetings.

*Shares held through Relatives.

**Received commission as Non-Executive Director.

Notes:

- 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.
- Mr. S N Agarwal and Ms. Urmila Agarwal did not accept any sitting fees while Mr. M P Sarawagi has elected not to take any sitting fee/commission voluntarily.
- None of the above Directors hold any stock options as on 31st March, 2017.
- Mr. S N Agarwal is related to Mr. D P Agarwal.

IV. Corporate Social Responsibility Committee

The CSR Committee met once on 30th May, 2016 during the year ended 31st March, 2017.

The details of the composition of the Committee and attendance of members at the meeting is given as under.

| Sl. No. | Name of the Member | Category | Position | Number of Meetings attended |
|---------|-----------------------|---------------------------|----------|-----------------------------|
| 1 | Mr. Ashish Bharat Ram | Non-Executive Independent | Chairman | 01 |
| 2 | Mr. D P Agarwal | Executive | Member | 01 |
| 3 | Mrs. Urmila Agarwal | Non-Executive | Member | 01 |
| 4 | Mr. M P Sarawagi | Non-Executive | Member | 01 |

The terms of reference of the CSR Committee inter alia include review of the existing CSR Policy, ensuring that the activities as are included in CSR Policy of the Company are undertaken by the Company, recommend the amount of expenditure to be incurred on CSR activities and to monitor the CSR activities of the Company.

V. Share Transfer Committee

The Share Transfer Committee has been constituted to deal with share transfer and related applications received from shareholders and to maintain complete records of issue & transfer of securities of the Company. Given hereunder are the details of the Committee composition and position held by members.

| Sl. No. | Name of the Member | Category | Position |
|---------|--------------------|---------------|----------|
| 1 | Mr. D P Agarwal | Executive | Chairman |
| 2 | Mr. Vineet Agarwal | Executive | Member |
| 3 | Mr. M P Sarawagi | Non-Executive | Member |

Terms of reference of the Share Transfer Committee include 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.

The Committee meets thrice a month for speedy disposal of shareholder requests.

VI. Finance Committee

The Board has constituted a Finance Committee for better management and oversight of the Company's financial affairs. The details of the Committee composition and position held by members are as under:

| Sl. No. | Name of the Member | Category | Position |
|---------|------------------------|---------------------------|----------|
| 1 | Mr. S N Agarwal | Non-Executive | Chairman |
| 2 | Mr. O Swaminatha Reddy | Non-Executive Independent | Member |
| 3 | Mr. K S Mehta | Non-Executive Independent | Member |
| 4 | Mr. D P Agarwal | Executive | Member |
| 5 | Mr. Vineet Agarwal | Executive | Member |

The terms of reference of the Committee include formulating and recommending to the Board, the financial policies of the Company, to approve opening and operation of bank accounts, execution of power of attorneys, to authorize officers of the Company in the matter of availment of secured and unsecured loans etc.

VII. Corporate & Restructuring Committee

The composition of Corporate & Restructuring committee and position held in Committee meeting are as under:

| Sl. No. | Name of the Member | Category | Position |
|---------|-----------------------|---------------------------|----------|
| 1 | Mr. Ashish Bharat Ram | Non-Executive Independent | Chairman |
| 2 | Mr. K S Mehta | Non-Executive Independent | Member |
| 3 | Mr. Vineet Agarwal | Executive | Member |
| 4 | Mr. Chander Agarwal | Non- Executive | Member |

The terms of reference of the Corporate & Restructuring Committee include evaluation and finalization of different options for restructuring the Company considering divisions of the Company holding diverse business portfolios including restructuring of the overseas structure and undertake such other matters as may be assigned by the Board from time to time.

4. General Meetings

Date, time and venue of the last three Annual General Meetings:

| Financial Year | Day, Date and time | Venue | Summary of Special Resolutions passed |
|----------------|--|---|---|
| 2015-16 | Friday, 4 th November, 2016, 12.30 p.m. | Emerald II, H-Floor, Hotel Taj Krishna, Road No. 1, Banjara Hills, Hyderabad- 500 034 | <ul style="list-style-type: none"> a) Re-appointment of Mr. Ashish Bharat Ram as an Independent Director. b) To approve remuneration to Non-Executive Directors by way of Commission. c) Adoption of new set of Articles of Association of the Company. d) To approve fee to be charged from shareholders for service of documents in a particular mode. |
| 2014-15 | Saturday 1 st August, 2015, 12.00 Noon | KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, 3 rd Floor, Federation House, 11- 6- 841, FAPCCI Marg, Hyderabad- 500 004 | To approve keeping of Register of Members together with Index of Members and copies of all returns prepared u/s 92 of the Companies Act, 2013 at the Corporate Office/premises of Registrar/Share Transfer Agent of the Company. |
| 2013-14 | Wednesday, 23 rd July, 2014, 10.30 a.m. | Surana Udyog Hall, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, 11- 6- 841, Red Hills, Hyderabad- 500 004 | <ul style="list-style-type: none"> a) Modification in the Employee Stock Option Scheme- 2006 (ESOS- 2006). b) To approve keeping of Register of Members together with Index of Members and copies of all returns prepared u/s 92 of the Companies Act, 2013 at the Corporate Office/premises of Registrar/Share Transfer Agent of the Company. c) Re-appointment of Mr. S M Datta as an Independent Director. d) Re-appointment of Mr. O Swaminatha Reddy as an Independent Director. e) Re-appointment of Mr. K S Mehta as an Independent Director. f) Authorization to the Board for creation of Mortgage and Charges. g) Authorization to the Board of Directors to borrow money upto an amount not exceeding ₹ 600 crores. |

Postal Ballot

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

5. Disclosures

Related Party Transactions

During the year under review, all contracts/transactions entered into with the related parties were at arm's length basis and in the ordinary course of business. Further, your Company did not enter into any materially significant transaction with any of its related parties which could potentially conflict with the interests of the Company. Related party disclosures as per Indian Accounting Standard 24 are set out in the notes to the Financial Statements.

Your Company has in place, a well-defined policy on Related Party Transactions which can also be accessed on the website of the Company at the following link: <http://www.tcil.com/tcil/tci-policies.html>.

Whistle Blower Policy

In terms of requirements of the Companies Act, 2013 and SEBI Listing Regulations, your Company has in place a Whistle Blower Policy to report to the management any unethical behavior, fraud or violation of Company's Code of Conduct.

The policy covers all employees & directors of the Company as well as of its subsidiaries and associates and none of the personnel has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at the following link: <http://www.tcil.com/tcil/tci-policies.html>.

Accounting Treatment

Ministry of Corporate Affairs has, vide its notification dated 16th February, 2015, introduced Indian Accounting Standards (IND AS) thereby repealing the old Accounting Standards. IND AS has become applicable on your Company w.e.f. 1st April, 2016. Accordingly the Company has adopted the same for preparation of Financial Statements for the Financial Year ended 31st March, 2017. The significant accounting policies are set out in the Notes to the Financial Statements.

Details of Non Compliance by the Company/Penalties/Strictures imposed on the Company by the Stock Exchanges, or SEBI or any Statutory Authority on any matter related to the Capital markets during the last 3 years

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 3 years.

As per Regulation 33 of SEBI Listing Regulations, the Company is required to submit with the stock exchanges, annual accounts (Consolidated and Standalone), within 60 days from the end of Financial Year. The Company was not in a position to consider the Audited Annual Financial Results (Standalone & Consolidated) for the Financial Year ended 31st March, 2016 within the stipulated time period due to pendency of the Scheme of Arrangement between the Company and its wholly owned subsidiary, TCI Express Ltd. for demerger and transfer of XPS Undertaking to TCI Express Ltd. In compliance with the SEBI circular dated 30th November 2015, the Company has paid the specified fines imposed by the stock exchanges for the delay in filing of annual accounts with the stock exchanges.

6. Means of Communication

| | |
|---|---|
| Financial Results | After the announcement of Unaudited quarterly/half yearly and the audited annual results as per the prescribed timelines of SEBI Listing Regulations, the approved financial results are sent to the Stock Exchanges and are forthwith published, generally in the Hindu Business Line (All editions) and in Nitidinpatrika Surya (Hyderabad), within 48 hours of approval. |
| Press Release | The official Press Releases are sent to the stock exchanges and displayed on the Company's Website. |
| Presentations | Any presentation made to the institutional investors or/and analysts are also sent to the stock exchanges and displayed on the Company's website: www.tcil.com . |
| Annual Report | Annual Report of the Company is sent through E-mail to members who have registered their E-mail IDs with either depository participant (DP) or the Registrar & Transfer Agent (RTA) or the Company. For those members whose E-mail IDs are not registered, the Annual Report in physical mode is sent by post to their registered addresses. |
| Website | A separate dedicated section under 'Investor Relations' on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/shareholders/public at large. |
| NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre | The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges are filed electronically on the online portal of National Stock Exchange Ltd. and BSE Ltd. |

7. CEO/CFO Certification

In Compliance with SEBI Listing Regulations, the Vice Chairman & Managing Director and the Chief Financial Officer have given the compliance certificate to the Board of Directors which is annexed to this report.

8. General Shareholder Information

i. Annual General Meeting

| | | |
|---------------------|--|---|
| Day | Wednesday | |
| Date | 2 nd August, 2017 | |
| Time | 10:00 a.m | |
| Venue | Salon II & III, Basement 1, Park Hyatt Hyderabad, Road No. 2, Banjara Hills, Hyderabad-500 034 (Telangana) | |
| Book Closure | From | To |
| | Friday, 28 th July, 2017 | Wednesday, 2 nd August, 2017 |

ii. Financial Calendar for 2017-18 (Tentative)

| Financial Year | 2017-18 | |
|---|---|--|
| Tentative dates for announcement of Financial Results | 1 st Quarter ending 30 th June, 2017 | On or before 14 th August, 2017 |
| | 2 nd Quarter ending 30 th September, 2017 | On or before 14 th November, 2017 |
| | 3 rd Quarter ending 31 st December, 2017 | On or before 14 th February, 2018 |
| | 4 th Quarter ending 31 st March, 2018 | On or before 30 th May, 2018 |

iii. Listing Status

The Equity Shares of the Company are listed on National Stock Exchange Ltd. and BSE Ltd. The information with regard to the Listing, stock codes and depositories of the Company are provided as under:

| | | |
|---------------------|---|--|
| Scrip Code | BSE - 532349 | NSE - TCI |
| ISIN No. | INE688A01022 | |
| Depositories | National Securities Depository Limited (NSDL) | Central Depository Services (India) Limited (CDSL) |

The annual Listing Fee/ Custodial Fees for the Financial Year 2016-17 has duly been paid to the Stock Exchanges/ Depositories.

iv. Unclaimed Dividend Details

Pursuant to the provisions of the Companies Act, 2013, any amount which remains unpaid or unclaimed in the Unpaid Dividend Account of the Company for a period of seven years shall be transferred to the account of Investor Education & Protection Fund (IEPF) Authority. 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 IEPF.

The dividend amounts transferred to account of IEPF Authority during the year and the due dates for transfer of dividend to IEPF Fund are provided as under:

Details of Dividend transferred to IEPF Authority

| Dividend A/c | Amount (In ₹) | Date of Transfer |
|---|---------------|---------------------------------|
| TCI Unpaid Dividend A/c 2008-09 Final | 650,482 | 6 th September, 2016 |
| TCI Unpaid Dividend A/c 2009-10 Interim | 546,543 | 1 st March, 2017 |

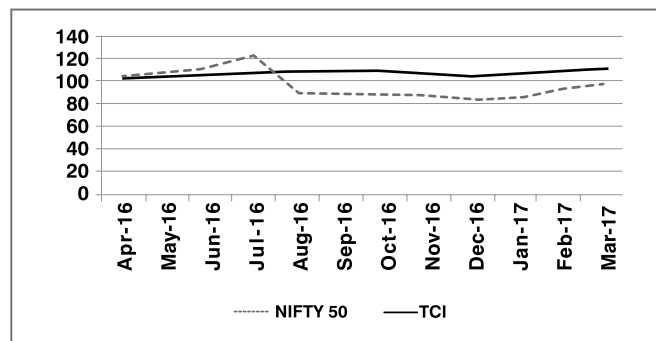
Due dates of transfer of Unclaimed Dividend to IEPF Fund

| Year | Nature of Dividend | Date of Declaration | Due Date for Transfer to IEPF |
|---------|-------------------------|--------------------------------|---------------------------------|
| 2009-10 | Final | 21 st July, 2010 | 26 th August, 2017 |
| 2010-11 | Interim | 20 th January, 2011 | 25 th February, 2018 |
| 2010-11 | Final | 28 th July, 2011 | 2 nd September, 2018 |
| 2011-12 | Interim | 2 nd February, 2012 | 9 th March, 2019 |
| 2011-12 | Final | 26 th July, 2012 | 31 st August, 2019 |
| 2012-13 | Interim | 29 th January, 2013 | 6 th March, 2020 |
| 2012-13 | Final | 25 th July, 2013 | 30 th August, 2020 |
| 2013-14 | Interim | 28 th January, 2014 | 5 th March, 2021 |
| 2013-14 | Final | 23 rd July, 2014 | 28 th August, 2021 |
| 2014-15 | Interim | 29 th January, 2015 | 6 th March, 2022 |
| 2014-15 | Final | 1 st August, 2015 | 6 th September, 2022 |
| 2015-16 | 1 st Interim | 1 st February, 2016 | 9 th March, 2023 |
| 2015-16 | 2 nd Interim | 15 th March, 2016 | 21 st April, 2023 |
| 2016-17 | 1 st Interim | 4 th November, 2016 | 11 th December, 2023 |
| 2016-17 | 2 nd Interim | 2 nd February, 2017 | 10 th March, 2024 |

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

| Month | NSE | | BSE | |
|-----------------|------------|-----------|------------|-----------|
| | High Price | Low Price | High Price | Low Price |
| April, 2016 | 284 | 264.05 | 284.5 | 263.1 |
| May, 2016 | 288.2 | 257 | 287.45 | 257.95 |
| June, 2016 | 325 | 281.1 | 325 | 282 |
| July, 2016 | 382.4 | 315.1 | 382.85 | 313.95 |
| August, 2016 | 388 | 176 | 388 | 183.35 |
| September, 2016 | 210 | 178 | 206.9 | 178.05 |
| October, 2016 | 199 | 175.2 | 194.95 | 175.1 |
| November, 2016 | 192 | 150.05 | 191 | 162 |
| December, 2016 | 181.95 | 143 | 181 | 144 |
| January, 2017 | 165 | 146 | 165 | 146.45 |
| February, 2017 | 216 | 161 | 216.2 | 161.55 |
| March, 2017 | 244.85 | 197.55 | 244.5 | 194.35 |

TCI Share on NSE Vs NIFTY 50 (2016-17)

**vi. Share Transfer Process**

Shares sent for physical transfer are effected within 15 working days of lodgment, provided all the documents submitted are in order. Share Transfer Committee meetings are held thrice a month to approve registration of share transfer, transmission etc.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Company obtains a half-yearly certificate on compliance with share transfer process from a Practicing Company Secretary and a copy of the same is filed with the Stock Exchanges.

vii. Distribution of Shareholding as on 31st March, 2017

| No. of Equity Shares | No. of Shareholders | % of Shareholders | Amount | % of Amount |
|----------------------|---------------------|-------------------|-----------------------|---------------|
| 1-5000 | 29,920 | 97.33 | 16,129,552.00 | 10.53 |
| 5001- 10000 | 431 | 1.40 | 3,118,588.00 | 2.04 |
| 10001- 20000 | 208 | 0.68 | 3,002,102.00 | 1.96 |
| 20001- 30000 | 53 | 0.17 | 1,373,962.00 | 0.90 |
| 30001- 40000 | 32 | 0.10 | 1,127,284.00 | 0.74 |
| 40001- 50000 | 13 | 0.04 | 577,052.00 | 0.38 |
| 50001- 100000 | 36 | 0.12 | 2,482,874.00 | 1.62 |
| 100001 & Above | 48 | 0.16 | 1,25,343,486.00 | 81.84 |
| Total | 30,741 | 100.00 | 153,154,900.00 | 100.00 |

viii. Dematerialization and Liquidity

As on 31st March, 2017, the status of equity shares in demat and physical form is provided hereunder:

| Particulars | No. of Shares | % to Share Capital |
|-------------------------------------|--------------------|--------------------|
| Shares in Demat Form held with NSDL | 69,292,303 | 90.49% |
| Shares in Demat Form held with CDSL | 2,826,367 | 3.69% |
| Shares in Physical Form | 4,458,780 | 5.82% |
| Total | 7,65,77,450 | 100% |

ix. Address for Correspondence

Ms. Archana Pandey,
Company Secretary & Compliance Officer,
 Transport Corporation of India Ltd.,
 TCI House, 69, Institutional Area, Sector 32,
 Gurugram, Haryana -122001
 Tel: 0124 - 2381603-07
 Fax: 0124 2381611
 E Mail: secretarial@tcil.com
 Website: www.tcil.com

Unit: Transport Corporation of India Ltd.,

Registrar & Transfer Agent,
 Karvy Computershare Pvt. Ltd.,
 Karvy Selenium Tower B, Plot number 31 & 32,
 Financial District Gachibowli, Hyderabad 500 032,
 Tel: +91 040 67161524
 Fax: 040 23420814
 Email: rajeev.kr@karvy.com
 Website: www.karvycomputershare.com

9. NON MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of SEBI Listing Regulations is reviewed by the Board from time to time.

For & on behalf of the Board

Place: Gurugram
Date: 16th May, 2017

S M Datta
Chairman

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 31st March, 2017.

For Transport Corporation of India Ltd

Place: Gurugram
Date: 16th May, 2017

D P Agarwal
Vice Chairman & Managing Director

CEO/CFO Certification

We the undersigned, in our respective capacities as Vice Chairman & 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 31st March, 2017 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 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.

For Transport Corporation of India Ltd.

For Transport Corporation of India Ltd.

Place: Gurugram
Date: 16th May, 2017

D P Agarwal
Vice Chairman & Managing Director

Ashish Tiwari
Group CFO

Auditor's Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by Transport Corporation of India Limited for the year ended March 31, 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Gurugram
Date: 16th May, 2017

For M/s R S Agarwala & Co
Chartered Accountants

R S Agarwala
(Partner)
Membership No F005534

Independent Auditor's Report

To the Members of Transport Corporation of India Limited Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Transport Corporation of India Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, 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 (hereinafter referred to as 'standalone Ind AS financial Statements') in which are incorporated the audited accounts for the year ended on that date of TCI Seaways division and the branch in Nepal as audited by other auditors.

Management's Responsibility for the Standalone Ind AS 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 Ind AS 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 the assets of the Company; 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

1. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
2. 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.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Standalone Ind AS 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 Ind AS financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 31st March, 2017 and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements of one branch and one division included in the Standalone Financial Statements of the Company whose financial statements reflect total assets of ₹ 22,882.76 lakh as at 31st March, 2017 and total revenues of ₹ 14,919.19 lakh for the year ended on that date, as considered in the standalone Ind AS financial statements. The financial statements of this branch and division have been audited by the branch and division auditors whose reports have been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch and division is based solely on the report of such branch and division auditors.

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, (hereinafter referred to as the "order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, 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 purpose 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - c. the report on the accounts of the branch and division office of the Company audited under Section 143(8) of the Act, the branch and division auditors have been sent to us and have been properly dealt with by us 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 and division dealt with by this Report agree with the books of account and with the returns received from the branch not visited by us;
 - e. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards Specified under Section 133 the Act, read with relevant rule issued thereunder.
 - f. on the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of section 164(2) of the Act. with respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of the such control, refer to our separate report in Annexure "B".
 - g. with respect to other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i) as detailed in Note 39(a) of the notes to the standalone Ind AS financial statements, the Company has disclosed the impact of pending litigation on its standalone Ind AS financial statements.

- ii) the Company did not have any long terms contract including derivative contracts for which there were any material foreseeable losses.
- iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016

to 30thDecember, 2016 and these are in accordance with books of account maintained by the Company. Refer note 8.

For **R.S. Agarwala & Co.**
 Chartered Accountants
 Firm's Regn No:-304045E

(R.S.Agarwala)
 Partner

Membership No.005534

Camp:-Gurugram
 Date: 16thMay, 2017

Annexure "A" to Independent Auditors' Report of even date to the members of Transport Corporation of India Limited, on the Standalone Ind AS Financial Statement for the year ended 31st March, 2017.

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 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 Ind AS financial statements, are held in the name of the Company except in respect of immovable properties situated at Secunderabad and Kolhapur.
2. a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.
3. 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 Act. Therefore, the provisions of Clause 3 (iii) of the said order are not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to loans and investments made.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of any activities of the Company.
7. (a) According to the information and explanation 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, cess and any other statutory dues to the appropriate authorities.
- (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 duty of excise or value added tax or cess or Employees' State Insurance as at March 31, 2017 which have not been deposited on account of any dispute are as under:

| Nature of the Statute | Nature of the dues | Amount (₹ In Lakh) | Period to which amount relates | Forum where dispute is pending |
|--------------------------|--------------------|--------------------|--------------------------------|---|
| Central Excise Act, 1944 | Excise Duty | 26.82 | FY 2009-10 to FY 2012-13 | Central Excise & Service Tax Appellate Tribunal |

8. 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.
9. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Therefore, the provisions of Clause 3(ix) of the said order are not applicable to the company.
10. 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.
11. 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.
12. The company is not a Nidhi Company.
13. The transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of the related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standard.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause 3 (xiv) of the order are not applicable.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of Clause 3 (xv) of the order are not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

| Nature of the Statute | Nature of the dues | Amount (₹ In Lakh) | Period to which amount relates | Forum where dispute is pending |
|----------------------------------|----------------------------|--------------------|--------------------------------|--------------------------------|
| Income Tax Act 1961 | Income Tax | 22.71 | From FY 2011-12 to 2012-13 | Commissioner (Appeals) |
| Sales Tax Act Various States | Trade Tax | 173.97 | From FY 2003-04 to 2016-17 | Various Authority |
| Employee's State Insurance, 1948 | Employee's State Insurance | 20.98 | FY 2011-12 | Supreme Court |

For **R.S. Agarwala & Co.**
 Chartered Accountants
 Firm's Regn No:-304045E

(R.S. Agarwala)
 Partner

Membership No.005534

Camp:-Gurugram
 Date: 16thMay, 2017

Annexure B to The Independent Auditors' Report

Referred to in Paragraph 2(g) of the Independent Auditors' Report of even date to the Members of Transport Corporation of India Limited on the Standalone Ind AS Financial Statements for the Year Ended 31st March, 2017

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the companies Act, 2013.

We have audited the internal financial controls over financial reporting of Transport Corporation of India Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R.S. Agarwala & Co.
Chartered Accountants
Firm's Regn No:-304045E

(R.S. Agarwala)
Partner

Membership No.005534

Camp: -Gurugram
Date: 16th May, 2017

Balance Sheet as at 31st March 2017

| Particulars | Note No | As at 31 st March 2017 In ₹ | As at 31 st March 2016 In ₹ | As at 1 st April 2015 In ₹ |
|-------------------------------------|---------|--|--|---|
| Assets | | | | |
| Non-Current Assets | | | | |
| Property, Plant and Equipment | 4 | 5,318,403,431 | 5,205,467,707 | 4,757,262,894 |
| Capital Work-in-progress | 4A | 568,091,751 | 123,186,893 | 68,102,112 |
| Intangible Assets | 5 | 6,773,233 | 9,864,203 | 35,304,564 |
| Financial Assets | | | | |
| Investments | 6 | 297,771,983 | 265,613,686 | 475,110,032 |
| Loans | 7 | 114,305,094 | 64,242,719 | 58,938,275 |
| Other Financial Assets | 8 | 26,138,576 | 19,722,679 | 19,155,480 |
| Other Non-Current Assets | 9 | 542,184,314 | 339,567,753 | 386,995,584 |
| | | 6,873,668,382 | 6,027,665,640 | 5,800,868,941 |
| Current Assets | | | | |
| Inventories | 10 | 25,066,807 | 17,578,333 | 22,752,180 |
| Financial Assets | | | | |
| Trade Receivables | 11 | 3,316,463,094 | 3,032,957,728 | 3,839,226,524 |
| Cash and Cash Equivalents | 12 | 171,764,599 | 91,152,474 | 137,274,787 |
| Other Bank Balances | 12 | 12,299,427 | 12,895,802 | 8,715,516 |
| Loans | 7 | 107,230,070 | 70,711,170 | 133,304,268 |
| Other Financial Assets | 8 | 5,671,126 | 4,462,367 | 3,672,887 |
| Other Current Assets | 9 | 575,931,564 | 331,460,696 | 229,813,451 |
| Current Tax Assets (Net) | 13 | 229,606,562 | 109,016,429 | 79,749,222 |
| | | 4,444,033,249 | 3,670,234,999 | 4,454,508,835 |
| Total Assets | | 11,317,701,631 | 9,697,900,639 | 10,255,377,776 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| a) Equity Share Capital | 14 | 153,154,900 | 152,147,200 | 151,347,000 |
| b) Other Equity | 14A | 5,655,865,118 | 5,028,974,733 | 5,816,610,203 |
| | | 5,809,020,018 | 5,181,121,933 | 5,967,957,203 |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 15 | 1,403,931,220 | 957,575,099 | 734,528,018 |
| Deferred Tax Liabilities (Net) | 17 | 391,743,693 | 318,760,369 | 297,454,908 |
| Government Grant | 18 | 20,308,268 | - | - |
| | | 1,815,983,181 | 1,276,335,468 | 1,031,982,926 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Short-Term Borrowings | 20 | 2,255,805,158 | 2,042,801,847 | 1,975,262,535 |
| Trade Payables | 21 | 733,296,366 | 516,389,526 | 693,039,925 |
| Other Financial Liabilities | 16 | 530,888,758 | 522,125,164 | 476,837,359 |
| Short-term Provisions | 22 | 52,347,304 | 63,440,086 | 54,081,896 |
| Government Grant | 18 | 2,345,866 | - | - |
| Other Current Liabilities | 19 | 118,014,980 | 95,686,615 | 56,215,932 |
| | | 3,692,698,432 | 3,240,443,238 | 3,255,437,647 |
| Total Equity and Liabilities | | 11,317,701,631 | 9,697,900,639 | 10,255,377,776 |

In terms of our Report of even date

 For **R S Agarwala & Co.**

 Chartered Accountants
 Firm Regn No. 304045E

S.M. Datta
 (Chairman)

R. S. Agarwala

 Partner
 (Membership No.005534)
 Camp: Gurugram
 Date : 16th May, 2017

 Place: Gurugram
 Date: 16th May, 2017

For and on behalf of the Board

O. Swaminatha Reddy
 (Director)

Archana Pandey
 (Company Secretary &
 Compliance Officer)

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

Ashish Tiwari
 (Group CFO)

Vineet Agarwal
 (Managing Director)

Statement of Profit or Loss for the Year Ended 31st March 2017

| Particulars | Note No | Year ended 31 st March 2017 In ₹ | Year ended 31 st March 2016 In ₹ |
|--|---------|---|---|
| Continuing Operations | | | |
| Revenue | | | |
| Revenue from Operations | 23 | 18,042,453,706 | 15,984,097,961 |
| Other Income | 24 | 177,200,981 | 156,029,230 |
| | | 18,219,654,687 | 16,140,127,191 |
| Expenses | | | |
| Cost of Rendering of Services | 25 | 14,540,628,560 | 12,824,084,780 |
| Employee Benefits Expense | 26 | 1,035,026,664 | 953,640,377 |
| Finance Costs | 27 | 286,067,964 | 239,279,603 |
| Depreciation and Amortization Expense | 28 | 578,125,522 | 507,114,917 |
| Other Expenses | 29 | 892,253,252 | 869,141,863 |
| | | 17,332,101,962 | 15,393,261,540 |
| | | 887,552,725 | 746,865,651 |
| Profit Before Exceptional Items and Tax | | | |
| Exceptional Items | | | |
| Loss on liquidation of wholly owned subsidiary TCI Global Holding (Mauritius) Ltd | 42 | - | 213,739,400 |
| Transferred an equivalent amount from the Securities Premium Account as per the Scheme | | - | 213,739,400 |
| | | 887,552,725 | 746,865,651 |
| Profit Before Tax | | | |
| Tax Expense | | | |
| Current Tax | 30 | 111,469,999 | 83,855,912 |
| Deferred Tax | | 73,450,858 | 67,420,614 |
| | | 184,920,857 | 151,276,526 |
| | | 702,631,868 | 595,589,125 |
| Profit for the Year from Continuing Operations | | | |
| Discontinued Operations | | | |
| Profit Before Tax | | - | 444,921,779 |
| Tax expense | | - | 133,921,446 |
| | | - | 311,000,333 |
| Profit for the Year from Discontinued Operations | | | |
| Profit for the Year | | | |
| | | 702,631,868 | 906,589,458 |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| FVOCI equity investments | | 5,602,954 | 3,332,292 |
| Actuarial gain/(loss) | | (1,846,136) | (10,233,359) |
| Income tax relating items that will not be reclassified to profit or loss | | 467,533 | 3,488,171 |
| Other Comprehensive income for the year, net of tax | | 4,224,351 | (3,412,896) |
| | | 706,856,219 | 903,176,562 |
| Total Comprehensive Income for the Year | | | |
| Basic Earnings Per Share of ₹ 2 Each | | | |
| Continuing Operations | | 9.18 | 7.83 |
| Discontinued Operations | | - | 4.09 |
| Total Basic Earnings Per Share | | 9.18 | 11.92 |
| Diluted Earnings Per Share of ₹ 2 Each | | | |
| Continuing Operations | | 9.18 | 7.82 |
| Discontinued Operations | | - | 4.09 |
| Total Diluted Earnings Per Share | | 9.18 | 11.91 |

In terms of our Report of even date

For and on behalf of the Board

For **R S Agarwala & Co.**
Chartered Accountants
Firm Regn No. 304045E

S.M. Datta
(Chairman)

O. Swaminatha Reddy
(Director)

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

Vineet Agarwal
(Managing Director)

R. S. Agarwala
Partner
(Membership No.005534)
Camp: Gurugram
Date : 16th May, 2017

Place: Gurugram
Date: 16th May, 2017

Archana Pandey
(Company Secretary &
Compliance Officer)

Ashish Tiwari
(Group CFO)

Statement of Cash Flow for the Year Ended 31st March 2017

| Particulars | Year ended | Year ended |
|--|-----------------------------|-----------------------------|
| | 31 st March 2017 | 31 st March 2016 |
| | In ₹ | In ₹ |
| A. Cash Flow From Operating Activities: | | |
| Net Profit Before Tax and Exceptional Items | 887,552,725 | 1,191,787,430 |
| Adjustments for : | | |
| Depreciation | 578,125,522 | 507,114,917 |
| Loss (Profit) on sale of Fixed Assets | 8,174,964 | (9,653,918) |
| Fair valuation of investments through FVTPL and FVOCI | (6,791,638) | (3,332,292) |
| Lease Rent Payments | 21,050 | 21,050 |
| Interest Payments | 286,067,964 | 239,279,603 |
| Interest Income | (14,434,523) | (14,458,990) |
| Dividend Income | (60,329,352) | (79,401,352) |
| Government Grant | (2,345,866) | - |
| | 788,488,121 | 639,569,018 |
| Operating Profit Before Working Capital Changes | 1,676,040,846 | 1,831,356,448 |
| Adjustments For : | | |
| Trade Receivables | (283,505,366) | 806,268,796 |
| Other Financial Assets | 142,662,056 | 208,240,174 |
| Inventories | (7,488,474) | 5,173,847 |
| Trade Payable and Other Payable | 126,271,366 | (1,622,783,234) |
| Cash Generation From Operations | 1,653,980,427 | 1,228,256,031 |
| (Direct Taxes Paid)/Refund Received | (266,861,485) | (236,987,407) |
| Net Cash Flow From Operating Activities | 1,387,118,942 | 991,268,624 |
| B. Cash Flow From Investing Activities: | | |
| Purchase of Fixed Assets | (1,156,094,581) | (1,022,445,978) |
| Loans and Advances | (533,668,704) | 3,069,240 |
| Proceeds on Sale of Fixed Assets | 15,044,483 | 47,135,743 |
| Purchase of Investments | (25,366,659) | (1,675,500) |
| Interest Received | 10,419,164 | 12,582,337 |
| Dividend Received | 60,329,352 | 79,401,352 |
| Lease Rent Payments | (21,050) | (21,050) |
| Net Cash Flow From Investing Activities | (1,629,357,996) | (881,953,855) |
| C. Cash Flow From Financing Activities: | | |
| Proceeds from Issuance of Share Capital | 25,353,005 | 16,498,500 |
| Proceeds from Government Grant | 25,000,000 | - |
| Short Term Borrowings (Net) | 213,003,312 | 67,539,314 |
| Proceeds from Term Borrowings | 877,158,539 | 756,664,496 |
| Repayment of Term Borrowings | (430,802,418) | (533,617,415) |
| Interest Paid | (286,067,964) | (239,279,603) |
| Payment of Dividend | (84,240,324) | (182,216,744) |
| Payment of Dividend Tax | (17,149,346) | (36,845,344) |
| Net Cash Flow From Financing Activities | 322,254,804 | (151,256,796) |
| Net Increase(Decrease) In Cash & Cash Equivalent(A+B+C) | 80,015,750 | (41,942,027) |
| Cash & Cash Equivalent as on 31 st March, 2016 | 104,048,276 | 145,990,303 |
| Cash & Cash Equivalent as on 31 st March, 2017 | 184,064,026 | 104,048,276 |

In terms of our Report of even date

For and on behalf of the Board

 For **R S Agarwala & Co.**

 Chartered Accountants
 Firm Regn No. 304045E

S.M. Datta
 (Chairman)

O. Swaminatha Reddy
 (Director)

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

Vineet Agarwal
 (Managing Director)

R. S. Agarwala
 Partner
 (Membership No.005534)

 Camp: Gurugram
 Date : 16th May, 2017

 Place: Gurugram
 Date: 16th May, 2017

Archana Pandey
 (Company Secretary &
 Compliance Officer)

Ashish Tiwari
 (Group CFO)

Statement of Changes in Equity for the Year Ended 31st March 2017

A. Equity Share Capital

| Particulars | No of shares | In ₹ |
|---|-------------------|--------------------|
| Balance as at 1 st April 2015 | 75,673,500 | 151,347,000 |
| Changes in equity share capital during 2015-16 | 400,100 | 800,200 |
| Balance as at 31 st March 2016 | 76,073,600 | 152,147,200 |
| Balance as at 1 st April 2016 | 76,073,600 | 152,147,200 |
| Changes in equity share capital during 2016-17 | 503,850 | 1,007,700 |
| Balance as at 31st March 2017 | 76,577,450 | 153,154,900 |

B. Other Equity

| Particulars | Other Equity | | | | | | | | | | Total |
|--|----------------------|--------------------|----------------------|---------------------------|---------------------|--------------------------------|----------------------------|---------------------------|--------------------|---------|----------------------|
| | 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 | | |
| Balance at 1st April 2015 | 495,237,477 | 1,157,616,228 | 3,807,700,000 | 56,501,549 | 52,000,000 | 197,800,000 | 19,400,000 | 30,354,949 | | | 5,816,610,203 |
| Profit for the year from continuing operations | 595,589,125 | | | | | | | | | | 595,589,125 |
| Profit for the year from discontinued operations | 311,000,333 | | | | | | | | | | 311,000,333 |
| Other Comprehensive Income | | | | | | | | | | | |
| Issue of Share capital | | 34,722,868 | | | | | | 3,278,697 | (6,691,593) | | (3,412,896) |
| Exercise of Share options | | | | (19,024,569) | | | | | | | 34,722,868 |
| Cancellation of Share options | | | | (1,363,433) | | | | | | | (19,024,569) |
| Transferred pursuant to the Scheme (Ref note no. 41) | | (978,599,696) | (251,374,216) | | | | | | | | (1,363,433) |
| Transferred pursuant to the Scheme (Ref note no. 41) | | (213,739,400) | | | | | | | | | (213,739,400) |
| IndAS transition impact pertaining to demerged entity | | | (42,371,498) | | | | | | | | (42,371,498) |
| Transfer In/Out General Reserve | (500,000,000) | | 500,000,000 | | | | | | | | - |
| Transfer In/Out Tonnage Tax Reserve | (47,500,000) | | | | 47,500,000 | | | | | | - |
| Transactions with owners in their capacity as owners : | | | | | | | | | | | |
| Dividends | (182,216,744) | | | | | | | | | | (182,216,744) |
| Tax on dividends | (36,845,344) | | | | | | | | | | (36,845,344) |
| Balance at 31 st March 2016 | 635,264,847 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 19,400,000 | 33,633,646 | (6,691,593) | | 5,028,974,733 |
| Balance at 1 st April 2016 | 635,264,847 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 19,400,000 | 33,633,646 | (6,691,593) | | 5,028,974,733 |
| Profit for the year | 702,631,868 | | | | | | | | | | 702,631,868 |
| Other Comprehensive Income | | | | | | | | | | | |
| Issue of equity shares | | 57,537,383 | | | | | | 5,431,540 | (1,207,188) | | 4,224,352 |
| Exercise of Share options | | | | (33,192,080) | | | | | | | 57,537,383 |
| Cancellation of Share options | | | | (2,921,468) | | | | | | | (33,192,080) |
| Transfer In/Out General Reserve | (500,000,000) | | 500,000,000 | | | | | | | | (2,921,468) |
| Transfer In/Out Tonnage Tax Reserve | (80,450,000) | | | | 80,450,000 | | | | | | - |
| Transactions with owners in their capacity as owners : | | | | | | | | | | | |
| Dividends | (84,240,324) | | | | | | | | | | (84,240,324) |
| Tax on dividends | (17,149,346) | | | | | | | | | | (17,149,346) |
| Balance at 31st March 2017 | 656,057,045 | 57,537,383 | 4,513,954,286 | - | 179,950,000 | 197,800,000 | 19,400,000 | 39,065,186 | (7,898,782) | | 5,655,865,118 |

For and on behalf of the Board

In terms of our Report of even date

For R S Agarwala & Co.
Chartered Accountants
Firm Regn No. 304045E

S.M. Datta
(Chairman)

O. Swaminatha Reddy
(Director)

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

Vineet Agarwal
(Managing Director)

R. S. Agarwala
Partner
(Membership No.005534)
Camp: Gurugram
Date : 16th May, 2017

Archana Pandey
(Company Secretary & Compliance
Officer)

Ashish Tiwari
(Group CFO)

Place: Gurugram
Date: 16th May, 2017

Notes to the Standalone Financial Statements for the Year Ended 31st March 2017

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.

For all periods up to and including the year ended 31st March 2016, the Company has prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). The standalone financial statements for the year ended 31 March 2017 are the first which the Company has prepared in accordance with Ind AS (see note 45 for explanation for transition to Ind AS). For the purpose of comparatives, standalone financial statements for the year ended 31st March 2016 are also prepared under Ind AS.

The standalone financial statements for the year ended 31st March 2017 were authorized and approved for issue by the Board of Directors on 16th May 2017.

2. Standards issued but not yet Made Effective and have not been Adopted Early by the Company

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, Statement of cash flows, and IFRS 2, Share-based payment, respectively. The amendments are applicable to the Company from 1st April 2017.

Amendment to Ind AS 7:

The amendments to Ind AS 7 inter-alia require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendments to Ind AS 102 inter-alia provide specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction,

the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

3. 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, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

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

- Certain financial assets and liabilities 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.

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.

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.

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. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2015 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of intangible assets.

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.

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.

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 (FVOCI) 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).

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.

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. These liabilities are classified as amortised cost.

Subsequent Measurement

These liabilities include are borrowings and deposits. 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.

l) 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.

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

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, 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. 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. 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.

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 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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to not consider the charge related to employee stock options for which the vesting period is already over.

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.

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) 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 17).

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.

4. Property, Plant and Equipment

| Description | Gross Block | | | Accumulated Depreciation | | | Net Block |
|----------------------|-----------------------------|--------------------|------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------------|
| | 31 st March 2016 | Additions | Disposals/ Adjustments | 31 st March 2016 | Depreciation for the year | 31 st March 2017 | 31 st March 2017 |
| Freehold Land | 510,518,932 | 4,825,500 | - | - | - | - | 515,344,432 |
| Building | 1,394,484,177 | 89,675,264 | - | 22,874,119 | 26,059,638 | 48,933,757 | 1,435,225,684 |
| Ships (iv) | 1,095,302,864 | 91,092,892 | - | 72,249,211 | 97,970,245 | 170,219,456 | 1,016,176,302 |
| Motor Trucks | 1,311,022,939 | 239,452,863 | 68,425,018 | 281,942,728 | 289,772,293 | 509,637,890 | 972,412,894 |
| Vehicles | 100,182,199 | 30,937,887 | 23,055,981 | 13,716,779 | 14,531,117 | 15,567,686 | 92,496,419 |
| Containers | 283,606,911 | 112,238,178 | 4,706,082 | 23,097,809 | 75,753,969 | 97,838,436 | 293,300,571 |
| Plant & Machinery | 793,649,946 | 9,791,678 | 5,944,062 | 50,350,907 | 11,391,696 | 55,835,126 | 741,662,437 |
| Computers | 26,562,893 | 97,403,292 | 3,890,331 | 6,654,410 | 27,575,757 | 1,123,868 | 86,969,555 |
| Furniture & Fixtures | 172,231,635 | 23,406,397 | - | 14,968,280 | 22,457,462 | 37,425,741 | 158,212,291 |
| Office Equipments | 5,545,001 | 10,937,650 | - | 1,785,548 | 8,094,256 | 9,879,804 | 6,602,846 |
| Total | 5,693,107,497 | 709,761,601 | 106,021,474 | 487,639,790 | 573,606,433 | 978,444,195 | 5,318,403,431 |

| Description | Gross Block | | | Accumulated Depreciation | | | Net Block |
|----------------------|--|----------------------|------------------------|----------------------------|---------------------------|-----------------------------|-----------------------------|
| | Deemed Cost as at 1 st April 2015 | Additions | Disposals/ Adjustments | 1 st April 2015 | Depreciation for the year | 31 st March 2016 | 31 st March 2016 |
| Freehold Land | 763,211,090 | 252,692,158 | 510,518,932 | - | - | - | 510,518,932 |
| Building | 1,117,076,496 | 521,161,457 | 1,394,484,177 | 22,874,119 | 22,874,119 | 22,874,119 | 1,371,610,058 |
| Ships (iv) | 1,033,053,796 | 62,249,068 | 1,095,302,864 | 72,249,211 | 72,249,211 | 72,249,211 | 1,023,053,653 |
| Motor Trucks | 792,985,157 | 533,368,670 | 1,311,022,939 | 285,477,782 | 3,535,054 | 281,942,728 | 1,029,080,211 |
| Vehicles | 108,783,792 | 33,567,129 | 42,168,722 | 15,047,140 | 1,330,362 | 13,716,779 | 86,465,421 |
| Containers | 241,282,107 | 43,403,678 | 1,078,874 | 283,606,911 | 23,097,809 | 23,097,809 | 260,509,102 |
| Plant & Machinery | 498,331,727 | 346,593,865 | 51,275,646 | 793,649,946 | 50,355,788 | 4,881 | 743,299,039 |
| Computers | 52,267,225 | 18,229,750 | 43,934,082 | 26,562,893 | 7,222,300 | 6,654,410 | 19,908,483 |
| Furniture & Fixtures | 123,434,680 | 77,235,435 | 28,438,480 | 172,231,635 | 14,969,419 | 1,139 | 157,263,355 |
| Office Equipments | 26,836,824 | 21,385,342 | 42,677,165 | 5,545,001 | 1,785,548 | 1,785,548 | 3,759,453 |
| Total | 4,757,262,894 | 1,657,194,394 | 721,349,791 | 5,693,107,497 | 493,079,116 | 487,639,790 | 5,205,467,707 |

(i) Demerger of TCI XPS Undertaking

The amount represented by disposals/adjustment in the above schedule pertaining to FY 2015-16 includes: ₹ 616,769,709 (Net)

(ii) Property plant and equipment pledged as security

Refer Note 15 for information on property, plant and equipment pledged as security by the Company.

(iii) The borrowing costs capitalised during the year ended 31st March 2017 was ₹ 2,414,521 (31st March 2016: ₹ Nil)

(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 | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-------------|-----------------------------|-----------------------------|----------------------------|
| Gross Block | 184,217,341 | 93,124,449 | 30,875,381 |
| Accumulated | (82,922,261) | (31,315,647) | (5,560,900) |
| Net Block | 101,295,080 | 61,808,802 | 25,314,481 |

Note 4A. Capital Work in Progress

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--------------------------|-----------------------------|-----------------------------|----------------------------|
| Capital Work in Progress | 568,019,751 | 123,186,893 | 68,102,112 |

5. Other Intangibles Assets

| | Softwares | Total |
|---|-------------------|-------------------|
| Gross Block | | |
| At 1 st April 2015 | 35,304,564 | 35,304,564 |
| Additions | 9,289,303 | 9,289,303 |
| Disposals/Adjustments | 20,693,863 | 20,693,863 |
| Balance as at 31st March 2016 | 23,900,004 | 23,900,004 |
| Additions | 1,428,119 | 1,428,119 |
| Disposals/Adjustments | - | - |
| Balance as at 31st March 2017 | 25,328,123 | 25,328,123 |
| Accumulated Amortisation | | |
| At 1 st April 2015 | | |
| Amortisation Charge for the Year | 14,035,801 | 14,035,801 |
| Disposals/Adjustments for the Year | | |
| Balance as at 31st March 2016 | 14,035,801 | 14,035,801 |
| Charge for the Year | 4,519,089 | 4,519,089 |
| Disposals/Adjustments for the Year | - | - |
| Balance as at 31st March 2017 | 18,554,890 | 18,554,890 |
| Net Book Value (Deemed Cost) as at 1 st April 2015 | 35,304,564 | 35,304,564 |
| Net book value as at 31 st March 2016 | 9,864,203 | 9,864,203 |
| Net book value as at 31 st March 2017 | 6,773,234 | 6,773,234 |

(i) Demerger of TCI XPS Undertaking

The amount represented by disposals/adjustment in the above schedule pertaining to FY 2015-16 includes: ₹ 20,693,863.

6. Investments

| Particulars | Number of shares | | | In ₹ | | |
|--|--------------------------------|--------------------------------|----------------------------|--------------------------------|--------------------------------|----------------------------|
| | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
| In Equity Instruments | | | | | | |
| In Other Companies (Quoted) (At FVOCI) | | | | | | |
| Fully Paid up Shares of ₹ 10/- Each of TCI Developers Limited | 100,000 | 100,000 | 100,000 | 36,960,000 | 32,100,000 | 29,000,000 |
| Sub total(a) | 100,000 | 100,000 | 100,000 | 36,960,000 | 32,100,000 | 29,000,000 |
| In Other Companies (Unquoted) (At FVOCI) | | | | | | |
| Fully Paid up Shares of ₹ 10/- Each of XPS Cargo Services Limited | 300,000 | 300,000 | 300,000 | 7,036,484 | 6,293,530 | 6,061,238 |
| Fully Paid up Shares of ₹ 10/- Each of TCI Distribution Centres Limited | 143,700 | 143,700 | 143,700 | 1,437,000 | 1,437,000 | 1,437,000 |
| Sub total (b) | 443,700 | 443,700 | 443,700 | 8,473,484 | 7,730,530 | 7,498,238 |
| In Joint Ventures (Unquoted) (At Cost) | | | | | | |
| Fully Paid up Shares of ₹ 10/- Each of Transystem Logistics International Pvt Limited | 3,920,000 | 3,920,000 | 3,920,000 | 39,200,000 | 39,200,000 | 39,200,000 |
| Sub total (c) | 3,920,000 | 3,920,000 | 3,920,000 | 39,200,000 | 39,200,000 | 39,200,000 |
| In Subsidiaries (Unquoted) (At Cost) | | | | | | |
| Fully Paid up Shares of US \$ 10/- Each of TCI Global Holdings (Mauritius) Limited | - | - | 573,440 | - | - | 296,561,256 |
| Fully Paid up Shares of BDT 10/- Each of TCI Bangladesh Limited | 389,499 | - | - | 3,409,375 | - | - |
| Fully Paid up Shares of ₹ 10/- Each of TCI Venture Limited | 1,620,092 | - | - | 16,200,920 | - | - |
| Fully Paid up Shares of ₹ 10/- Each of TCI Properties (Pune) Limited | - | - | 50,000 | - | - | 500,000 |
| Fully Paid up Shares of ₹ 10/- Each of TCI-CONCOR Multimodal Solutions Pvt. Limited, China | 3,570,000 | 3,570,000 | 3,570,000 | 35,700,000 | 35,700,000 | 35,700,000 |
| Fully Paid up Shares of TCI Holding SA & E Pte Ltd. | 465,577 | 465,577 | - | - | - | - |
| Fully Paid up Shares of TCI Holdings Asia Pacific Pte Ltd. | 6,643,706 | 6,537,956 | - | 90,253,720 | 84,497,356 | - |
| Fully Paid up Shares of TCI Global (Shanghai) Co. Limited, China | - | - | - | 34,730,436 | 34,730,436 | 34,730,436 |
| Less: Impairment loss for investment in TCI Global (Shanghai) Co. Ltd, China | | | | (34,730,436) | (34,730,436) | (34,730,436) |
| Sub total (d) | 12,688,874 | 10,573,533 | 4,193,440 | 145,564,015 | 120,197,356 | 332,761,256 |

| Particulars | Number of shares | | | In ₹ | | |
|--|-----------------------------|-----------------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|
| | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
| In Preference Shares | | | | | | |
| In Other Company (Unquoted) (At Amortised Cost) | | | | | | |
| 11% Redeemable Non-Cumulative Fully Paid up Shares of ₹ 100/- Each of TCI Distribution Centres Limited | 622,000 | 622,000 | 622,000 | 62,200,000 | 62,200,000 | 62,200,000 |
| Sub total (e) | 622,000 | 622,000 | 622,000 | 62,200,000 | 62,200,000 | 62,200,000 |
| In Mutual Funds (Quoted) (At FVTPL) | | | | | | |
| JM Basic Fund | 149,753 | 149,753 | 149,753 | 4,138,484 | 2,949,800 | 3,214,538 |
| Sub total (f) | 149,753 | 149,753 | 149,753 | 4,138,484 | 2,949,800 | 3,214,538 |
| In Debt Securities (Quoted) (At Amortised Cost) | | | | | | |
| National Highway Authority of India - Bonds of ₹ 1,000 Each | 1,236 | 1,236 | 1,236 | 1,236,000 | 1,236,000 | 1,236,000 |
| Sub total (g) | 1,236 | 1,236 | 1,236 | 1,236,000 | 1,236,000 | 1,236,000 |
| Grand Total (a+b+c+d+e+f+g) | 17,925,563 | 15,810,222 | 9,430,129 | 297,771,983 | 265,613,686 | 475,110,032 |

| | | | |
|---|-------------|-------------|-------------|
| Total Non-Current Investments | 332,502,419 | 300,344,122 | 509,840,468 |
| Aggregate Amount of Quoted Investments and their Market Value | 41,098,484 | 35,049,800 | 32,214,538 |
| Aggregate Amount of Unquoted Investments | 291,403,935 | 265,294,322 | 477,625,930 |
| Aggregate Amount of Impairment in Value of Investments | 34,730,436 | 34,730,436 | 34,730,436 |

7. Loans

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|---|-----------------------------|--------------------|-----------------------------|-------------------|----------------------------|--------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| (Unsecured, Considered Good Unless Otherwise Stated) | | | | | | |
| Deposits with Others | 52,358,359 | 45,238,720 | 22,728,348 | 15,311,219 | 20,851,696 | 55,403,196 |
| Deposits with Related Parties | 61,946,735 | 5,613,358 | 41,514,371 | 5,172,498 | 38,086,579 | 5,172,458 |
| Security Deposits with Customers | - | 49,004,059 | - | 40,445,280 | - | 59,895,123 |
| Loans to Employees | - | 7,373,933 | - | 9,782,173 | - | 12,833,491 |
| Total | 114,305,094 | 107,230,070 | 64,242,719 | 70,711,170 | 58,938,275 | 133,304,268 |

8. Other Financial Assets

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|--|-----------------------------|------------------|-----------------------------|------------------|----------------------------|------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Income Accrued but not yet Received | - | 5,671,126 | - | 4,462,367 | - | 3,672,887 |
| Bank Deposits with Maturity of More than 12 Months | 26,138,576 | - | 19,722,679 | - | 19,155,480 | - |
| Total | 26,138,576 | 5,671,126 | 19,722,679 | 4,462,367 | 19,155,480 | 3,672,887 |

9. Other Assets

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|---|-----------------------------|--------------------|-----------------------------|--------------------|----------------------------|--------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Deferred Employee Stock Option Compensation | - | - | - | 22,150,779 | 26,323,800 | 12,693,581 |
| Capital Advances | 471,758,819 | - | 255,586,241 | - | 254,402,620 | - |
| Prepaid Expenses | 87,819,563 | 29,133,253 | 39,758,902 | 14,924,999 | 39,762,867 | 32,762,987 |
| CENVAT Credit Receivable | - | 20,379,024 | - | 12,094,899 | - | 13,242,740 |
| Operational Advances | - | 163,951,808 | - | 169,020,759 | - | 80,151,229 |
| Deferred Income | - | 368,824,080 | - | 137,825,861 | - | 116,914,112 |
| Other Advances | 9,533,818 | - | 65,453,812 | - | 84,547,802 | - |
| | 569,112,200 | 582,288,165 | 360,798,955 | 356,017,297 | 405,037,089 | 255,764,649 |
| Less: Provision for Doubtful Advances | (26,927,886) | (6,356,601) | (21,231,202) | (24,556,601) | (18,041,505) | (25,951,198) |
| Total | 542,184,314 | 575,931,564 | 339,567,753 | 331,460,696 | 386,995,584 | 229,813,451 |

10. Inventories

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (Valued at Cost, Unless Otherwise Stated) | | | |
| Stores & Spares | 25,066,807 | 17,578,333 | 22,752,180 |
| Total | 25,066,807 | 17,578,333 | 22,752,180 |

11. Trade Receivables

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (Unsecured, Considered Good Unless Otherwise Stated) | | | |
| Unsecured | | | |
| Considered Good | 3,316,463,094 | 3,032,957,728 | 3,839,226,524 |
| Considered Doubtful | 105,311,307 | 96,902,980 | 99,155,199 |
| | 3,421,774,401 | 3,129,860,708 | 3,938,381,723 |
| Less: Provision for Expected Losses in Receivables (Ref No 32 b) | (105,311,307) | (96,902,980) | (99,155,199) |
| Total | 3,316,463,094 | 3,032,957,728 | 3,839,226,524 |

12. Cash and Bank Balances

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Cash and Cash Equivalents | | | |
| Cash in Hand | 5,568,209 | 4,185,444 | 2,752,673 |
| Balances with Banks | | | |
| Current Accounts | 166,196,390 | 86,967,030 | 134,522,114 |
| Deposit Accounts | - | - | - |
| Bank Deposits with Maturity Less Than 3 Months | 171,764,599 | 91,152,474 | 137,274,787 |
| Other Bank Balances | | | |
| Earmarked Bank Balances | | | |
| Unpaid Dividend Accounts | 12,299,427 | 12,895,802 | 8,715,516 |
| Fixed Deposits Maturity for More Than 3 Months but Less Than 12 Months | 12,299,427 | 12,895,802 | 8,715,516 |
| Total | 184,064,026 | 104,048,276 | 145,990,303 |

(i) The bank balances include the margin money amounting to ₹ 24,818,716 (31st March 2016 ₹ 18,212,998) against the borrowings.

(ii) There are no repatriation restrictions with respect to cash and bank balances available with the Company.

13. Current Tax Asset (Net)

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---------------------------------------|-----------------------------|-----------------------------|----------------------------|
| Advance Income Tax (Net of Provision) | 229,606,562 | 109,016,429 | 79,749,222 |
| Total | 229,606,562 | 109,016,429 | 79,749,222 |

14. Equity Share Capital

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Authorised Capital | | | |
| 100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 2 Each | 200,000,000 | 200,000,000 | 200,000,000 |
| 500,000 (Previous Year 500,000) Preference Shares of ₹ 100 Each | 50,000,000 | 50,000,000 | 50,000,000 |
| | 250,000,000 | 250,000,000 | 250,000,000 |
| Issued, Subscribed and Paid-up Capital | | | |
| 76,577,450 (Previous Year 76,073,600) Equity Shares of ₹ 2 Each | 153,154,900 | 152,147,200 | 151,347,000 |
| Total | 153,154,900 | 152,147,200 | 151,347,000 |

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

| Particulars | 31 st March 2017 | | 31 st March 2016 | |
|--|-----------------------------|--------------------|-----------------------------|--------------------|
| | No of Shares | In ₹ | No of Shares | In ₹ |
| Equity Shares at the Beginning of the Year | 76,073,600 | 152,147,200 | 75,673,500 | 151,347,000 |
| Add: Allotted Under Employee Stock Option Scheme | 503,850 | 1,007,700 | 400,100 | 800,200 |
| Equity Shares at the End of the Year | 76,577,450 | 153,154,900 | 76,073,600 | 152,147,200 |

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 | 31 st March 2017 | | 31 st March 2016 | |
|--|-----------------------------|--------------|-----------------------------|--------------|
| | No of Shares | % of Holding | No of Shares | % of Holding |
| Equity Shares of ₹ 2 Each Fully Paid Up | | | | |
| Bhoruka Finance Corporation of India Limited | 15,904,679 | 21.02 | 15,904,679 | 20.91 |
| Bhoruka International (P) Limited | 10,561,755 | 13.96 | 10,561,755 | 13.88 |
| Mr D. P. Agarwal | 4,974,995 | 6.57 | 4,974,995 | 6.54 |
| TCI India Limited | 4,045,564 | 5.35 | 4,045,564 | 5.32 |

Note. 14A Other Equity

| Particulars | Other Equity | | | | | | | | | | Total |
|---|----------------------|--------------------|----------------------|---------------------------|---------------------|--------------------------------|----------------------------|---------------------------|--------------------|-----------|----------------------|
| | 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 | | |
| Balance at 1st April 2015 | 495,237,477 | 1,157,616,228 | 3,807,700,000 | 56,501,549 | 52,000,000 | 197,800,000 | 19,400,000 | 30,354,949 | | | 5,816,610,203 |
| Profit for the year from continuing operations | 595,589,125 | | | | | | | | | | 595,589,125 |
| Profit for the year from discontinued operations | 311,000,333 | | | | | | | | | | 311,000,333 |
| Other Comprehensive Income | | | | | | | | | | | (3,412,896) |
| Issue of Share capital | | 34,722,868 | | | | | | | | 3,278,697 | 34,722,868 |
| Exercise of Share options | | | (19,024,569) | | | | | | | | (19,024,569) |
| Cancellation of Share options | | | (1,363,433) | | | | | | | | (1,363,433) |
| Transferred pursuant to the Scheme (Ref note no. 41) | | (978,599,696) | (251,374,216) | | | | | | | | (1,229,973,912) |
| Transferred pursuant to the Scheme (Ref note no. 41) | | (213,739,400) | | | | | | | | | (213,739,400) |
| IndAS transition impact pertaining to demerged entity | | | (42,371,498) | | | | | | | | (42,371,498) |
| Transfer In/Out General Reserve | (500,000,000) | | 500,000,000 | | | | | | | | - |
| Transfer In/Out Tonnage Tax Reserve | (47,500,000) | | | | 47,500,000 | | | | | | - |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | |
| Dividends | (182,216,744) | | | | | | | | | | (182,216,744) |
| Tax on dividends | (36,845,344) | | | | | | | | | | (36,845,344) |
| Balance at 31 st March 2016 | 635,264,847 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 19,400,000 | 33,633,646 | (6,691,593) | | 5,028,974,733 |
| Balance at 1 st April 2016 | 635,264,847 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 19,400,000 | 33,633,646 | (6,691,593) | | 5,028,974,733 |
| Profit for the year | 702,631,868 | | | | | | | | | | 702,631,868 |
| Other Comprehensive Income | | | | | | | | | | | 4,224,352 |
| Issue of equity shares | | 57,537,383 | | | | | | | | 5,431,540 | 57,537,383 |
| Exercise of Share options | | | | (33,192,080) | | | | | | | (33,192,080) |
| Cancellation of Share options | | | | (2,921,468) | | | | | | | (2,921,468) |
| Transfer In/Out General Reserve | (500,000,000) | | 500,000,000 | | | | | | | | - |
| Transfer In/Out Tonnage Tax Reserve | (80,450,000) | | | | 80,450,000 | | | | | | - |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | |
| Dividends | (84,240,324) | | | | | | | | | | (84,240,324) |
| Tax on dividends | (17,149,346) | | | | | | | | | | (17,149,346) |
| Balance at 31st March 2017 | 656,057,045 | 57,537,383 | 4,513,954,286 | - | 179,950,000 | 197,800,000 | 19,400,000 | 39,065,186 | (7,898,782) | | 5,655,865,118 |

15. Borrowings

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Secured | | | |
| Term loans from banks | 1,802,535,120 | 1,339,814,260 | 1,089,490,419 |
| Term loans from others | 7,381,837 | 10,906,447 | 2,914,274 |
| Unsecured | | | |
| Other loans | - | - | - |
| | 1,809,916,957 | 1,350,720,707 | 1,092,404,693 |
| Amount disclosed under other financial liabilities | 405,985,737 | 393,145,608 | 357,876,675 |
| Total | 1,403,931,220 | 957,575,099 | 734,528,018 |

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

| Particulars of Nature of Security | Terms of Repayment | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|---|-----------------------------|-----------------------------|----------------------------|
| Term Loans from Bank: 1025 nos. of General Cargo Containers | Repayable in 72 monthly installments starting from January 2010. Last installment paid in December 2015. | - | - | 7,500,000 |
| (1) Apartment No . 801, 8th 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 November 2016. Last installment due in November 2022. | 37,949,833 | 39,600,000 | - |
| (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 4 Quarterly installments starting from November 2015. Last installment due in November 2016. | - | 25,000,000 | - |
| 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. | 62,500,000 | 79,166,666 | 95,833,333 |
| | Repayable in 24 Quarterly installments starting from December 2015. Last installment due in October 2021. Rate of Interest 8.70% p.a. | 37,500,000 | 45,833,334 | 50,000,000 |
| Secured by first charge on the mortgage of M.V.TCI Prabhu | Repayable in 36 monthly installments starting from November 2013. The said Loan have been prepaid on 21 st May 2015 | - | - | 60,222,045 |
| Secured by first charge on the mortgage of M.V.TCI Lakshmi | Repayable in 15 Quarterly installments starting from October 2014. The said Loan have been prepaid on 04 th June 2015 | - | - | 107,466,668 |
| 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. | 217,500,000 | 265,833,336 | 290,000,000 |
| 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. | 325,200,000 | - | - |
| 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. | 36,636,500 | 55,436,500 | 69,536,500 |
| Secured by first charge on the mortgage of 350 Containers | Repayable in 16 Quarterly installments starting from September 2015. Last installment due in June 2019. | 26,590,641 | 40,742,641 | 51,356,641 |
| 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. | 46,016,066 | - | - |
| 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. | 50,688,488 | - | - |
| Trucks and Cars acquired against individual loan | Repayable in monthly installments | 961,953,593 | 788,201,783 | 357,575,232 |
| Sub-Total | | 1,802,535,121 | 1,339,814,260 | 1,089,490,419 |
| Term Loans from Others: Vehicles Acquired Against Individual Loan | Repayable in monthly installments | 7,381,837 | 10,906,447 | 2,914,274 |
| Sub-Total | | 7,381,837 | 10,906,447 | 2,914,274 |
| Total | | 1,809,916,958 | 1,350,720,707 | 1,092,404,693 |

Note:

The Company have incurred interest cost during the year in the range of 8.21 % to 9.84% on long term borrowings (Previous year range were 9.15% to 9.85%).

16. Other Financial Liabilities

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|--|-----------------------------|--------------------|-----------------------------|--------------------|----------------------------|--------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Current Maturities of Long-Term Borrowings | | | | | | |
| From Banks | - | 402,116,292 | - | 389,602,496 | - | 354,962,401 |
| From Others | - | 3,869,445 | - | 3,543,112 | - | 2,914,274 |
| Interest Accrued But not Due on Borrowings | - | 9,557,952 | - | 8,165,955 | - | 7,296,835 |
| Unpaid /Unclaimed Dividends | - | 12,299,427 | - | 12,895,802 | - | 8,715,516 |
| Payable on Purchase of Fixed Assets | - | 13,694,578 | - | 13,694,578 | - | - |
| Trade / Security Deposits | - | 89,351,064 | - | 94,223,221 | - | 102,948,333 |
| Total | - | 530,888,758 | - | 522,125,164 | - | 476,837,359 |

17. Deferred Tax Liability/(Asset) (Net)

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--------------------------------|-----------------------------|-----------------------------|----------------------------|
| Deferred Tax Liability/(Asset) | 391,743,693 | 318,760,369 | 297,454,908 |
| Total | 391,743,693 | 318,760,369 | 297,454,908 |

Movement in Deferred Tax Assets and Liabilities during the Year Ended 31st March 2016

| Particulars | 1 st April 2015 | Recognised in Statement of Profit and Loss | Recognised in Other equity | 31 st March 2016 |
|--------------|----------------------------|--|----------------------------|-----------------------------|
| Depreciation | 309,848,533 | 87,757,641 | - | 397,606,174 |
| Others Items | (12,393,625) | (62,964,009) | (3,488,171) | (78,845,805) |
| Total | 297,454,908 | 24,793,632 | (3,488,171) | 318,760,369 |

Movement in Deferred Tax Liabilities during the Year Ended 31st March 2017

| Particulars | 31 st March 2016 | Recognised in Statement of Profit and Loss | Recognised in Other equity | 31 st March 2017 |
|--------------|-----------------------------|--|----------------------------|-----------------------------|
| Depreciation | 397,606,174 | 9,962,875 | - | 407,569,049 |
| Others Items | (78,845,805) | 63,487,983 | (467,533) | (15,825,355) |
| Total | 318,760,369 | 73,450,858 | (467,533) | 391,743,694 |

18. Government Grant

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|-----------------------------|-----------------------------|------------------|-----------------------------|---------|----------------------------|---------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Opening Balance | | | | | | |
| Additions during the Year | 20,308,268 | 4,691,732 | - | - | - | - |
| Amount Recognised as Income | - | (2,345,866) | - | - | - | - |
| Total | 20,308,268 | 2,345,866 | - | - | - | - |

*Government grants are received from the Ministry of Food Processing Industries (MoFPI) for Cold Chain Projects across various locations. There are no unfulfilled conditions or other contingencies attached to these grants.

19. Other Liabilities

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|-----------------------|-----------------------------|--------------------|-----------------------------|-------------------|----------------------------|-------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Due to Gratuity Fund | | 4,718,788 | | 4,583,010 | | 19,920,494 |
| Statutory Remittances | | 44,221,791 | | 37,023,901 | | 34,440,812 |
| Accrued Expenses | | 66,131,441 | | 51,681,037 | | - |
| Book Overdraft | | 2,942,960 | | 2,398,667 | | 1,854,626 |
| Total | - | 118,014,980 | - | 95,686,615 | - | 56,215,932 |

20. Short-Term Borrowings

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-----------------------|-----------------------------|-----------------------------|----------------------------|
| Secured | | | |
| From Banks | | | |
| Working Capital Loans | 275,231,303 | 742,214,573 | 724,664,162 |
| Unsecured | | | |
| From Banks | | | |
| Commercial Paper | 1,880,000,000 | 1,200,000,000 | 1,150,000,000 |
| Other Loans | 100,000,000 | 100,000,000 | 100,000,000 |
| From Directors | 573,855 | 587,274 | 598,373 |
| Total | 2,255,805,158 | 2,042,801,847 | 1,975,262,535 |

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 7.33 % on short term borrowings (Previous year 8.29%).

21. Trade payables

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-------------------------------------|-----------------------------|-----------------------------|----------------------------|
| Micro, Small and Medium Enterprises | - | - | - |
| Others | 733,296,366 | 516,389,526 | 693,039,925 |
| Total | 733,296,366 | 516,389,526 | 693,039,925 |

22. Short-Term Provisions

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|---------------------------------|-----------------------------|------------|-----------------------------|------------|----------------------------|------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Provision for Employee Benefits | - | 52,347,304 | - | 63,440,086 | - | 54,081,896 |
| Total | - | 52,347,304 | - | 63,440,086 | - | 54,081,896 |

23. Revenue from Operations

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Freight, Demurrage and Miscellaneous Charges | 16,294,988,265 | 14,157,081,924 |
| Logistics and Other Services | 1,702,494,692 | 1,793,583,989 |
| Other Operating Income (i) | 44,970,749 | 33,432,048 |
| Total | 18,042,453,706 | 15,984,097,961 |

24. Other Income

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Income from Investments | | |
| Dividend Income | 60,329,352 | 79,401,352 |
| | 60,329,352 | 79,401,352 |
| Interest from | | |
| Financial Asset Carried at Amortised Cost | 9,130,228 | 5,304,445 |
| Others | 5,304,295 | 9,154,545 |
| | 14,434,523 | 14,458,990 |
| Other Income | | |
| Rent | 58,889,486 | 29,605,790 |
| Profit on Disposal of Fixed Assets | - | 9,653,918 |
| Unclaimed Balances and Excess Provisions Written Back | 22,058,971 | 8,432,596 |
| Bad Debts and Irrecoverable Balances Written off Earlier, Realised | 13,977,263 | 12,397,196 |
| Gain on Foreign Currency Transactions (Net) | - | 1,031,890 |
| Fair Valuation of Mutual Funds | 1,188,684 | - |
| Government Grant (ii) | 2,345,866 | - |
| Miscellaneous Income | 3,976,836 | 1,047,498 |
| | 102,437,106 | 62,168,888 |
| Total | 177,200,981 | 156,029,230 |

*The Company did not received any dividend from the equity instruments designated as FVOCI.

Note:

i) Break-up of Sale of Power

| | | |
|---|------------|------------|
| Sale of Power | 44,970,749 | 33,432,048 |
| Rental Income due to Embedded Leases (included in Rent) | 26,016,217 | 26,016,217 |
| Net Sale of Power | 70,986,966 | 59,448,265 |

ii) Government grants are received from the Ministry of Food Processing Industries ('MoFPI') for Cold Chain Projects across various locations. There are no unfulfilled conditions or other contingencies attached to these grants.

25. Cost of Rendering of Services

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Freight | 10,692,570,529 | 9,414,114,749 |
| Vehicles' Trip Expenses | 1,643,866,442 | 1,336,723,473 |
| Tyres & Tubes etc. | 66,417,914 | 37,092,649 |
| Warehouse Rent | 248,189,033 | 275,310,167 |
| Warehouse Expenses | 758,683,341 | 750,892,523 |
| Other Transportation Expenses | 79,896,214 | 78,613,100 |
| Claims for Loss & Damages (Net) | (3,284,450) | (1,156,840) |
| Commission | 1,930,050 | 1,646,185 |
| Vehicles' Taxes | 50,354,196 | 40,982,008 |
| Vehicles' and Ship Insurance | 46,815,351 | 34,325,455 |
| Power, Fuel and Water Charges | 341,939,725 | 301,756,104 |
| Stores & Spare Parts Consumed | 77,498,494 | 77,227,812 |
| Port and Survey Expenses | 78,730,224 | 68,033,507 |
| Stevedoring and Cargo Expenses | 339,901,349 | 293,076,703 |
| Wages, Bonus and Other Expenses - Floating Staff | 104,183,886 | 104,976,357 |
| Contribution to Provident & Other funds - Floating Staff | 1,757,587 | 411,146 |
| Clearing and Forwarding Expenses | 11,178,675 | 10,059,683 |
| Total | 14,540,628,560 | 12,824,084,780 |

26. Employee Benefit Expense

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Salaries, Wages and Bonus | 856,400,225 | 792,177,453 |
| Contribution to Provident and Other Funds | 74,636,758 | 53,720,275 |
| Contribution to Employees' State Insurance | 15,970,105 | 28,122,069 |
| Share Based Payments to Employees | 19,229,311 | 13,950,804 |
| Staff Welfare & Development Expenses | 68,790,265 | 65,669,776 |
| Total | 1,035,026,664 | 953,640,377 |

27. Finance Costs

| Particulars | 31 st March 2017 | 31 st March 2016 |
|-------------------------------------|-----------------------------|-----------------------------|
| Interest | 274,099,797 | 229,590,715 |
| Guarantee, Finance and Bank Charges | 11,968,167 | 9,688,888 |
| Total | 286,067,964 | 239,279,603 |

28. Depreciation and Amortisation

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Depreciation on Property, Plant and Equipment | 573,606,433 | 493,079,116 |
| Amortisation on Intangible Assets | 4,519,089 | 14,035,801 |
| Total | 578,125,522 | 507,114,917 |

29. Other Expenses

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| (A) Administrative Expenses | | |
| Rent | 130,502,019 | 104,566,976 |
| Rates and Taxes | 8,994,117 | 11,228,109 |
| Insurance | 12,977,975 | 11,525,479 |
| Telephone Expenses | 18,636,686 | 19,985,184 |
| Printing and Stationery | 35,153,267 | 31,760,090 |
| Travelling Expenses | 109,861,444 | 111,156,687 |
| Legal Expenses | 5,538,218 | 5,806,432 |
| Postage and Courier | 10,385,187 | 9,113,169 |
| Electricity Expenses | 42,333,711 | 46,998,352 |
| Advertisement Expenses | 3,446,656 | 9,897,749 |
| Office Maintenance & Security Exp. | 51,144,807 | 66,284,524 |
| E mail/I. net/Telex Expenses | 13,709,599 | 11,262,102 |
| Consultancy & Internal Audit Fee (i) | 16,341,280 | 17,451,701 |
| Conference & Seminar Exp. | 8,189,316 | 8,106,894 |
| Commission & Fee's to Directors | 5,157,500 | 4,555,891 |
| Remuneration to Auditors | | |
| Audit Fees | 833,513 | 767,041 |
| Tax Audit Fees | 517,781 | 470,167 |
| Lease Rent Payments | 21,050 | 21,050 |
| Bad Debts and Irrecoverable Balances Written Off (ii) | 50,495,095 | 73,950,044 |
| Charity & Donations | 25,247,107 | 21,387,624 |
| Loss on Sale of Assets | 8,174,964 | - |
| Fair Valuation of Mutual Funds | - | 245,285 |
| Miscellaneous Expenses | 46,924,143 | 46,206,005 |
| Sub-total | 604,585,435 | 612,746,554 |

(i) Includes ₹ 30,00,000 paid to a director for services of professional nature (31 March 2016: ₹ 21,60,000)

(ii) Includes provision of ₹ 1,41,05,011 (31 March 2016: ₹ 94,83,471)

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| (B) Repairs and Maintenance expenses | | |
| Motor Trucks | 158,261,121 | 129,335,839 |
| Other Vehicles | 24,757,685 | 24,623,660 |
| Ships | 38,109,256 | 32,300,229 |
| Plant & Equipment | 27,583,688 | 24,540,654 |
| Computers | 8,945,938 | 11,416,606 |
| Buildings | 30,010,129 | 34,178,321 |
| Sub-total | 287,667,817 | 256,395,309 |
| Total | 892,253,252 | 869,141,863 |

30. Tax Expense

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--------------|-----------------------------|-----------------------------|
| Current Tax | 111,469,999 | 192,996,516 |
| Deferred Tax | 73,450,858 | 92,201,456 |
| Total | 184,920,857 | 285,197,972 |

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:

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| At country's statutory income tax rate of 34.608% (31 st March 2016: 34.608%) | 34.608% | 34.608% |
| Accounting profit before income tax | 887,552,725 | 1,191,787,430 |
| Income exempted from income taxes | (348,047,730) | (260,562,516) |
| Others | (5,175,196) | (107,143,858) |
| Taxable Income | 534,329,799 | 824,081,056 |
| Tax expense provided in statement of profit and loss | 184,920,857 | 285,197,972 |
| Total | 184,920,857 | 285,197,972 |

Consequence to reconciliation items shown above, the effective tax rate is 20.83% (31st March 2016: 23.93%)

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.

| | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Net Profit Attributable to Equity Shareholders | 702,631,868 | 906,589,458 |
| Weighted-Average Number of Equity Shares for Basic EPS | 76,513,951 | 75,935,483 |
| Basic Earnings Per Share | | |
| EPS for Continuing Operations | 9.18 | 7.83 |
| EPS for Discontinued Operations | - | 4.09 |
| Net Basic Earnings Per Share | 9.18 | 11.92 |
| Weighted-Average Number of Equity Shares Adjusted for the Effect of Dilution for computing Diluted EPS | 76,513,951 | 76,131,115 |
| Diluted Earnings Per Share | | |
| Diluted EPS for Continuing Operations | 9.18 | 7.82 |
| Diluted EPS for Discontinued Operations | - | 4.09 |
| Net Diluted Earnings Per Share | 9.18 | 11.91 |

32. Financial Instruments**i) Fair Values Hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are Companyed 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 rely as little as possible 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:

| 31 st March 2017 | Notes | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|-------|------------|---------|-----------|------------|
| Financial Assets | | | | | |
| Investments at FVTPL | | | | | |
| Mutual Fund Investments | 6 | 4,138,484 | - | - | 4,138,484 |
| Investments at FVOCI | | | | | |
| Equity Investments | 6 | 36,960,000 | - | 8,473,484 | 45,433,484 |
| Total Financial Assets | | 41,098,484 | - | 8,473,484 | 49,571,968 |
| Financial Liabilities | | | | | |
| Total Financial Liabilities | | - | - | - | - |

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

| 31 st March 2016 | Notes | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|-------|------------|---------|-----------|------------|
| Financial Assets | | | | | |
| Investments at FVTPL | | | | | |
| Mutual Fund Investments | 6 | 2,949,800 | - | - | 2,949,800 |
| Investments at FVOCI | | | | | |
| Equity Investments | 6 | 32,100,000 | - | 7,730,530 | 39,830,530 |
| Total Financial Assets | | 35,049,800 | - | 7,730,530 | 42,780,330 |
| Financial Liabilities | | | | | |
| Total Financial Liabilities | | - | - | - | - |

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

| 1 st April 2015 | Notes | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|-------|------------|---------|-----------|------------|
| Financial assets | | | | | |
| Investments at FVTPL | | | | | |
| Mutual Fund Investments | 6 | 3,214,538 | - | - | 3,214,538 |
| Investments at FVOCI | | | | | |
| Equity Investments | 6 | 29,000,000 | - | 7,498,238 | 36,498,238 |
| Total Financial Assets | | 32,214,538 | - | 7,498,238 | 39,712,776 |
| Financial Liabilities | | | | | |
| Total Financial Liabilities | | - | - | - | - |

iii) Assets and Liabilities Which are Measured at Amortised Cost for Which Fair Values are Disclosed:

| 31 st March 2017 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial Assets | | | | | |
| Investments in Preference Shares and Debt Securities | 6 | | | 63,436,000 | 63,436,000 |
| Deposits with Others | 7 | | | 97,597,079 | 97,597,079 |
| Deposits with Related Parties | 7 | | | 67,560,093 | 67,560,093 |
| Security Deposits with Customers | 7 | | | 49,004,059 | 49,004,059 |
| Loans to Employees | 7 | | | 7,373,933 | 7,373,933 |
| Others | 8 | | | 31,809,702 | 31,809,702 |
| Total Financial Assets | | - | - | 316,780,866 | 316,780,866 |
| Financial Liabilities | | | | | |
| Borrowings | 16 & 20 | | | 4,065,722,115 | 4,065,722,115 |
| Others | 16 | | | 124,903,021 | 124,903,021 |
| Total Financial Liabilities | | - | - | 4,190,625,136 | 4,190,625,136 |

Assets and Liabilities Which are Measured at Amortised Cost for Which Fair Values are Disclosed:

| 31 st March 2016 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial Assets | | | | | |
| Investments in Preference Shares and Debt Securities | 6 | | | 63,436,000 | 63,436,000 |
| Deposits with Others | 7 | | | 38,039,567 | 38,039,567 |
| Deposits with Related Parties | 7 | | | 46,686,869 | 46,686,869 |
| Security Deposits with Customers | 7 | | | 40,445,280 | 40,445,280 |
| Loans to Employees | 7 | | | 9,782,173 | 9,782,173 |
| Others | 8 | | | 24,185,046 | 24,185,046 |
| Total Financial Assets | | - | - | 222,574,935 | 222,574,935 |
| Financial Liabilities | | | | | |
| Borrowings | 16 & 20 | | | 3,393,522,554 | 3,393,522,554 |
| Others | 16 | | | 128,979,556 | 128,979,556 |
| Total Financial Liabilities | | - | - | 3,522,502,110 | 3,522,502,110 |

Assets and Liabilities Which are Measured at Amortised Cost for Which Fair Values are Disclosed:

| 1 st April 2015 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial Assets | | | | | |
| Investments in Preference Shares and Debt Securities | 6 | | | 63,436,000 | 63,436,000 |
| Deposits with Others | 7 | | | 76,254,892 | 76,254,892 |
| Deposits with Related Parties | 7 | | | 43,259,037 | 43,259,037 |
| Security Deposits with Customers | 7 | | | 59,895,123 | 59,895,123 |
| Loans to Employees | 7 | | | 12,833,491 | 12,833,491 |
| Others | 8 | | | 22,828,367 | 22,828,367 |
| Total Financial Assets | | - | - | 278,506,910 | 278,506,910 |
| Financial Liabilities | | | | | |
| Borrowings | 16 & 20 | | | 3,067,667,228 | 3,067,667,228 |
| Others | 16 | | | 118,960,684 | 118,960,684 |
| Total Financial Liabilities | | - | - | 3,186,627,912 | 3,186,627,912 |

(iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- (a) The use of quoted market prices or dealer quotes for similar instruments
- (b) The fair value of the remaining financial instruments is determined based on the following methods:
 - (I) Net assets value method
 - (II) Valuation of investment in unquoted equity shares has been made using the of FCFF 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 (iv)b(ii) above for the valuation techniques adopted.

| Particulars | Fair value as at | | | Significant unobservable inputs | Probability-weighted range | | | Sensitivity |
|------------------------|-----------------------------|-----------------------------|----------------------------|---------------------------------|-----------------------------|-----------------------------|----------------------------|--|
| | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | |
| Unquoted Equity Shares | 8,473,484 | 7,730,530 | 7,498,238 | Earnings growth rate | 2% | 2% | 2% | An increase/(decrease) in earnings growth rate of 100 basis points would increase/(decrease) fair value: 31 st March 2017 : 2 lakh/(2 lakh) 31 st March 2016 : 2 lakh/(2 lakh) 1 st April 2015 : 2 lakh/(2 lakh) |

v) The Following Table Presents the Changes in Level 3 Items for the Periods Ended 31st March 2017 and 31st March 2016:

| Particulars | Unlisted equity securities | Mutual funds | Unlisted debentures |
|---|----------------------------|--------------|---------------------|
| As at 1 st April 2015 | 7,498,238 | - | - |
| Acquisitions | - | - | - |
| Gain Recognised in Statement of Profit and Loss | - | - | - |
| Disposal | - | - | - |
| Gain Recognised in Other Comprehensive Income | 232,292 | - | - |
| As at 31 st March 2016 | 7,730,530 | - | - |
| Acquisitions | - | - | - |
| Gains/Losses Recognised in Statement of Profit and Loss | - | - | - |
| Disposal | - | - | - |
| Gains/Losses Recognised in Other Comprehensive Income | 742,954 | - | - |
| As at 31 st March 2017 | 8,473,484 | - | - |

33 Financial Risk Management

- i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

| Particulars | 31 st March 2017 | | | 31 st March 2016 | | | 1 st April 2015 | | |
|------------------------------|-----------------------------|-------------------|----------------------|-----------------------------|-------------------|----------------------|----------------------------|-------------------|----------------------|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| Financial Assets | | | | | | | | | |
| Investments | 4,138,484 | 45,433,484 | 248,200,015 | 2,949,800 | 39,830,530 | 222,833,356 | 3,214,538 | 36,498,238 | 435,397,256 |
| Trade Receivables | - | - | 3,316,463,094 | - | - | 3,032,957,728 | - | - | 3,839,226,524 |
| Loans & Advances | - | - | 221,535,164 | - | - | 134,953,889 | - | - | 192,242,543 |
| Cash and Equivalents | - | - | 184,064,026 | - | - | 104,048,276 | - | - | 145,990,303 |
| Other Financial Assets | - | - | 31,809,702 | - | - | 24,185,046 | - | - | 22,828,367 |
| Total | 4,138,484 | 45,433,484 | 4,002,072,001 | 2,949,800 | 39,830,530 | 3,518,978,295 | 3,214,538 | 36,498,238 | 4,635,684,993 |
| Financial Liabilities | | | | | | | | | |
| Borrowings | - | - | 3,659,736,378 | - | - | 3,000,376,946 | - | - | 2,709,790,553 |
| Trade Payable | - | - | 733,296,366 | - | - | 516,389,526 | - | - | 693,039,926 |
| Other Financial Liabilities | - | - | 530,888,758 | - | - | 522,125,164 | - | - | 476,837,359 |
| Total | - | - | 4,923,921,502 | - | - | 4,038,891,636 | - | - | 3,879,667,838 |

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 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 ₹

| Credit Rating | Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---------------|------------------------|-----------------------------|-----------------------------|----------------------------|
| No Risk | Investments | 297,771,983 | 265,613,686 | 472,048,794 |
| Low Risk | Trade receivables | 3,316,463,094 | 3,032,957,728 | 3,839,226,524 |
| No Risk | Loans & Advances | 221,535,164 | 134,953,889 | 231,548,274 |
| No Risk | Cash and equivalents | 184,064,026 | 104,048,276 | 165,145,783 |
| No Risk | Other Financial Assets | 31,809,702 | 24,185,046 | 3,672,887 |
| Total | | 4,051,643,969 | 3,561,758,625 | 4,711,642,262 |

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 (xx 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 | 31 st March 2017 | 3,316,463,094 | 3.18% | 105,311,307 | 3,211,151,787 |
| | 31 st March 2016 | 3,032,957,728 | 3.19% | 96,902,980 | 2,936,054,748 |
| | 1 st April 2015 | 3,839,226,524 | 2.58% | 99,155,199 | 3,740,071,325 |

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.

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

| 31 st March 2017 | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
|-----------------------------------|------------------|-------------|-------------|-------------------|---------------|
| Financial Liabilities | | | | | |
| Borrowings | 2,275,153,633 | 391,493,905 | 339,710,464 | 653,378,377 | 3,659,736,378 |
| Trade Payable | 733,296,366 | - | - | - | 733,296,366 |
| Other Financial Liabilities | 530,888,758 | - | - | - | 530,888,758 |
| Total | 3,539,338,757 | 391,493,905 | 339,710,464 | 653,378,377 | 4,923,921,502 |
| 31st March 2016 | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | 2,056,938,177 | 328,567,641 | 245,327,566 | 369,543,562 | 3,000,376,946 |
| Trade Payable | 516,389,526 | - | - | - | 516,389,526 |
| Other Financial Liabilities | 522,125,164 | - | - | - | 522,125,164 |
| Total | 3,095,452,867 | 328,567,641 | 245,327,566 | 369,543,562 | 4,038,891,636 |
| 1st April 2015 | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | 1,975,289,976 | 273,753,318 | 175,057,659 | 285,689,600 | 2,709,790,553 |
| Trade Payable | 693,039,926 | - | - | - | 693,039,926 |
| Other Financial Liabilities | 476,837,359 | - | - | - | 476,837,359 |
| Total | 3,145,167,261 | 273,753,318 | 175,057,659 | 285,689,600 | 3,879,667,838 |

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

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Price Sensitivity (Investment at FVOCI & FVTPL) | | |
| Price Increase by (5%) | 2,024,014 | 1,682,500 |
| Price Decrease by (5%) | (2,024,014) | (1,682,500) |

* 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.

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|----------------------------------|-----------------------------|-----------------------------|----------------------------|
| Net Debts | 3,659,736,378 | 3,000,376,946 | 2,709,790,553 |
| Total Equity | 5,809,020,018 | 5,181,121,933 | 5,967,957,203 |
| Net Debt to Equity Ratio (Times) | 0.63 | 0.58 | 0.45 |

(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%.

The Company has complied with these covenants throughout the reporting period. As at 31st March 2017, the ratio of net finance cost to EBITDA was 4% (31st March 2016 – 3%).

(ii) Dividends

| Particulars | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|--|---------------|---------------|--------------|
| (i) Equity Shares | | | |
| Interim and final dividend for the year ended (In CY 2016-17 ₹ 1.10 Per Share and PY 2015-16 ₹ 1.50 Per Share) | 84,240,324 | 182,216,744 | |
| (ii) Dividends not Recognised at the End of the Reporting Period | | | 68,106,150 |
| In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.90 per fully paid equity share at the end of the financial year 2014-15. This would be considered in the financial year 2015-16 on payment basis to fulfil Ind AS compliance. | | | |

35. Related Party Information**(a) Name of Key Managerial Personnel and Relatives**

| Name of Key Managerial Personnel | Designation | Relatives |
|--|-----------------------------------|------------------------|
| Mr. D.P Agarwal | Vice Chairman & Managing Director | Mrs. Urmila Agarwal |
| Mr. Vineet Agarwal | Managing Director | Mrs. Priyanka Agarwal |
| Mr. Chander Agarwal (Till 18 th Aug 2016) | Joint Managing Director | Mrs. Chandrima Agarwal |

(b) Subsidiaries/ Step Down Subsidiaries:

| | |
|--|--|
| PT TCI Global | TCI Venture Limited |
| TCI Global (Thailand) Co. Ltd., Thailand | TCI Global Brazil Logistica Ltd, Brazil |
| TCI Global Pte Ltd., Singapore | TCI Holdings Netherlands B.V., Netherlands |
| TCI Global (Shanghai) Co. Ltd., China | TCI-CONCOR Multimodal Solutions Pvt. Ltd |
| TCI Holdings Asia Pacific Pte. Ltd., Singapore | PT. TCI Global, Indonesia |
| TCI Holding SA & E Pte. Ltd. Singapore | TCI Bangladesh Limited |

(c) Joint Ventures

| | |
|--|---|
| Transystem Logistics International Pvt.Ltd | TCI Transportation Company Nigeria Ltd. |
|--|---|

(d) Other Related Companies

| | |
|---|---|
| TCI Global Logistics Ltd. | TCI Exim Pvt. Ltd. |
| Bhoruka Finance Corporation of India Ltd. | TCI India Ltd. |
| TCI Industries Ltd. | TCI Warehousing (MH) – Partnership firm |
| Bhoruka International Pvt. Ltd. | TCI Properties (South) – Partnership firm |
| TCI Properties (Guj) – Partnership Firm | TCI Properties (NCR) – Partnership firm |
| TCI Properties (Delhi) – Partnership Firm | TCI Infrastructure Ltd. |
| TCI Developers Ltd. | TCI Apex Pal Hospitality India Pvt. Ltd. |
| TCI Properties (West) Ltd. | TCI Institute Logistics |
| XPS Cargo Services Ltd. | TCI Express Limited |
| TCI Distribution Centres Ltd. | |

(e) Key Managerial Personnel Compensation

| Description | 31 st March 2017 | 31 st March 2016 |
|------------------------------|-----------------------------|-----------------------------|
| Short Term Employee Benefits | 100,707,684 | 120,834,138 |
| Post-Employment Benefits | 2,134,327 | 2,689,258 |
| Long-Term Employee Benefits | 4,147,428 | 4,577,727 |
| Employee Share Based Payment | - | - |
| Total Compensation | 106,989,439 | 128,101,123 |

(f) Transactions During the Year with Related Parties

| Description | Nature of Relation | 31 st March 2017 | 31 st March 2016 |
|---|---|-----------------------------|-----------------------------|
| Income | | | |
| Freight Income | Joint Ventures | 518,901,454 | 393,803,193 |
| | Subsidiary | 7,335,400 | 2,501,400 |
| | Other Related Party | 5,171,696 | |
| Logistic Services | Joint Venture | 82,205,186 | 78,116,046 |
| | Other Related Party | 4,137,700 | |
| Miscellaneous Income | Subsidiary | 460,000 | 452,500 |
| Dividend Income | Joint Venture | 58,800,000 | 78,400,000 |
| | Subsidiary | 1,428,000 | - |
| | Other Related Party | - | 900,000 |
| Reimbursement of Misc Expenditures Rent Received | Other Related Party | 110,459 | |
| | Key Management Personnel Being Trustee | 83,640 | 109,098 |
| | Other Related Party | 30,582,285 | 267,900 |
| Expenditure | | | |
| Freight Expenses | Joint Venture | 7,412,221 | 482,587 |
| | Subsidiary | 16,104,176 | 9,605,629 |
| | Other Related Party | 5,227,196 | |
| Fuel Purchase | Other Related Party | 81,007,324 | 62,331,608 |
| Training Expenses | Other Related Party | 1,021,000 | 5,106,000 |
| Reimbursement of Misc Expenditures | Other Related Party | 119,502 | |
| Vehicle Maintenance Rent Paid | Joint Venture | 3,373,290 | 5,168,564 |
| | Other Related Party | 116,903,528 | 110,932,687 |
| | Key Management Personnel Being Trustee | 2,011,800 | 1,571,800 |
| | Key Management Personnel Relatives of Key Management Personnel | 768,600 900,000 | 768,600 900,000 |
| Directors Remuneration & Commission | Directors | 3,300,000 | 3,300,000 |
| | Key Management Personnel | 100,707,684 | 120,834,138 |
| Finance and Investments | | | |
| Investments | Subsidiary | 25,366,659 | 1,675,500 |
| Property Management Services | Other Related Party | 1,200,000 | 2,989,000 |
| Advance to Others | Subsidiary | - | 985,725 |
| Advances / Deposits Refund | Other Related Party | 1,340,000 | - |
| Advances / Deposits Given | Other Related Party | - | 24,448,660 |

(h) Balance at the End of the Year

| Description | Nature of Relation | 31 st March 2017 | 31 st March 2016 |
|-------------------------|---------------------------------------|-----------------------------|-----------------------------|
| Investments | Subsidiaries | 180,294,451 | 154,927,792 |
| | Joint Ventures | 39,200,000 | 39,200,000 |
| | Other related Party | 67,637,000 | 67,637,000 |
| Advances /Deposit Given | Other related Party | 84,596,654 | 101,788,653 |
| | Key Management Personnel | 640,500 | 640,500 |
| | Relatives of Key Management Personnel | 240,000 | 240,000 |
| | Trust | 372,860 | - |
| Trade Receivables | Joint Ventures | 79,631,802 | 38,475,848 |
| Advances /Deposit Taken | Key Management Personnel | 323,861 | 587,274 |
| Trade Payables | Joint Ventures | 3,176,089 | 582,515 |
| | Subsidiaries | 13,097,909 | - |

36. Segment Information**Operating Segments:**

a) Freight Division:
d) Energy Division:

b) Supply Chain Solutions Division:
e) XPS Division (Demerged):

c) Seaways 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.

| Particulars | | 31 st March 2017 | 31 st March 2016 |
|----------------------------|---|-----------------------------|-----------------------------|
| Revenue | | | |
| Segment Revenue | Freight Division | 9,223,183,043 | 8,419,900,000 |
| | Supply Chain Solutions Division | 7,374,355,714 | 6,309,704,444 |
| | Seaways Division | 1,639,323,654 | 1,402,200,000 |
| | Energy Division | 73,762,916 | 59,600,000 |
| | Unallocated Income/Expenditure | 118,714,334 | 112,300,000 |
| | Total | 18,429,339,661 | 16,303,704,444 |
| | Less: Inter Segment Revenue | (209,760,907) | (163,577,253) |
| Net Income from Operations | | 18,219,578,754 | 16,140,127,191 |
| Segment Results | Freight Division | 212,664,964 | 163,642,087 |
| | Supply Chain Solutions Division | 447,302,237 | 381,172,582 |
| | Seaways Division | 381,800,617 | 303,495,726 |
| | Energy Division | 39,386,490 | 26,159,053 |
| | Unallocated (Net of Unallocated Corporate Expenses) | 80,487,608 | 99,514,386 |
| | Less: Interest Expenses | 274,101,740 | 239,279,603 |
| Profit Before Tax | | 887,540,175 | 734,704,231 |
| Other Information | | | |
| Segment Assets | Freight Division | 2,318,479,041 | 2,180,242,701 |
| | Supply Chain Solutions Division | 3,415,075,502 | 2,736,101,863 |
| | Seaways Division | 2,212,474,118 | 1,581,884,508 |
| | Energy Division | 242,673,391 | 283,992,738 |
| | Unallocated Corporate Assets | 3,641,350,218 | 3,204,791,736 |
| Total Assets | | 11,830,052,269 | 9,987,013,546 |
| Segment Liabilities | Freight Division | 223,679,350 | 167,891,708 |
| | Supply Chain Solutions Division | 653,199,866 | 413,060,601 |
| | Seaways Division | 8,060,736 | 7,743,533 |
| | Energy Division | 389,553 | 59,019 |
| | Unallocated Corporate Liabilities | 590,973,346 | 732,168,993 |
| Total Liabilities | | 1,476,302,851 | 1,320,923,854 |
| Capital Expenditure | Freight Division | 710,328,355 | 128,027,843 |
| | Supply Chain Solutions Division | 2,832,774,557 | 807,928,124 |
| | Seaways Division | 1,579,845,193 | 45,383,933 |
| | Unallocated Capital Expenditure | 2,765,007,657 | 647,873,143 |
| Total Capital Expenditure | | 7,887,955,762 | 1,629,213,043 |
| Depreciation | Freight Division | 100,094,744 | 98,728,769 |
| | Supply Chain Solutions Division | 331,955,420 | 290,510,230 |
| | Seaways Division | 125,011,191 | 108,981,151 |
| | Energy Division | 21,064,167 | 21,056,187 |
| Total Depreciation | | 578,125,522 | 519,276,337 |

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

*As required by Ind AS 105 – "Non-current Assets Held for Sale and Discontinued Operations" figures relating to XPS undertaking which was demerged under the scheme of arrangement at the close of business hours on 31st March, 2016 have been excluded from the figures for the previous year ended 31st March, 2016.

Note: 37 Employee Benefit Obligations (On the basis of Actuarial Valuation)

| Particulars | As at 31 st March 2017 | |
|-------------------|-----------------------------------|-------------|
| | Current | Non-current |
| Gratuity (Funded) | 147,186,330 | - |
| Leave Obligations | 25,285,821 | - |
| Total | 172,472,151 | - |

| Particulars | As at 31 st March 2016 | |
|-------------------|-----------------------------------|-------------|
| | Current | Non-current |
| Gratuity (Funded) | 112,497,132 | - |
| Leave Obligations | 33,023,982 | - |
| Total | 145,521,114 | - |

| Particulars | As at 1 st April 2015 | |
|-------------------|----------------------------------|-------------|
| | Current | Non-current |
| Gratuity (funded) | 83,535,642 | - |
| Leave Obligations | 28,158,097 | - |
| Total | 111,693,739 | - |

Leave Obligations

The leave obligations cover the Company liability for earned leaves. The amount of provision of ₹ 36,997,539 (31st March 2016 ₹ 33,023,982 1st April 2015 ₹ 28,158,097) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Current Leave Obligations Expected to be Settled within the Next 12 months | 3,441,442 | 6,725,550 | 5,742,390 |
| Non-Current Leave Obligations Expected to be Settled in Future | 21,844,379 | 26,298,432 | 22,415,707 |
| Total Liability | 25,285,821 | 33,023,982 | 28,158,097 |

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

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Present value of defined benefit obligation as at the start of the year | 33,023,982 | 28,158,097 | 23,742,165 |
| Current service cost | 6,002,677 | 6,001,429 | 4,919,175 |
| Interest cost | 2,476,799 | 2,258,819 | 1,899,373 |
| Actuarial loss/(gain) recognized during the year | (16,217,637) | (3,394,363) | (2,402,616) |
| Benefits paid | - | - | - |
| Present value of defined benefit obligation as at the end of the year | 25,285,821 | 33,023,982 | 28,158,097 |

Amount Recognised in the Statement of Profit and Loss is as under:

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Current Service Cost | 4,957,193 | 6,001,429 |
| Interest Cost | 2,476,799 | 2,258,819 |
| Amount Recognized in the Statement of Profit and Loss | 7,433,992 | 8,260,248 |

Amount Recognised in the Statement of Other Comprehensive Income

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Net Cumulative Unrecognised Actuarial Gain/(Loss) Opening | - | - |
| Actuarial Gain/(Loss) for the Year on PBO | (15,172,153) | (3,394,363) |
| Actuarial Gain/(Loss) for the Year on Asset | - | - |
| Unrecognised Actuarial Gain/(Loss) at the End of the Year | (15,172,153) | (3,394,363) |

Actuarial Assumptions

| Particulars | 31 st March 2017 | 31 st March 2016 |
|------------------------|-----------------------------|-----------------------------|
| Discount Rate | 7.50% | 8.00% |
| 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 March 2017 is 17 years (31st March 2016: 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

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Present Value Obligation as at the Start of the Year | 132,875,036 | 112,497,132 | 83,535,642 |
| Interest Cost | 10,513,755 | 14,286,801 | 11,930,847 |
| Current Service Cost | 12,815,344 | 16,998,627 | 16,074,512 |
| Benefits Paid | (18,361,506) | (19,434,247) | (16,362,312) |
| Actuarial Loss/(Gain) on Obligations | 9,343,701 | 8,526,723 | 17,318,443 |
| Present value Obligation as at the End of the Year | 147,186,330 | 132,875,036 | 112,497,132 |

Change in Fair Value of Plan Assets

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Fair Value of Plan Assets as at the Start of the Year | 127,278,265 | 104,874,933 | 85,469,293 |
| Return on Plan Assets | 9,663,905 | 13,642,760 | 12,063,194 |
| Actuarial Loss/(Gain) | 7,497,565 | 1,706,636 | 9,821,758 |
| Contribution | 6,954,381 | 26,488,183 | 13,883,000 |
| Benefits Paid | (18,361,506) | (19,434,247) | (16,362,312) |
| Fair Value of Plan Assets as at the End of the Year | 133,032,610 | 127,278,265 | 104,874,933 |

Breakup of Actuarial Gain/Loss:

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Actuarial (Gain)/Loss on Arising from Change in Financial Assumption | 9,343,701 | 8,526,723 |
| Actuarial (Gain)/Loss on Arising from Experience Adjustment | (7,497,565) | 1,706,636 |
| Total Amount Recognised in Other Comprehensive Income | 1,846,136 | 10,233,359 |

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

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Present Value Obligation as at the End of the Year | 147,186,330 | 132,875,036 | 112,497,132 |
| Fair Value of Plan Assets as at the End of the Year | 133,032,610 | 127,278,265 | 104,874,933 |
| Net Asset Recognized in Balance Sheet | 14,153,720 | 5,596,771 | 7,622,199 |

Amount Recognized in the Statement of Profit and Loss

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Current service cost | 12,815,344 | 16,998,627 |
| Interest cost | 10,513,755 | 14,286,801 |
| Expected return on plan assets | (9,663,905) | (13,642,760) |
| Net actuarial (gain)/loss recognized in the period | (4,445,998) | - |
| Amount recognised in the statement of profit and loss | 9,219,196 | 17,642,668 |

Amount Recognised in the Statement of Other Comprehensive Income

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Net Cumulative Unrecognised Actuarial Gain/(Loss) Opening | | |
| Actuarial Gain/(Loss) for the Year on PBO | 9,343,701 | 8,565,758 |
| Actuarial Gain/(Loss) for the Year on Asset | (7,497,565) | 1,667,601 |
| Unrecognised Actuarial Gain/(Loss) at the End of the Year | 1,846,136 | 10,233,359 |

Actuarial Assumptions

| Particulars | 31 st March 2017 | 31 st March 2016 |
|------------------------|-----------------------------|-----------------------------|
| 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.

Sensitivity Analysis for Gratuity Liability

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Impact of the Change in Discount Rate | | | |
| Present Value of Obligation at the End of the Year | 147,186,330 | 132,875,036 | 112,497,132 |
| a) Impact Due to Increase of 8 % | 11,774,906 | 10,630,003 | 8,999,771 |
| b) Impact Due to Decrease of 7 % | 10,303,043 | 9,301,253 | 7,874,799 |
| Impact of the Change in Salary Increase | | | |
| Present Value of Obligation at the End of the Year | 147,186,330 | 132,875,036 | 112,497,132 |
| a) Impact Due to Increase of 6 % | 8,831,180 | 7,972,502 | 6,749,828 |
| b) Impact Due to Decrease of 4 % | 5,887,453 | 5,315,001 | 4,499,885 |

The Major Categories of Plan Assets are as Follows:

| Particulars | 31 st March 2017 | | | |
|---------------------------|-----------------------------|------------|-------------|-----|
| | Quoted | Upquoted | Total | In% |
| Equity Instruments | 3,226,991 | - | 3,226,991 | 2% |
| Debt Instruments | 170,417,042 | - | 170,417,042 | 80% |
| Fixed Deposits | - | 21,713,337 | 21,713,337 | 10% |
| Cash and Cash Equivalents | - | 16,798,363 | 16,798,363 | 8% |

| Particulars | 31 st March 2016 | | | |
|---------------------------|-----------------------------|------------|-------------|-----|
| | Quoted | Upquoted | Total | In% |
| Equity Instruments | 2,860,020 | - | 2,860,020 | 2% |
| Debt Instruments | 152,348,897 | - | 152,348,897 | 80% |
| Fixed Deposits | - | 34,750,699 | 34,750,699 | 18% |
| Cash and Cash Equivalents | - | 461,263 | 461,263 | 0% |

38 Commitments

Non-Cancellable Operating Leases

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.

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Commitments for Minimum Lease Payments in Relation to Non-Cancellable Operating Leases are Receivable as Follows: | | | |
| Within one Year | 26,016,217 | 26,016,217 | 26,016,217 |
| Later Than one Year but not Later than Five Years | 55,025,508 | 70,862,189 | 86,698,870 |
| Later than Five Years | 68,914,439 | 124,152,586 | 164,870,732 |
| Total | 149,956,165 | 221,030,992 | 277,585,819 |

39 Contingent Liabilities and Commitments:-

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (a) Contingent Liabilities not Provided in Respect of Following | | | |
| Trade Tax/ Octroi/ Duty/ ESI and other demands under dispute | 36,672,810 | 32,471,589 | 47,184,441 |
| Guarantees and Counter Guarantees Outstanding | 434,649,389 | 459,343,256 | 454,154,421 |
| Income Tax demands under dispute | 2,271,370 | 2,271,370 | 3,397,540 |
| (b) Commitments | | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for net of advance on tangible assets | 99,736,668 | 48,201,179 | 224,490,000 |

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) Contributions towards CSR

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. Expenditure by way of contribution to various trusts and institutions related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof ₹ 223 lakh.

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 6)

Corporate Guarantees given by the Company in respect of loans

| Sl No | Name of the Company | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-------|-------------------------|-----------------------------|-----------------------------|----------------------------|
| 1 | ABC India Ltd | 74,206,119 | 74,206,119 | 118,500,000 |
| 2 | TCI Infrastructure Ltd. | 134,800,000 | 174,562,500 | 211,310,000 |

42 Discontinued Operation (Demerger of TCI XPS Undertaking)

The scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 (the scheme) between Transport Corporation of India Limited (the demerged company) and its wholly owned subsidiary TCI Express Limited (formerly known as TCI Properties (Pune) Limited) (the resulting company) and their respective shareholders and the creditors of the two companies for demerger of the XPS undertaking of the demerged company into TCI Express limited with the appointed date at the close of business hours on 31st March 2016, has been sanctioned by the Hon'ble Telangana and Andhra Pradesh High Court by an order dated 14th June, 2016 and a certified copy thereof has been filed with the Registrar of the Companies, Hyderabad. The scheme, being effective from the appointed date, provides for:

- Issue of one equity share of ₹ 2 each by TCI Express Limited for two equity shares of ₹ 2 each of the demerged company
- Cancellation of 50,000 equity shares of ₹ 10 each of the TCI express Ltd held by the demerged company under the provisions of sections 102 to 103 of the Companies Act 1956 and same has been adjusted with General Reserve.
- In respect of the above adjustments it is deemed that the special resolution as contemplated under Article 62 of the Article of Association of the demerged company and under section 100 of the Companies act 1956 has been passed and all the procedures required under section 100 of the Companies Act, 1956 for reduction of share capital have been complied with.
- In Pursuant to the Scheme, losses of ₹ 2,13,739,400 on liquidation of the wholly owned subsidiary of the demerged company TCI Global Holding (Mauritius) Limited shall be adjusted in the statement of profit and loss and an equivalent amount of such loss shall be transferred from Securities Premium Account to the Statement of Profit and Loss.
- The amount of difference in the net value of assets shall be adjusted against reserves as envisaged under the Scheme.

- f) All the assets and liabilities of the XPS Undertaking has been transferred as a going concern at the values appearing in the books of the Company at the close of business hours on 31st March 2016. The particulars of assets and liabilities transferred are as follows:

| Name of the Company | 31 st March 2016 |
|---------------------|-----------------------------|
| Total assets | 1,984,567,303 |
| Total liabilities | 755,093,391 |

- (g) In pursuant to the Scheme, the surplus of ₹ 1,229,473,912 lacs assets over liabilities pertaining to XPS Undertaking transferred to and vested in TCI Express Limited (Formerly known as TCI Properties (Pune) Limited) has been adjusted with reserve and surplus of the Company in the following manner.

| Name of the Company | 31 st March 2016 |
|-----------------------|-----------------------------|
| Share Premium Account | 978,599,696 |
| General Reserve | 250,874,216 |
| Total | 1,229,473,912 |

- (h) In pursuant to the Scheme, contingent liabilities and commitments related to the XPS Undertakings has been transferred to TCI Express Ltd. (Formerly known as TCI Properties (Pune) Ltd.)

| Contingent Liabilities not Provided in Respect of Following | 31 st March 2016 |
|---|-----------------------------|
| Trade Tax/ Octroi/ Duty/ ESI and other Demands under Dispute | 2,420,766 |
| Guarantees and Counter Guarantees Outstanding | 4,382,452 |
| Commitments | |
| Estimated Amount of Contracts Remaining to be Executed on Capital Account and not Provided for Net of Advance on Tangible Assets. | 110,877,825 |

- (i) The following statement shows the revenue and expenses of continuing and discontinuing (demerged) operations for the year ended 2016. (In Lakh)

| Particulars | Continuing Operations | Discontinued Operation (TCI XPS Undertaking) | Total |
|-------------------------|-----------------------|--|---------|
| Turnover | 161,401 | 66,380 | 227,782 |
| Operating Expenses | 128,241 | 50,582 | 178,823 |
| Profit (Loss) Before | 7,469 | 4,449 | 11,918 |
| Income Tax Expenses | 1,513 | 1,339 | 2,852 |
| Profit (Loss) After Tax | 5,956 | 3,110 | 9,066 |

- (j) Non-current Assets Held for Sale and Discontinued Operations

As required by Ind AS 105 – “Non-current Assets Held for Sale and Discontinued Operations” figures relating to XPS undertaking which was demerged under the scheme of arrangement at the close of business hours on 31st March, 2016 have been excluded from the figures for the previous year ended 31st March, 2016.

- 43 (a) There is no outstanding as at 31st 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.

45 Additional Information

| Particulars | In ₹ | |
|--|-----------------------------|-----------------------------|
| | 31 st March 2017 | 31 st March 2016 |
| (a) Capital Goods | 31,758,675 | 57,768,367 |
| (b) Investment | 5,756,364 | - |
| (c) Main Engine Break-down Repair | 2,415,234 | 4,059,444 |
| (d) Traveling Expenses | 6,196,497 | 8,952,611 |
| (e) Conference & Seminar | 579,642 | 60,897 |
| (f) Consultancy Charges/ Professional Fees | 484,983 | 542,526 |
| (g) Subscription | 3,894,291 | 725,616 |
| (h) Staff Training Programmes | - | 718,021 |
| (i) Insurance | 5,774,230 | 6,767,454 |
| (j) Dry- Dock Expenses | 62,237,577 | 61,252,299 |
| (k) Spare Parts | 66,961,709 | 29,805,065 |
| (l) Other Ship Operating Expenses | 12,909,930 | 3,152,673 |
| (m) Others | 94,145 | 5,126,536 |

C.I.F. Value of Imported & Indigenous Stores and Spare Parts Consumed

| Particulars | 31 st March 2017 | | 31 st March 2016 | |
|----------------|-----------------------------|------------|-----------------------------|------------|
| | % of Total Consumption | In ₹ | % of Total Consumption | In ₹ |
| (a) Imported | 87% | 60,574,789 | 76% | 53,094,080 |
| (b) Indigenous | 13% | 8,933,785 | 68% | 47,235,568 |

46 Details of Specified Bank Notes (SBN) held and Transacted

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below -

| | SBNs | Other denomination notes | Total |
|--|------------|--------------------------|-------------|
| Closing Cash in hand as on 08-Nov-2016 | 27,700,000 | 35,288,639 | 62,988,639 |
| (+) Permitted Receipts | | 419,318,446 | 419,318,446 |
| (-) Permitted Payments | | 444,481,030 | 444,481,030 |
| (-) Amount Deposited in Banks | 27,700,000 | 321,345 | 28,021,345 |
| Closing Cash in hand as on 30-Dec-2016 | - | 9,804,710 | 9,804,710 |

47. First-Time Adoption of Ind AS

These financial statements, for the year ended 31st March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2017, together with the comparative period data as at and for the year ended 31st March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and Exceptions Availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS

(a) Ind AS Optional Exemptions

Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

Investment in Subsidiaries, Jointly Controlled Entities and Associates

Ind AS 101 permits a first-time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in the subsidiary, jointly controlled entities and associates as the deemed cost. Accordingly, the Company has opted to measure its investment in subsidiary, jointly controlled entities and associates at deemed cost i.e., previous GAAP carrying amount.

Share Based Payment

Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before the transition date, i.e. 1st April 2015.

Business Combinations

Ind AS 103, Business Combinations has not been applied to acquisition of subsidiaries, which are considered under Ind AS that occurred before 1st April 2015. Use of this exemption means that Indian GAAP carrying amount of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with the respective Ind AS.

(b) Ind AS Mandatory Exceptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

Classification and measurement of financial assets Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) Reconciliations Between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

I Reconciliation of Equity as at Date of Transition (1st April 2015)

| Particulars | Note | Indian GAAP | Adjustments | Ind AS |
|----------------------------------|--------|---------------|-------------|---------------|
| Assets | | | | |
| Non-current assets | | | | |
| a) Property, Plant and Equipment | 1 & 10 | 4,747,473,134 | 9,789,760 | 4,757,262,894 |
| b) Capital work in progress | | 68,102,112 | - | 68,102,112 |
| c) Other Intangible assets | | 35,304,564 | - | 35,304,564 |
| d) Financial Assets | | | - | - |

| Particulars | Note | Indian GAAP | Adjustments | Ind AS |
|-----------------------------------|-------|----------------|--------------|----------------|
| i) Investments | 6 | 444,048,794 | 31,061,238 | 475,110,032 |
| ii) Loans | 3 | 86,183,282 | (27,245,007) | 58,938,275 |
| ii) Other financial assets | 11 | - | 19,155,480 | 19,155,480 |
| e) Other non current assets | 1 & 3 | 347,294,002 | 39,701,582 | 386,995,584 |
| | | 5,728,405,888 | 72,463,053 | 5,800,868,941 |
| Current assets | | | | |
| a) Inventories | | 22,752,180 | - | 22,752,180 |
| b) Financial Assets | | | - | |
| i) Trade receivable | 8 | 3,938,381,723 | (99,155,199) | 3,839,226,524 |
| ii) Cash and cash equivalents | | 137,274,787 | - | 137,274,787 |
| iii) Other bank balances | | 8,715,516 | - | 8,715,516 |
| iv) Loans | | 133,304,268 | - | 133,304,268 |
| v) Other financial assets | 11 | 22,828,367 | (19,155,480) | 3,672,887 |
| c) Current tax assets (net) | | 79,749,222 | - | 79,749,222 |
| d) Other current assets | 7 & 9 | 97,451,529 | 132,361,922 | 229,813,451 |
| | | 4,440,457,592 | 14,051,243 | 4,454,508,835 |
| Total Assets | | 10,168,863,480 | 86,514,296 | 10,255,377,776 |
| Equity and Liabilities | | | | |
| Equity | | | | |
| a) Equity Share Capital | | 151,347,000 | - | 151,347,000 |
| b) Other Equity | | 5,661,007,941 | 155,602,262 | 5,816,610,203 |
| | | 5,812,354,941 | 155,602,262 | 5,967,957,203 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| a) Financial Liabilities | | | | |
| i) Long-term Borrowings | | 734,528,018 | - | 734,528,018 |
| b) Deferred tax liabilities (net) | 4 | 284,822,303 | 12,632,605 | 297,454,908 |
| c) Other non current liabilities | | - | - | - |
| | | 1,019,350,321 | 12,632,605 | 1,031,982,926 |
| Current liabilities | | | | |
| a) Financial Liabilities | | | | |
| i) Borrowings | | 1,975,262,535 | - | 1,975,262,535 |
| ii) Trade payables | | 693,039,926 | - | 693,039,926 |
| iii) Other financial Liabilities | 11 | 478,691,986 | (1,854,627) | 476,837,359 |
| b) Provisions | 2 | 135,802,465 | (81,720,569) | 54,081,896 |
| c) Other current liabilities | 11 | 54,361,306 | 1,854,626 | 56,215,932 |
| | | 3,337,158,218 | (81,720,571) | 3,255,437,647 |
| Total Equity and Liabilities | | 10,168,863,480 | 86,514,296 | 10,255,377,776 |

II Reconciliation of Equity as at Date of Transition (31st March 2016)

| Particulars | Note | Indian GAAP | Adjustments | Ind AS |
|----------------------------------|--------|---------------|--------------|---------------|
| Assets | | | | |
| Non-current assets | | | | |
| a) Property, Plant and Equipment | 1 & 10 | 5,159,183,626 | 46,284,081 | 5,205,467,707 |
| b) Capital work in progress | | 123,186,891 | - | 123,186,891 |
| c) Other Intangible assets | | 9,864,203 | - | 9,864,203 |
| d) Financial Assets | | | | |
| i) Investments | 6 | 231,220,156 | 34,393,530 | 265,613,686 |
| ii) Loans | 3 | 86,183,282 | (21,940,563) | 64,242,719 |
| ii) Other financial assets | 11 | - | 19,722,679 | 19,722,679 |
| e) Other non current assets | 1 & 3 | 306,209,619 | 33,358,134 | 339,567,753 |
| | | 5,915,847,777 | 111,817,862 | 6,027,665,638 |
| Current assets | | | | |
| a) Inventories | | 17,578,333 | - | 17,578,333 |
| b) Financial Assets | | | | |
| i) Trade receivable | 8 | 3,129,860,708 | (96,902,980) | 3,032,957,728 |
| ii) Cash and cash equivalents | | 91,152,474 | - | 91,152,474 |
| ii) Other Bank Balances | | 12,895,802 | - | 12,895,802 |
| iii) Loans | | 70,711,170 | - | 70,711,170 |
| iv) Other financial assets | 11 | 24,185,047 | (19,722,677) | 4,462,370 |
| c) Current tax assets (net) | | 109,016,428 | - | 109,016,428 |
| d) Other current assets | 7 & 9 | 191,978,102 | 139,482,594 | 331,460,696 |
| | | 3,647,378,064 | 22,856,937 | 3,670,235,001 |
| Total Assets | | 9,563,225,841 | 134,674,799 | 9,697,900,639 |

| Particulars | Note | Indian GAAP | Adjustments | Ind AS |
|-------------------------------------|------|----------------------|--------------------|----------------------|
| Equity and Liabilities | | | | |
| Equity | | | | |
| a) Equity Share Capital | | 152,147,200 | - | 152,147,200 |
| b) Other Equity | | 4,944,903,633 | 84,071,100 | 5,028,974,733 |
| | | 5,097,050,833 | 84,071,100 | 5,181,121,933 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| a) Financial Liabilities | | | | |
| i) Long-term Borrowings | | 957,575,099 | - | 957,575,099 |
| b) Deferred tax liabilities (net) | 4 | 319,837,716 | (1,077,347) | 318,760,369 |
| c) Other non current liabilities | | - | - | - |
| | | 1,277,412,815 | (1,077,347) | 1,276,335,468 |
| Current liabilities | | | | |
| a) Financial Liabilities | | | | |
| i) Borrowings | | 2,042,801,847 | - | 2,042,801,847 |
| ii) Trade payables | | 516,389,523 | - | 516,389,523 |
| iii) Other financial Liabilities | 11 | 524,523,826 | (2,398,659) | 522,125,167 |
| b) Provisions | 2 | 63,440,086 | - | 63,440,086 |
| c) Other current liabilities | 11 | 41,606,911 | 54,079,704 | 95,686,615 |
| | | 3,188,762,193 | 51,681,045 | 3,240,443,238 |
| Total Equity and Liabilities | | 9,563,225,841 | 134,674,798 | 9,697,900,639 |

III Reconciliation of Total Comprehensive Income for the Year Ended (31st March 2016)

| Particulars | Note | Indian GAAP | Adjustments | Ind AS |
|--|----------|----------------|--------------|----------------|
| Income from Operations | | | | |
| a) Income from Operations | 7 & 11 | 15,945,773,190 | 38,324,771 | 15,984,097,961 |
| Total | | 15,945,773,190 | 38,324,771 | 15,984,097,961 |
| Expenses | | | | |
| a) Operating Expenses | 7 | 12,774,754,056 | 49,330,724 | 12,824,084,780 |
| b) Employee Benefits Expense | 5 & 9 | 965,591,751 | (11,951,374) | 953,640,377 |
| c) Depreciation and Amortisation Expense | 10 | 481,360,169 | 25,754,748 | 507,114,917 |
| d) Other Expenses | 1, 3 & 8 | 930,840,871 | (61,699,008) | 869,141,863 |
| Total | | 15,152,546,847 | 1,435,090 | 15,153,981,937 |
| Profit from Operations Before other Income and Finance Costs (1-2) | | 793,226,343 | 36,889,681 | 830,116,024 |
| Other income | 11 | 124,708,568 | 31,320,662 | 156,029,230 |
| Profit Before Finance Costs | | 917,934,911 | 68,210,343 | 986,145,254 |
| Finance Costs | 11 | 229,590,715 | 9,688,888 | 239,279,603 |
| Profit Before Tax from Continuing Operations | | 688,344,196 | 58,521,455 | 746,865,651 |
| Tax Expense (Including Deferred Tax) | 4 | 142,415,131 | 8,861,395 | 151,276,526 |
| Profit from Continuing Operations After Tax | | 545,929,065 | 49,660,060 | 595,589,125 |
| Profit Before Tax from Discontinuing Operations | 7 | 435,266,562 | 9,655,217 | 444,921,779 |
| Tax Expense of Discontinuing Operations | 4 | 130,579,969 | 3,341,477 | 133,921,446 |
| Profit from Discontinuing Operations After Tax | | 304,686,593 | 6,313,740 | 311,000,333 |
| Net Profit For the Period | 5 & 6 | 850,615,658 | 55,973,800 | 906,589,458 |
| Other Comprehensive Income/(Expense) Net of Taxes | 4 | - | (3,412,896) | (3,412,896) |
| Total Comprehensive Income as Per Ind AS | | 850,615,658 | 52,560,904 | 903,176,562 |

IV Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total equity as at 31st March 2016 and 1st April 2015

| Particulars | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|----------------------------|
| Total equity (shareholder's funds) as per previous GAAP | 5,097,050,833 | 5,812,354,941 |
| Adjustments: | | |
| Impact of change in revenue recognition (POCM) | 26,124,346 | 132,361,922 |
| Impact of expected credit loss | (5,293,076) | (99,155,199) |
| Impact of financial instruments at amortised cost | (868,439) | |
| Impact of leasehold land - operating leases | (231,847) | (3,006,862) |
| Reversal of proposed dividend (including tax on dividend) | (81,720,569) | 81,720,569 |
| Impact of investments carried at fair value through profit and loss and other comprehensive income | 3,332,292 | 31,061,238 |
| Impact of expenses capitalised | 36,494,321 | 25,314,481 |
| Others | 1,718,017 | (61,283) |
| Deferred tax impact on above adjustments | (8,714,708) | (12,632,605) |
| Total adjustments | (29,159,663) | 155,602,262 |
| Impact taken last year | 155,602,262 | |
| Impact pertaining to demerged entity | (42,371,498) | |
| Total equity as per Ind AS | 5,181,121,934 | 5,967,957,203 |

Reconciliation of total equity as at 31st March 2016 and 1st April 2015

| Particulars | 31 st March 2016 |
|--|-----------------------------|
| Profit after tax as per previous GAAP | 850,615,658 |
| Adjustments: | |
| Impact of change in revenue recognition (POCM) | 26,124,346 |
| Impact of expected credit loss | (5,293,076) |
| Impact of financial instruments at amortised cost | (868,439) |
| Impact of leasehold land - operating leases | (231,847) |
| Impact of investments carried at fair value through profit and loss and other comprehensive income | 3,332,292 |
| Impact of expenses capitalised | 36,494,321 |
| Others | 1,718,017 |
| Deferred tax impact on above adjustments | (8,714,708) |
| Total adjustments | 52,560,906 |
| Total comprehensive income for the year ended 31 March 2016 | 903,176,564 |

d) Notes to First-Time Adoption:**Note : 1**

AS 19 excluded lease agreements to use land from its scope. However, lease agreements to use land are within the scope of Ind AS 17. Accordingly, in accordance with principles set out in Ind AS 17, land lease agreements have been determined to be operating lease arrangements.

Accordingly, amount paid upfront which was earlier recognised under previous GAAP as a fixed asset has been derecognised having a net impact of ₹ 155.24 lakh on 1st April 2015 and of ₹ Nil for the FY 2015 -16. Accordingly, amortisation on leasehold land has also been charged amounting to ₹ 30.07 lakh as on 1st April 2015 and ₹ 2.32 lakhs in the FY 2015 -16.

The above has resulted in a net impact of ₹ 30.07 lakh as on 1st April 2015 and ₹ 32.39 lakhs as on 31st March 2016 in equity. Further, this has resulted an impact of ₹ 2.32 lakhs in the net profit for the FY 2015 -16.

Note : 2

Under Indian GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared/paid. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid which happens after year end.

Therefore, the liability of ₹ 817 lakh for the year ended on 31st March 2015 recorded for proposed dividend & their tax has been derecognised on 1st April 2015 and the same has been recognised as an appropriation of profit in the FY 2015-16.

Note : 3

Interest free security deposits paid/received were carried at nominal cost under previous GAAP. On application of Ind AS 109, all such financial assets are now being measured at amortised cost using effective rate of interest. At the date of transition to Ind AS, difference between the amortised cost and Indian GAAP carrying amount these security deposits lacs has been recognised as prepaid rent. Correspondingly, interest income/expense on security deposits and amortisation of prepaid rent have also been accounted for.

The above recognition has a net impact of ₹ 1.92 lakh in the FY 2015 -16.

Note : 4

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. The net impact on deferred tax liabilities is of ₹ 126.32 lakh on 1st April 2015 and ₹ 87.15 lakh on 31st March 2016.

Note : 5

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised to retained earnings through OCI. Thus, remeasurements gains of ₹ 102.33 lakh has been reduced from the net profit of the FY 2015-16 and has been recognised in OCI at ₹ 66.9 lakh (net of tax). This has no resulting impact on equity.

Note : 6

Under Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution which is other than temporary, under Ind AS financial asset other than amortised cost are subsequently measured at fair value.

The Company holds investment in equity instruments of companies and mutual funds with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. The Company has also made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading. This has resulted in increase in investments reserve by ₹ 310.61 lakh as at 1st April 2015 and by ₹ 33.32 lacs as at 31st March 2016, net of related deferred taxes.

Investments in mutual funds have been classified as fair value through statement of profit and loss and changes in fair values are recognised in statement of profit and loss. This has resulted in decreased in retained earnings by ₹ 17.85 lakh as at 1st April 2015 and by ₹ 20.50 lakh as at 31st March 2016 and decreased in net profit by ₹ 2.64 lakh for the year ended 31st March 2016.

Note : 7

Under Previous GAAP, revenue from rendering services were recognised using either Percentage of completion method or completed contract method. Under Ind AS, revenue from rendering of services is recognised using Percentage of completion method.

Accordingly, the Company has changed its accounting policy for recognising revenue and associated costs from logistic services on the basis of Percentage of completion method. The above recognition has a net impact of ₹ 1323.62 lakh on 1st April 2015 and ₹ 261.24 lakh in the FY 2015 -16 accumulating to ₹ 1584.86 lakh on 31st March 2016.

Note : 8

Under Indian GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the group impaired its trade receivable by ₹ 991.55 lakh on 1st April 2015 which has been eliminated against retained earnings. The impact of ₹ 52.93 lakh for year ended on 31st March 2016 has been recognised in the statement of profit and loss.

Note : 9

Under Indian GAAP, the Company recognised only the intrinsic value for the share based ayments as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An expense of ₹ 17.61 lakh has been reduced recognised in the statement of profit and loss for the year ending 31st March 2016.

Note : 10

Ind AS 16 requires significant component parts of an item of property, plant and equipment to be depreciated separately. Accordingly, the cost of major overhaul (Dry docking cost) is capitalised and depreciated separately over the period to the next major overhaul. At the date of transition to Ind AS, an increase of ₹ 253.14 lakh was recognised in property, plant and equipment net of accumulated depreciation due to separate depreciation of significant components of property, plant and equipment. This amount has been recognised against retained earnings. For the year ended on 31st March 2016, increase in depreciation was charged in the statement of profit and loss for ₹ 257.54 lakh and correspondingly dry dock expenses which was debited in statement of profit and loss reversed of ₹ 622.49 lakh.

Note : 11

The Company has reclassified certain items of assets and liabilities to comply with the requirements of Ind AS. This has no resulting impact on equity and net profit.]

Note : 12

The transition from previous GAAP to Ind AS has not made a material impact on the statement of cash flows.

In terms of our Report of even date

For **R S Agarwala & Co.**
 Chartered Accountants
 Firm Regn No. 304045E

S.M. Datta
 (Chairman)

For and on behalf of the Board

O. Swaminatha Reddy
 (Director)

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

Vineet Agarwal
 (Managing Director)

R. S. Agarwala
 Partner
 (Membership No.005534)
 Camp: Gurugram
 Date : 16th May, 2017

Place: Gurugram
 Date: 16th May, 2017

Archana Pandey
 (Company Secretary &
 Compliance Officer)

Ashish Tiwari
 (Group CFO)

Independent Auditor's Report on Consolidated Financial Statements

To the Members of Transport Corporation of India Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Transport Corporation of India Limited** (hereinafter referred to as "the Holding Company") and 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 31st March, 2017, 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 Ind AS financial statements")

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements 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 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and jointly controlled entities venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and 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 the 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 Ind AS 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 the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

1. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit.
2. We have taken into account the provisions of the Act and Rules made thereunder, including accounting standards and matters which are required to be included in the audit report.
3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS

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 accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

5. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in para (a) of the other matters below, other than the unaudited financial statements as certified by the management and referred to in para (b) of the other matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statement.

Opinion

Based on our audit on consideration of reports of other auditors, on separate financial statements of the subsidiaries and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of the affairs of the Group and jointly controlled entities as at 31st March, 2017 and its consolidated Profit (including other comprehensive income), their consolidated Cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 41 to the consolidated Ind AS financial statements in case of the step down overseas subsidiary TCI Global (Singapore) Pte. Ltd which had suffered recurring operating losses, has capital deficiency and whose total current liabilities are in excess of total current assets and giving rise to doubt as the subsidiary's ability to continue as a going concern. However, the management confirms continued financial support from the holding Company and therefore do not require any adjustments to the carrying value and classification of the assets and liabilities.

Our opinion is not qualified in respect of these matters.

Other Matters

- (a) We did not audit the financial statements of nine subsidiaries (including seven overseas step-down subsidiaries), and two jointly controlled entities (including one overseas jointly controlled entities), whose financial statements reflect total assets of ₹ 3,030.90 lakh as at 31st March, 2017, total revenues of ₹ 13,861.31 lakh and net cash outflows amounting to ₹ 68.01 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of three overseas step-down subsidiaries, whose financial statements reflect total assets of ₹ 283.32 lakh as at 31st March, 2017, total revenues of ₹ Nil and net cash outflows amounting to ₹ 0.12 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these step down subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so

far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

The comparative financial information of the Company for the year ended 31st March, 2016 and the transition date opening balance sheet as at 1st April, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended 31st March, 2016 and 31st March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 18th August, 2016 and 25th May, 2015 respectively. The adjustments to those financial statements for the difference in accounting principles adopted by the Company on transition have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 purpose of our audit of the aforesaid consolidated Ind AS financial statement;
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the group and jointly controlled entities relating to preparation of the aforesaid consolidated Ind AS financial statement have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, and jointly controlled entities for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its jointly controlled companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director of that company in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial control over financial reporting of the Holding Company, its subsidiaries companies, and jointly controlled entities incorporated in India and the operating effectiveness of such control, refer to our separate report in Annexure "A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As detailed in Note 40 to the consolidated Ind AS financial statements, the Group has disclosed the impact of pending litigation on its consolidated Ind AS financial statements.
 - ii. The Group 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 amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - iv. In the consolidated financial statements, holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 by the Holding Company and its subsidiaries and jointly controlled entities incorporated in India has been requisitely disclosed and these are in accordance with the books of accounts maintained by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India and reports of the other auditors. Refer note 46.

For **R.S. Agarwala & Co.**
 Chartered Accountants
 Firm's Regn No.: 304045E

R.S. Agarwala
 Partner

Membership No.: 005534

Camp: Gurugram
 Date: 16th May, 2017

Annexure "A" to the Independent Auditor's Report

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the members of Transport Corporation of India Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2017.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the companies Act, 2013

We have audited the internal financial controls over financial reporting of Transport Corporation of India Limited (hereinafter referred to as "the Holding Company"), its subsidiary companies and jointly controlled entities as of 31st March, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its

subsidiary companies and jointly controlled entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 respective company's policies, safeguarding of its assets, prevention and detection of frauds and

errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group'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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the reports of the other auditors in respect of entities audited by them 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 control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of

the company are being made only in accordance with authorizations of management and directors of the company; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled entities 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 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India as it appears from our examination of the books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them.

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 insofar as it relates to nine subsidiary companies and two jointly controlled entities 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 **R.S. Agarwala & Co.**
Chartered Accountants
Firm's Regn No.: 304045E

R.S. Agarwala
Partner

Membership No.: 005534

Camp: Gurugram
Date: 16th May, 2017

Consolidated Balance Sheet as at 31st March 2017

| Particulars | Note No | As at 31 st March 2017 In ₹ | As at 31 st March 2016 In ₹ | As at 1 st April 2015 In ₹ |
|--|---------|---|---|--|
| Assets | | | | |
| Non-Current Assets | | | | |
| Property, Plant And Equipment | 4 | 5,410,090,958 | 5,314,024,829 | 4,874,916,318 |
| Capital Work-in-Progress | 4A | 568,091,749 | 123,186,891 | 68,102,112 |
| Intangible Assets | 5 | 6,773,233 | 9,864,203 | 35,304,564 |
| Financial Assets | | | | |
| Investments | 6 | 866,360,075 | 760,181,501 | 734,017,934 |
| Loans | 7 | 114,305,094 | 64,242,719 | 58,938,275 |
| Other Financial Assets | 8 | 30,470,747 | 31,210,353 | 27,963,854 |
| Other Non-Current Assets | 9 | 549,664,826 | 348,241,867 | 386,995,584 |
| | | 7,545,756,682 | 6,650,952,363 | 6,186,238,641 |
| Current Assets | | | | |
| Inventories | 10 | 25,174,642 | 17,686,168 | 22,752,180 |
| Financial Assets | | | | |
| Trade Receivables | 11 | 3,584,420,188 | 3,253,441,411 | 4,035,766,439 |
| Cash and Cash Equivalents | 12 | 174,259,952 | 92,380,871 | 140,990,459 |
| Other Bank Balances | 12 | 12,299,427 | 12,895,802 | 8,715,516 |
| Loans | 7 | 102,095,866 | 63,561,582 | 135,090,952 |
| Other Financial Assets | 8 | 6,640,611 | 5,464,376 | 7,382,036 |
| Other Current Assets | 9 | 592,992,033 | 367,981,015 | 248,730,144 |
| Current Tax Assets (Net) | 13 | 250,757,896 | 119,874,413 | 88,384,283 |
| | | 4,748,640,615 | 3,933,285,638 | 4,687,812,009 |
| Total | | 12,294,397,297 | 10,584,238,001 | 10,874,050,650 |
| Equity And Liabilities | | | | |
| Equity | | | | |
| A) Equity Share Capital | 14 | 153,154,900 | 152,147,200 | 151,347,000 |
| B) Other Equity | 14A | 6,312,452,084 | 5,597,645,659 | 6,219,860,690 |
| Total Equity Attributable to Equity Holders of the Company | | 6,465,606,984 | 5,749,792,859 | 6,371,207,690 |
| Non Controlling Interest | | 42,745,951 | 38,679,585 | 34,536,396 |
| Total Equity | | 6,508,352,935 | 5,788,472,444 | 6,405,744,086 |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 15 | 1,431,534,392 | 983,908,633 | 760,746,833 |
| Deferred Tax Liabilities (Net) | 17 | 394,666,762 | 323,055,919 | 299,738,582 |
| Government Grant | 18 | 20,308,268 | - | - |
| | | 1,846,509,422 | 1,306,964,552 | 1,060,485,415 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Short-Term Borrowings | 20 | 2,363,647,365 | 2,162,339,616 | 2,034,969,239 |
| Trade Payables | 21 | 853,743,651 | 632,141,669 | 780,492,697 |
| Other Financial Liabilities | 16 | 543,128,704 | 525,934,384 | 481,367,658 |
| Short-Term Provisions | 22 | 53,076,177 | 63,689,021 | 54,163,117 |
| Government Grant | 18 | 2,345,866 | - | - |
| Other Current Liabilities | 19 | 123,593,177 | 104,696,315 | 56,828,438 |
| | | 3,939,534,940 | 3,488,801,005 | 3,407,821,149 |
| Total | | 12,294,397,297 | 10,584,238,001 | 10,874,050,650 |

In terms of our Report of even date

 For **R S Agarwala & Co.**
 Chartered Accountants
 Firm Regn No. 304045E

S.M. Datta
 (Chairman)

R. S. Agarwala
 Partner
 (Membership No.005534)
 Camp: Gurugram
 Date : 16th May, 2017

 Place: Gurugram
 Date: 16th May, 2017

For and on behalf of the Board

O. Swaminatha Reddy
 (Director)

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

Vineet Agarwal
 (Managing Director)

Archana Pandey
 (Company Secretary &
 Compliance Officer)

Ashish Tiwari
 (Group CFO)

Consolidated Statement of Profit or Loss for the Year Ended 31st March 2017

| Particulars | Note No | Year ended 31 st March 2017 In ₹ | Year ended 31 st March 2016 In ₹ |
|--|---------|---|---|
| Continuing Operations | | | |
| Revenue | | | |
| Revenue from Operations | 23 | 19,425,372,766 | 17,270,311,684 |
| Other Income | 24 | 121,618,383 | 78,076,371 |
| | | 19,546,991,149 | 17,348,388,055 |
| Expenses | | | |
| Cost of Rendering of Services | 25 | 15,819,199,039 | 14,034,124,455 |
| Employee Benefits Expense | 26 | 1,067,832,261 | 979,508,986 |
| Finance Costs | 27 | 300,924,947 | 250,196,682 |
| Depreciation and Amortization Expense | 28 | 591,994,605 | 521,078,623 |
| Other Expenses | 29 | 918,012,066 | 962,706,057 |
| | | 18,697,962,918 | 16,747,614,803 |
| Profit Before Exceptional Items, share of joint venture and Tax | | 849,028,231 | 600,773,252 |
| Share of profits from Joint Venture | | 154,658,090 | 118,573,473 |
| Profit Before Exceptional Items and Tax | | 1,003,686,321 | 719,346,725 |
| Exceptional Items | | | |
| Loss on liquidation of wholly owned subsidiary TCI Global Holding (Mauritius) Ltd. | 44 | - | 213,739,400 |
| Transferred an equivalent amount from the Securities Premium Account as per the Scheme | | - | 213,739,400 |
| | | 1,003,686,321 | 719,346,725 |
| Profit Before Tax | | 1,003,686,321 | 719,346,725 |
| Tax Expense | | | |
| Current Tax | 30 | 118,962,526 | 84,615,261 |
| Deferred Tax | | 72,078,377 | 69,432,489 |
| Total Tax Expenses | | 191,040,903 | 154,047,750 |
| Profit for the year from continuing operation | | 812,645,418 | 565,298,975 |
| Discontinued Operations | | | |
| Profit Before Tax | | - | 444,921,779 |
| Tax expense | | - | 133,921,446 |
| Profit for the year from Discontinued Operations | | - | 311,000,333 |
| Profit for the year | | 812,645,418 | 876,299,308 |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| FVOCI equity investments | | 5,602,954 | 3,332,292 |
| Actuarial gain/(loss) | | (1,846,136) | (10,792,178) |
| Income tax relating items that will not be reclassified to profit or loss | | 467,533 | 3,488,171 |
| Other Comprehensive income for the year, net of tax | | 4,224,351 | (3,971,716) |
| Total Comprehensive income for the year | | 816,869,769 | 872,327,592 |
| Profit attributable to: | | | |
| Owner of Transport Corporation of India Limited | | 806,927,744 | 872,156,119 |
| Non-Controlling Interests | | 5,717,674 | 4,143,189 |
| Total | | 812,645,418 | 876,299,308 |
| Other Comprehensive Income attributable to: | | | |
| Owner of Transport Corporation of India Limited | | 4,224,351 | (3,971,716) |
| Non-Controlling Interests | | - | - |
| Total | | 4,224,351 | (3,971,716) |
| Total Comprehensive Income attributable to: | | | |
| Owner of Transport Corporation of India Limited | | 811,152,095 | 868,184,403 |
| Non-Controlling Interests | | 5,717,674 | 4,143,189 |
| Total | | 816,869,769 | 872,327,592 |
| Basic Earnings Per Equity Share of ₹ 2 Each | | | |
| Continuing Operations | | 10.61 | 7.43 |
| Discontinued Operations | | - | 4.09 |
| Total Basic Earnings Per Share | | 10.61 | 11.52 |
| Diluted Earnings Per Share of ₹ 2 Each | | | |
| Continuing Operations | | 10.61 | 7.42 |
| Discontinued Operations | | - | 4.09 |
| Total Diluted Earnings Per Share | | 10.61 | 11.51 |

In terms of our Report of even date

For and on behalf of the Board

For **R S Agarwala & Co.**Chartered Accountants
Firm Regn No. 304045E**S.M. Datta**
(Chairman)**O. Swaminatha Reddy**
(Director)**D.P. Agarwal**
(Vice Chairman &
Managing Director)**Vineet Agarwal**
(Managing Director)**R. S. Agarwala**
Partner
(Membership No.005534)
Camp: Gurugram
Date : 16th May, 2017Place: Gurugram
Date: 16th May, 2017**Archana Pandey**
(Company Secretary &
Compliance Officer)**Ashish Tiwari**
(Group CFO)

Consolidated Statement of Cash Flow for the Year Ended 31st March 2017

| Particulars | Year ended | Year ended |
|--|-----------------------------|-----------------------------|
| | 31 st March 2017 | 31 st March 2016 |
| | In ₹ | In ₹ |
| A. Cash Flow From Operating Activities: | | |
| Net Profit Before Tax and Exceptional Items | 1,003,686,321 | 1,164,268,504 |
| Adjustments for : | | |
| Depreciation | 591,994,605 | 521,078,623 |
| Loss (Profit) on Sale of Fixed Assets | 8,179,921 | (9,653,918) |
| Fair Valuation of investments Through FVTPL and FVOCI | (6,791,637) | (3,067,554) |
| Lease Rent Payments | 21,050 | 21,050 |
| Interest Payments | 300,924,947 | 250,196,682 |
| Interest Income | (14,832,049) | (15,235,193) |
| Dividend Income | (1,529,352) | (1,001,352) |
| Government Grant | (2,345,866) | - |
| | 875,621,619 | 742,338,338 |
| Operating Profit Before Working Capital Changes | 1,879,307,940 | 1,906,606,842 |
| Adjustments For : | | |
| Trade Receivables | (330,978,777) | 782,325,028 |
| Other Financial | 288,226,094 | 316,686,318 |
| Inventories | (7,488,474) | 6,942,665 |
| Trade Payable and Others | 40,271,734 | (1,607,650,006) |
| Cash Generation From Operations | 1,869,338,517 | 1,404,910,847 |
| (Direct Taxes Paid)/Refund received | (284,647,363) | (318,015,157) |
| Net Cash Flow From Operating Activities | 1,584,691,154 | 1,086,895,690 |
| B. Cash Flow From Investing Activities: | | |
| Purchase of Fixed Assets | (1,153,103,526) | (1,034,690,834) |
| Loans | (645,914,119) | (45,762,358) |
| Proceeds on Sale of Fixed Assets | 15,048,983 | 54,513,200 |
| Purchase of Investments | (25,366,659) | (1,675,500) |
| Interest Received | 10,816,690 | 13,358,540 |
| Dividend Received | 1,529,352 | 1,001,352 |
| Lease Rent Payments | (21,050) | (21,050) |
| Net Cash Flow From Investing Activities | (1,797,010,330) | (1,013,276,649) |
| C. Cash Flow From Financing Activities: | | |
| Proceeds From Issuance of Share Capital | 25,353,005 | 16,498,500 |
| Proceeds From Government Grant | 25,000,000 | - |
| Short Term Borrowings (Net) | 201,307,749 | 127,370,377 |
| Proceeds From Term Borrowings | 886,415,711 | 756,779,209 |
| Repayment of Term Borrowings | (438,789,952) | (533,617,409) |
| Interest Paid | (300,924,947) | (250,196,682) |
| Payment of Dividend | (87,040,324) | (182,216,744) |
| Payment of Dividend Tax | (17,719,360) | (52,665,593) |
| Net Cash Flow From Financing Activities | 293,601,882 | (118,048,342) |
| Net Increase(Decrease) in Cash & Cash Equivalent(A+B+C) | 81,282,706 | (44,429,302) |
| Cash & Cash Equivalent as on 31 st March, 2016 | 105,276,673 | 149,705,975 |
| Cash & Cash Equivalent as on 31 st March, 2017 | 186,559,379 | 105,276,673 |

In terms of our Report of even date

 For **R S Agarwala & Co.**

 Chartered Accountants
 Firm Regn No. 304045E

S.M. Datta
 (Chairman)

R. S. Agarwala

 Partner
 (Membership No.005534)
 Camp: Gurugram
 Date: 16th May, 2017

 Place: Gurugram
 Date: 16th May, 2017

For and on behalf of the Board

O. Swaminatha Reddy
 (Director)

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

Vineet Agarwal
 (Managing Director)

Archana Pandey
 (Company Secretary &
 Compliance Officer)

Ashish Tiwari
 (Group CFO)

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2017

A. Equity Share capital

| Particulars | No of shares | In ₹ |
|---|-------------------|--------------------|
| Balance as at 1 st April 2015 | 75,673,500 | 151,347,000 |
| Changes in equity share capital during 2015-16 | 400,100 | 800,200 |
| Balance as at 31 st March 2016 | 76,073,600 | 152,147,200 |
| Balance as at 1 st April 2016 | 76,073,600 | 152,147,200 |
| Changes in equity share capital during 2016-17 | 503,850 | 1,007,700 |
| Balance as at 31st March 2017 | 76,577,450 | 153,154,900 |

B. Other Equity

| Particulars | Profits Attributable to Owners | | | | | | | | | | | Non-Controlling Interests | Total | |
|--|--------------------------------|--------------------|----------------------|---------------------------|---------------------|--------------------------------|--------------------------|----------------------------|---------------------|---------------------------|--------------------|---------------------------|-------------------|----------------------|
| | Reserves and Surplus | | | | | Other Comprehensive Income | | | | | | | | Total |
| | Retained Earnings | Securities Premium | General Reserve | Share Options Outstanding | Tonnage Tax Reserve | Tonnage Tax Reserve (Utilised) | Reserve on Consolidation | Capital Redemption Reserve | FCTR | FVTOCI Equity Instruments | Others | | | |
| Balance at 1 st April 2015 | 913,349,088 | 1,157,616,228 | 3,807,700,000 | 56,501,549 | 52,000,000 | 197,800,000 | 32,553,501 | 19,400,000 | (47,315,572) | 30,255,896 | - | 6,219,860,690 | 34,536,396 | 6,254,397,086 |
| Profit for the year from Continuing Operations | 561,155,786 | | | | | | | | | | | 561,155,786 | 4,143,189 | 565,298,975 |
| Profit for the year from Discontinued Operations | 311,000,333 | | | | | | | | | | | 311,000,333 | | 311,000,333 |
| Other Comprehensive Income | | | | | | | | | | | | | | |
| Additions during the year | | 34,722,868 | | | | | | | (7,346,587) | 3,278,697 | (7,250,413) | (3,971,716) | | (3,971,716) |
| Issue of Share capital | | | | (19,024,569) | | | | | | | | (7,346,587) | | (7,346,587) |
| Exercise of Share options | | | | (1,363,433) | | | | | | | | 34,722,868 | | 34,722,868 |
| Cancellation of Share options | | | | | | | | | | | | (19,024,569) | | (19,024,569) |
| Transferred pursuant to the Scheme (Ref note no. 44) | | (978,599,696) | (251,374,216) | | | | | | | | | (1,363,433) | | (1,363,433) |
| Transferred pursuant to the Scheme (Ref note no. 44) | | (213,739,400) | | | | | 213,739,400 | | | | | (1,229,973,912) | | (1,229,973,912) |
| Ind AS transition impact pertaining to demerged entity | | | (42,371,498) | | | | | | | | | | | (42,371,498) |
| Share of loss in derecognised subsidiary | 9840,034 | | | | | | | | | | | 9840,034 | | 9840,034 |
| Transfer In/Out General Reserve | (500,000,000) | | 500,000,000 | | | | | | | | | | | |
| Transfer In/Out Tonnage Tax Reserve | (47,500,000) | | | 47,500,000 | | | | | | | | | | |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | | | | |
| Dividends | (182,216,744) | | | | | | | | | | | (182,216,744) | | (182,216,744) |
| Tax on dividends | (52,665,593) | | | | | | | | | | | (52,665,593) | | (52,665,593) |
| Balance at 31 st March 2016 | 1,012,962,904 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 246,292,901 | 19,400,000 | (54,662,159) | 33,534,593 | (7,250,413) | 5,597,645,659 | 38,679,585 | 5,636,325,244 |
| Balance at 1 st April 2016 | 1,012,962,904 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 246,292,901 | 19,400,000 | (54,662,159) | 33,534,593 | (7,250,413) | 5,597,645,659 | 38,679,585 | 5,636,325,244 |
| Profit for the year | 806,927,744 | | | | | | | | | | | 806,927,744 | 4,066,366 | 810,994,110 |
| Other Comprehensive Income | | | | | | | | | | | | | | |
| Additions during the year | | | | | | | | | | | | | | |
| Issue of equity shares | | 57,537,383 | | | | | | | (4,407,768) | 5,431,539 | (1,207,188) | 4,224,351 | | 4,224,351 |
| Exercise of Share options | | | | (33,192,080) | | | | | | | | (4,407,768) | | (4,407,768) |
| Cancellation of Share options | | | | (2,921,468) | | | | | | | | 57,537,383 | | 57,537,383 |
| Transfer In/Out General Reserve | (500,000,000) | | 500,000,000 | | | | | | | | | (33,192,080) | | (33,192,080) |
| Transfer In/Out Tonnage Tax Reserve | (80,450,000) | | | | 80,450,000 | | | | | | | (2,921,468) | | (2,921,468) |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | | | | |
| Dividends | (84,240,324) | | | | | | | | | | | (84,240,324) | | (84,240,324) |
| Tax on dividends | (29,121,414) | | | | | | | | | | | (29,121,414) | | (29,121,414) |
| Balance at 31st March 2017 | 1,126,078,910 | 57,537,383 | 4,513,954,286 | - | 179,950,000 | 197,800,000 | 246,292,901 | 19,400,000 | (59,069,927) | 38,966,132 | (8,457,601) | 6,312,452,084 | 42,745,951 | 6,355,198,035 |

For and on behalf of the Board

In terms of our Report of even date

For R S Agarwala & Co.Chartered Accountants
Firm Regn No. 304045E**S.M Datta**
(Chairman)**O. Swaminatha Reddy**
(Director)**D.P. Agarwal**
(Vice Chairman &
Managing Director)**Vineet Agarwal**
(Managing Director)**R S Agarwala**Partner
(Membership No.005534)
Camp: Gurugram
Date : 16th May, 2017**Archana Pandey**
(Company Secretary & Compliance
Officer)**Ashish Tiwari**
(Group CFO)Place: Gurugram
Date: 16th May, 2017

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2017

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.

For all periods up to and including the year ended 31 March 2016, the Group has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). The consolidated financial statements for the year ended 31st March 2017 are the first which the Group has prepared in accordance with Ind AS (see note 45 for explanation for transition to Ind AS). For the purpose of comparatives, consolidated financial statements for the year ended 31st March 2016 are also prepared under Ind AS.

The consolidated financial statements for the year ended 31 March 2017 were authorized and approved for issue by the Board of Directors on 16th May 2017.

2. Standards Issued but not yet made Effective and have not been adopted early by the Group

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, Statement of cash flows, and IFRS 2, Share-based payment, respectively. The amendments are applicable to the Group from 1st April, 2017.

Amendment to Ind AS 7:

The amendments to Ind AS 7 inter-alia require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendments to Ind AS 102 inter-alia provide specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction,

the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Group is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

3. 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, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

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 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 31st March 2017.

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.

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 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.

On Transition to Ind AS

Ind AS 103 'Business Combinations' has not been applied to acquisitions of subsidiaries, or of interests in associates and joint ventures that occurred before the transition date. Previous GAAP carrying amount of goodwill has been carried under Ind AS.

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.

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.

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.

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.

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.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2015 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2015 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of intangible assets.

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.

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.

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.

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 (FVOCI) 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).

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.

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. These liabilities are classified as amortised cost.

Subsequent Measurement

These liabilities include are borrowings and deposits. 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

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, 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.

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.

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 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.

Transition to Ind AS

On transition to Ind AS, the Group has elected to not consider the charge related to employee stock options for which the vesting period is already over.

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.

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.

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) 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 (see note 17).

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.

4. Property, Plant and Equipment

| Description | Gross Block | | | Accumulated Depreciation | | Net Block | |
|----------------------|-----------------------------|--------------------|------------------------|-----------------------------|-----------------------------|------------------------|-----------------------------|
| | 31 st March 2016 | Additions | Disposals/ Adjustments | 31 st March 2017 | 31 st March 2016 | Disposals/ Adjustments | 31 st March 2017 |
| Freehold Land | 663,234,932 | 4,825,500 | - | 668,060,432 | - | - | 668,060,432 |
| Building | 1,305,824,665 | 89,675,264 | - | 1,395,499,929 | 23,963,434 | 586,875 | 1,344,868,514 |
| Ships | 1,095,302,864 | 91,092,892 | - | 1,186,395,756 | 72,249,211 | - | 1,016,176,300 |
| Motor Trucks | 1,368,066,479 | 239,452,863 | 68,425,018 | 1,539,094,324 | 294,268,493 | 62,084,173 | 1,004,866,854 |
| Vehicles | 100,182,200 | 30,937,887 | 23,055,981 | 108,064,106 | 13,716,779 | 12,680,210 | 92,496,419 |
| Plant & Machinery | 793,701,474 | 112,275,134 | 4,706,082 | 901,270,526 | 50,333,760 | 1,013,342 | 776,158,639 |
| Computers | 27,164,363 | 10,058,805 | 5,988,259 | 31,234,909 | 6,908,313 | 5,952,212 | 18,693,628 |
| Containers | 283,606,910 | 97,403,292 | 3,890,331 | 377,119,871 | 23,097,809 | 1,123,868 | 327,570,174 |
| Furniture & Fixtures | 172,501,757 | 23,435,927 | 4,059,225 | 191,878,459 | 15,108,269 | 42,278 | 154,288,475 |
| Office Equipments | 6,042,680 | 11,026,021 | 26,449 | 17,042,251 | 1,957,428 | 26,449 | 6,911,524 |
| Total | 5,815,628,324 | 710,183,585 | 110,151,346 | 6,415,660,563 | 501,603,496 | 83,509,407 | 5,410,090,958 |

In ₹

| Description | Gross Block | | | Accumulated Depreciation | | Net Block | |
|----------------------|--|----------------------|------------------------|-----------------------------|----------------------------|------------------------|-----------------------------|
| | Deemed Cost as at 1 st April 2015 | Additions | Disposals/ Adjustments | 31 st March 2016 | 1 st April 2015 | Disposals/ Adjustments | 31 st March 2016 |
| Freehold Land | 763,211,090 | 152,716,000 | 252,692,158 | 663,234,932 | - | - | 663,234,932 |
| Building | 1,176,649,293 | 373,658,975 | 244,483,603 | 1,305,824,665 | 23,963,434 | - | 1,281,861,231 |
| Ships | 1,033,053,796 | 62,249,068 | - | 1,095,302,864 | 72,249,211 | - | 1,023,053,653 |
| Motor Trucks | 850,028,697 | 533,368,670 | 15,330,888 | 1,368,066,479 | 297,803,547 | 3,535,054 | 1,073,797,986 |
| Vehicles | 108,783,792 | 33,567,129 | 42,168,721 | 100,182,200 | 15,047,140 | 1,330,362 | 86,465,421 |
| Plant & Machinery | 498,545,837 | 346,593,865 | 51,438,228 | 793,701,474 | 50,338,642 | 4,881 | 743,367,714 |
| Computers | 52,607,722 | 18,490,723 | 43,934,082 | 7,476,203 | 6,908,313 | 567,890 | 20,256,050 |
| Containers | 241,282,107 | 43,403,678 | 1,078,875 | 283,606,910 | 23,097,809 | - | 260,509,102 |
| Furniture & Fixtures | 124,055,000 | 77,310,101 | 28,863,344 | 172,501,757 | 15,109,408 | 1,139 | 157,393,488 |
| Office Equipments | 26,698,984 | 21,820,314 | 42,476,617 | 6,042,680 | 1,957,428 | - | 4,085,252 |
| Total | 4,874,916,318 | 1,663,178,523 | 712,199,180 | 5,825,895,661 | 517,310,159 | 5,439,326 | 5,314,024,829 |

(i) Demerger of TCI XPS Undertaking.

The amount represented by disposals/adjustment in the above schedule pertaining to FY 2015-16 includes: ₹ 616,769,709 (Net)

(ii) Property plant and equipment pledged as security

Refer Note 15 for information on property, plant and equipment pledged as security by the Company.

(iii) The borrowing costs capitalised during the year ended 31st March 2017 was ₹ 2,414,521 (31st March 2016: ₹ Nil)

(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 | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-------------|-----------------------------|-----------------------------|----------------------------|
| Gross Block | 184,217,341 | 93,124,449 | 30,875,381 |
| Accumulated | (82,922,261) | (31,315,647) | (5,560,900) |
| Net Block | 101,295,080 | 61,808,802 | 25,314,481 |

Note 4A. Capital Work in Progress

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--------------------------|-----------------------------|-----------------------------|----------------------------|
| Capital Work in Progress | 568,091,749 | 123,186,891 | 68,102,112 |

5. Other Intangibles Assets

| | Softwares | Total |
|---|-------------------|-------------------|
| Gross Block | | |
| Deemed Cost as at 1 st April 2015 | 35,304,564 | 35,304,564 |
| Additions | 9,289,303 | 9,289,303 |
| Disposals/Adjustments | 20,693,863 | 20,693,863 |
| Balance as at 31st March 2016 | 23,900,004 | 23,900,004 |
| Additions | 1,428,119 | 1,428,119 |
| Disposals/Adjustments | - | - |
| Balance as at 31st March 2017 | 25,328,123 | 25,328,123 |
| Accumulated Amortisation | | |
| At 1 st April 2015 | - | - |
| Amortisation Charge for the Year | 14,035,801 | 14,035,801 |
| Disposals/Adjustments for the Year | - | - |
| Balance as at 31st March 2016 | 14,035,801 | 14,035,801 |
| Charge for the Year | 4,519,089 | 4,519,089 |
| Disposals/Adjustments for the Year | - | - |
| Balance as at 31st March 2017 | 18,554,890 | 18,554,890 |
| Net Book Value (Deemed Cost) as at 1 st April 2015 | 35,304,564 | 35,304,564 |
| Net Book Value as at 31 st March 2016 | 9,864,203 | 9,864,203 |
| Net Book Value as at 31 st March 2017 | 6,773,233 | 6,773,233 |

(i) Demerger of TCI XPS Undertaking.

The amount represented by disposals/adjustment in the above schedule pertaining to FY 2015-16 includes: ₹ 20,693,863.

6. Investments

| Particulars | Number of shares | | | In ₹ | | |
|--|--------------------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|-------------------------------|
| | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
| In Equity Instruments | | | | | | |
| In other Companies (Quoted) (at FVOCI) | | | | | | |
| Fully Paid up Shares of ₹ 10/- Each of TCI Developers Limited | 100,000 | 100,000 | 100,000 | 36,960,000 | 32,100,000 | 29,000,000 |
| Sub total(a) | 100,000 | 100,000 | 100,000 | 36,960,000 | 32,100,000 | 29,000,000 |
| In other Companies (Unquoted) (at FVOCI) | | | | | | |
| Fully Paid up Shares of ₹ 10/- Each of XPS Cargo Services Limited | 300,000 | 300,000 | 300,000 | 7,036,484 | 6,293,530 | 6,061,238 |
| Fully Paid up Shares of ₹ 10/- Each of TCI Distribution Centres Limited | 143,700 | 143,700 | 143,700 | 1,437,000 | 1,437,000 | 1,437,000 |
| Fully Paid up Shares of ₹ 1000/- Each of PI Venture Private Limited | 3,000 | - | - | 3,000,000 | - | - |
| Sub total (b) | 446,700 | 443,700 | 443,700 | 11,473,484 | 7,730,530 | 7,498,238 |
| In Joint ventures (Unquoted) (at Cost) | | | | | | |
| Fully Paid up Shares of ₹ 10/- Each of Transystem Logistics International Pvt Limited | 3,920,000 | 3,920,000 | 3,920,000 | 637,125,165 | 616,033,925 | 39,200,000 |
| Accumulated Reserve | - | - | - | - | - | 576,833,925 |
| Profits for the Year | - | - | - | 153,431,444 | 115,311,487 | - |
| Dividend Received | - | - | - | (58,800,000) | (78,400,000) | - |
| Dividend Tax | - | - | - | (11,972,065) | (15,820,247) | - |
| Sub total (c)(i) | 3,920,000 | 3,920,000 | 3,920,000 | 719,784,544 | 637,125,165 | 616,033,925 |
| Fully Paid up Shares of Naira 10/- Each of TCI Nigeria Ltd | 500,000 | 500,000 | 500,000 | 16,840,006 | 14,835,233 | 15,673,285 |
| Foreign Exchange Translation | - | - | - | - | (1,257,195) | - |
| Accumulated Reserve | - | - | - | - | - | (838,052) |
| Profits for the Year | - | - | - | 1,226,646 | 3,261,968 | - |
| Dividend Received | - | - | - | - | - | - |
| Sub total (c)(ii) | 500,000 | 500,000 | 500,000 | 18,066,652 | 16,840,006 | 14,835,233 |
| In Preference Shares | | | | | | |
| In other Company (Unquoted) (At Amortised Cost) | | | | | | |
| 11% Redeemable Non-Cumulative Fully Paid up Shares of ₹ 100/- Each of TCI Distribution Centres Limited | 622,000 | 622,000 | 622,000 | 62,200,000 | 62,200,000 | 62,200,000 |
| Preference Share Fully Paid up Shares of ₹ 1000/- Each of Leap India Limited | 1,653 | - | - | 12,500,912 | - | - |
| Sub total (d) | 623,653 | 622,000 | 622,000 | 74,700,912 | 62,200,000 | 62,200,000 |

| Particulars | Number of shares | | | In ₹ | | |
|--|--------------------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|-------------------------------|
| | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
| In Mutual Funds (Quoted) (At FVTPL) | | | | | | |
| JM Basic Fund | 149,753 | 149,753 | 149,753 | 4,138,483 | 2,949,800 | 3,214,538 |
| Sub total (e) | 149,753 | 149,753 | 149,753 | 4,138,483 | 2,949,800 | 3,214,538 |
| In Debt Securities (Quoted) (At Amortised Cost) | | | | | | |
| National Highway Authority of India - Bonds of ₹ 1,000 Each | 1,236 | 1,236 | 1,236 | 1,236,000 | 1,236,000 | 1,236,000 |
| Sub total (f) | 1,236 | 1,236 | 1,236 | 1,236,000 | 1,236,000 | 1,236,000 |
| Grand total (a+b+c(i)+c(ii)+d+e+f) | 1,816,689 | 1,816,689 | 1,816,689 | 866,360,075 | 760,181,501 | 734,017,934 |
| Total Non-Current Investments | | | | 866,360,075 | 760,181,501 | 734,017,934 |
| Aggregate Amount of Quoted Investments and Their Market Value | | | | 41,098,483 | 35,049,800 | 32,214,538 |
| Aggregate Amount of Unquoted Investments | | | | 825,261,592 | 725,131,701 | 701,803,396 |

7. Loans

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|---|-----------------------------|--------------------|-----------------------------|-------------------|----------------------------|--------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| (Unsecured, Considered good unless otherwise stated) | | | | | | |
| Deposits with Others | 114,305,094 | 51,325,630 | 64,242,719 | 20,889,887 | 58,938,275 | 60,963,176 |
| Security Deposits with Customers | - | 42,652,546 | - | 32,571,166 | - | 61,212,323 |
| Loans to Employees | - | 8,117,690 | - | 10,100,529 | - | 12,915,453 |
| Total | 114,305,094 | 102,095,866 | 64,242,719 | 63,561,582 | 58,938,275 | 135,090,952 |

8. Other Financial Assets

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|--|-----------------------------|------------------|-----------------------------|------------------|----------------------------|------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Income Accrued but not yet Received | - | 6,640,611 | - | 5,464,376 | - | 7,382,036 |
| Bank Deposits with Maturity of more than 12 Months | 30,470,747 | - | 31,210,353 | - | 27,963,854 | - |
| Total | 30,470,747 | 6,640,611 | 31,210,353 | 5,464,376 | 27,963,854 | 7,382,036 |

9. Other Assets

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|---|-----------------------------|--------------------|-----------------------------|--------------------|----------------------------|--------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Deferred Employee Stock Option Compensation | - | - | - | 22,150,779 | 26,323,800 | 12,693,581 |
| Capital Advances | 471,758,819 | - | 255,586,241 | - | 254,402,620 | - |
| Prepaid Expenses | 87,819,563 | 31,769,954 | 39,758,902 | 17,253,573 | 39,762,867 | 35,992,631 |
| CENVAT Credit Receivable | - | 20,531,516 | - | 12,094,899 | - | 14,975,278 |
| Operational Advances | - | 178,223,084 | - | 203,212,503 | - | 94,062,916 |
| Deferred Income | - | 368,824,080 | - | 137,825,862 | - | 116,914,112 |
| Other Advances | 17,014,330 | - | 74,127,926 | - | 84,547,802 | 42,824 |
| | 576,592,712 | 599,348,634 | 369,473,069 | 392,537,616 | 405,037,089 | 274,681,342 |
| Less: Provision for Doubtful Advances | (26,927,886) | (6,356,601) | (21,231,202) | (24,556,601) | (18,041,505) | (25,951,198) |
| Total | 549,664,826 | 592,992,033 | 348,241,867 | 367,981,015 | 386,995,584 | 248,730,144 |

10. Inventories

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (Valued At Cost, Unless Otherwise Stated) | | | |
| Stores & Spares | 25,174,642 | 17,686,168 | 22,752,180 |
| Total | 25,174,642 | 17,686,168 | 22,752,180 |

11. Trade Receivables

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (Unsecured, Considered Good Unless Otherwise Stated) | | | |
| Unsecured | | | |
| Considered Good | 3,584,420,188 | 3,253,441,411 | 4,035,766,439 |
| Considered Doubtful | 130,910,110 | 97,935,547 | 100,187,766 |
| | 3,715,330,298 | 3,351,376,958 | 4,135,954,205 |
| Less: Provision for Expected Losses in Receivables (Ref No 32 b) | (130,910,110) | (97,935,547) | (100,187,766) |
| Total | 3,584,420,188 | 3,253,441,411 | 4,035,766,439 |

12. Cash and Bank Balances

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Cash and Cash Equivalents | | | |
| Cash in Hand | 5,648,371 | 4,189,244 | 2,947,387 |
| Balances with Banks | | | |
| Current Accounts | 168,611,581 | 88,191,627 | 138,043,072 |
| Deposit Accounts | - | - | - |
| Bank Deposits with Maturity less than 3 Months | - | - | - |
| | 174,259,952 | 92,380,871 | 140,990,459 |
| Other Bank Balances | | | |
| Earmarked Bank Balances | | | |
| Unpaid Dividend Accounts | 12,299,427 | 12,895,802 | 8,715,516 |
| Fixed Deposits Maturity for More than 3 Months but Less than 12 Months | - | - | - |
| | 12,299,427 | 12,895,802 | 8,715,516 |
| Total | 186,559,379 | 105,276,673 | 149,705,975 |

(i) The bank balances include the margin money amounting to ₹ 24,818,716 (31st March 2016 ₹ 18,212,998) against the borrowings.

(ii) There are no repatriation restrictions with respect to cash and bank balances available with the Group.

13. Current Tax Asset (Net)

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---------------------------------------|-----------------------------|-----------------------------|----------------------------|
| Advance Income Tax (Net of Provision) | 250,757,896 | 119,874,413 | 88,384,283 |
| Total | 250,757,896 | 119,874,413 | 88,384,283 |

(i) Amount of provision for income tax netted-off

14. Equity Share Capital

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Authorised capital | | | |
| 100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 2 Each | 200,000,000 | 200,000,000 | 200,000,000 |
| 500,000 (Previous Year 500,000) Preference Shares of ₹ 100 Each | 50,000,000 | 50,000,000 | 50,000,000 |
| | 250,000,000 | 250,000,000 | 250,000,000 |
| Issued, Subscribed and Paid-up Capital | | | |
| 76,577,450 (Previous Year 76,073,600) Equity Shares of ₹ 2 Each | 153,154,900 | 152,147,200 | 151,347,000 |
| Total | 153,154,900 | 152,147,200 | 151,347,000 |

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

| Particulars | 31 st March 2017 | | 31 st March 2016 | |
|--|-----------------------------|--------------------|-----------------------------|--------------------|
| | No of Shares | In ₹ | No of Shares | In ₹ |
| Equity Shares at the Beginning of the Year | 76,073,600 | 152,147,200 | 75,673,500 | 151,347,000 |
| Add: Allotted under Employee Stock Option Scheme | 503,850 | 1,007,700 | 400,100 | 800,200 |
| Equity Shares at the end of the Year | 76,577,450 | 153,154,900 | 76,073,600 | 152,147,200 |

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 | 31 st March 2017 | | 31 st March 2016 | |
|--|-----------------------------|--------------|-----------------------------|--------------|
| | No of Shares | % of Holding | No of Shares | % of Holding |
| Equity shares of ₹ 2 each fully paid up | | | | |
| Bhoruka Finance Corporation of India Limited | 15,904,679 | 21.02 | 15,904,679 | 20.91 |
| Bhoruka International (P) Limited | 10,561,755 | 13.96 | 10,561,755 | 13.88 |
| Mr D.P. Agarwal | 4,974,995 | 6.57 | 4,974,995 | 6.54 |
| TCI India Limited | 4,045,564 | 5.35 | 4,045,564 | 5.32 |

Note. 14A Other Equity

| Particulars | Profits attributable to owners | | | | | | | | | | | Non-Controlling Interests | Total | |
|--|--------------------------------|--------------------|----------------------|---------------------------|---------------------|--------------------------------|--------------------------|----------------------------|---------------------|---------------------------|--------------------|---------------------------|-------------------|----------------------|
| | Reserves and Surplus | | | | | Other comprehensive income | | | | | Total | | | |
| | Retained Earnings | Securities Premium | General Reserve | Share Options Outstanding | Tonnage Tax Reserve | Tonnage Tax Reserve (Utilised) | Reserve on Consolidation | Capital Redemption Reserve | FCTR | FVTOCI Equity Instruments | | | | Others |
| Balance at 1 st April 2015 | 913,349,088 | 1,157,616,228 | 3,807,700,000 | 56,501,549 | 52,000,000 | 197,800,000 | 32,553,501 | 19,400,000 | (47,315,572) | 30,255,896 | - | 6,219,860,690 | 34,536,396 | 6,254,397,086 |
| Profit for the year from Continuing Operations | 561,155,786 | - | - | - | - | - | - | - | - | - | - | 561,155,786 | 4,143,189 | 565,298,975 |
| Profit for the year from Discontinued Operations | 311,000,333 | - | - | - | - | - | - | - | - | - | - | 311,000,333 | - | 311,000,333 |
| Other Comprehensive Income | - | - | - | - | - | - | - | - | - | 3,278,697 | (7,250,413) | (3,971,716) | (3,971,716) | (3,971,716) |
| Additions during the year | - | - | - | - | - | - | - | - | (7,346,587) | - | - | (7,346,587) | (7,346,587) | (7,346,587) |
| Issue of Share capital | - | 34,722,868 | - | - | - | - | - | - | - | - | - | 34,722,868 | - | 34,722,868 |
| Exercise of Share options | - | - | - | (19,024,569) | - | - | - | - | - | - | - | (19,024,569) | - | (19,024,569) |
| Cancellation of Share options | - | - | - | (1,363,433) | - | - | - | - | - | - | - | (1,363,433) | - | (1,363,433) |
| Transferred pursuant to the Scheme (Ref note no. 44) | - | (978,599,696) | (251,374,216) | - | - | - | - | - | - | - | - | (1,229,973,912) | - | (1,229,973,912) |
| Transferred pursuant to the Scheme (Ref note no. 44) | - | (213,739,400) | - | - | - | 213,739,400 | - | - | - | - | - | - | - | - |
| Ind AS transition impact pertaining to demerged entity | - | - | (42,371,498) | - | - | - | - | - | - | - | - | (42,371,498) | - | (42,371,498) |
| Share of loss in derecognised subsidiary | 9,840,034 | - | - | - | - | - | - | - | - | - | - | 9,840,034 | - | 9,840,034 |
| Transfer In/Out General Reserve | (500,000,000) | - | 500,000,000 | - | 47,500,000 | - | - | - | - | - | - | - | - | - |
| Transfer In/Out Tonnage Tax Reserve | (47,500,000) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transactions with owners in their capacity as owners: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividends | (182,216,744) | - | - | - | - | - | - | - | - | - | - | (182,216,744) | - | (182,216,744) |
| Tax on dividends | (52,665,593) | - | - | - | - | - | - | - | - | - | - | (52,665,593) | - | (52,665,593) |
| Balance at 31 st March 2016 | 1,012,962,904 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 246,292,901 | 19,400,000 | (54,662,159) | 33,534,593 | (7,250,413) | 5,597,645,659 | 38,679,585 | 5,636,325,244 |
| Balance at 1 st April 2016 | 1,012,962,904 | - | 4,013,954,286 | 36,113,548 | 99,500,000 | 197,800,000 | 246,292,901 | 19,400,000 | (54,662,159) | 33,534,593 | (7,250,413) | 5,597,645,659 | 38,679,585 | 5,636,325,244 |
| Profit for the year | 806,927,744 | - | - | - | - | - | - | - | - | - | - | 806,927,744 | 4,066,366 | 810,994,110 |
| Other Comprehensive Income | - | - | - | - | - | - | - | - | - | 5,431,539 | (1,207,188) | 4,224,351 | - | 4,224,351 |
| Additions during the year | - | - | - | - | - | - | - | - | (4,407,768) | - | - | (4,407,768) | - | (4,407,768) |
| Issue of equity shares | - | 57,537,383 | - | - | - | - | - | - | - | - | - | 57,537,383 | - | 57,537,383 |
| Exercise of Share options | - | - | - | (33,192,080) | - | - | - | - | - | - | - | (33,192,080) | - | (33,192,080) |
| Cancellation of Share options | - | - | - | (2,921,468) | - | - | - | - | - | - | - | (2,921,468) | - | (2,921,468) |
| Transfer In/Out General Reserve | (500,000,000) | - | 500,000,000 | - | - | - | - | - | - | - | - | - | - | - |
| Transfer In/Out Tonnage Tax Reserve | (80,450,000) | - | - | - | 80,450,000 | - | - | - | - | - | - | - | - | - |
| Transactions with owners in their capacity as owners: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividends | (84,240,324) | - | - | - | - | - | - | - | - | - | - | (84,240,324) | - | (84,240,324) |
| Tax on dividends | (29,121,414) | - | - | - | - | - | - | - | - | - | - | (29,121,414) | - | (29,121,414) |
| Balance at 31st March 2017 | 1,126,078,910 | 57,537,383 | 4,513,954,286 | - | 179,950,000 | 197,800,000 | 246,292,901 | 19,400,000 | (59,069,927) | 38,966,132 | (8,457,601) | 6,312,452,084 | 42,745,951 | 6,355,198,035 |

15. Borrowings

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| Secured | | | |
| Term Loans from Banks | 1,841,657,119 | 1,369,213,660 | 1,119,230,769 |
| Term Loans from others | 7,381,837 | 10,906,447 | 2,914,274 |
| Unsecured | | | |
| Other Loans | - | - | - |
| | 1,849,038,956 | 1,380,120,107 | 1,122,145,043 |
| Amount Disclosed under other Financial Liabilities (Ref Note 16) | 417,504,564 | 396,211,474 | 361,398,210 |
| Total | 1,431,534,392 | 983,908,633 | 760,746,833 |

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

| Particulars of Nature of Security | Terms of Repayment | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|---|-----------------------------|-----------------------------|----------------------------|
| Term Loans from Bank: 1025 nos. of General Cargo Containers | Repayable in 72 monthly installments starting from January 2010. Last installment paid in December 2015. | - | - | 7,500,000 |
| (1) Apartment No . 801, 8th 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 November 2016. Last installment due in November 2022. | 37,949,833 | 39,600,000 | - |
| (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 4 Quarterly installments starting from November 2015. Last installment due in November 2016. | - | 25,000,000 | - |
| 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. Rate of Interest 10.25% p.a. as at year end. | 62,500,000 | 79,166,666 | 95,833,333 |
| Secured by first charge on the mortgage of M.V.TCI Prabhu | Repayable in 24 Quarterly installments starting from December 2015. Last installment due in October 2021. Rate of Interest 9.45% p.a. | 37,500,000 | 45,833,334 | 50,000,000 |
| Secured by first charge on the mortgage of M.V.TCI Lakshmi | Repayable in 36 monthly installments starting from November 2013. The said Loan have been prepaid on 21 st May 2015 | - | - | 60,222,045 |
| Secured by first charge on the mortgage of M.V.TCI Arjun | Repayable in 15 Quarterly installments starting from October 2014. The said Loan have been prepaid on 4 th June 2015 | - | - | 107,466,668 |
| Secured by first charge on the mortgage of M.V.TCI Vijay | Repayable in 24 Quarterly installments starting from December 2015. Last installment due in September 2021. | 217,500,000 | 265,833,336 | 290,000,000 |
| Secured by first charge on the mortgage of 500 Containers | Repayable in 28 Quarterly installments starting from April 2018. Last installment due in January 2025. | 325,200,000 | - | - |
| Secured by first charge on the mortgage of 350 Containers | Repayable in 16 Quarterly installments starting from August 2015. Last installment due in May 2019. | 36,636,500 | 55,436,500 | 69,536,500 |
| Secured by first charge on the mortgage of 500 Containers | Repayable in 16 Quarterly installments starting from September 2015. Last installment due in June 2019. | 26,590,641 | 40,742,641 | 51,356,641 |
| 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. | 46,016,066 | - | - |
| 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. | 50,688,488 | - | - |
| Trucks and Cars acquired against individual loan | Repayable in monthly installments | 978,987,023 | 788,201,783 | 357,575,232 |
| Term Loans of Subsidiary:TCI Global (Singapore) Pte Ltd . Loans secured by legal mortgage of leasehold property of the Company | Repayable in monthly installments | 22,088,568 | 29,399,400 | 29,740,350 |
| Sub-Total | | 1,841,657,119 | 1,369,213,660 | 1,119,230,769 |
| Term Loans from Others: Vehicles acquired against individual loan | Repayable in monthly installments | 7,381,837 | 10,906,447 | 2,914,274 |
| Sub-Total | | 7,381,837 | 10,906,447 | 2,914,274 |
| Total | | 1,849,038,956 | 1,380,120,107 | 1,122,145,043 |

Note:

The Company have incurred interest cost during the year in the range of 8.21 % to 9.84% on long term borrowings (Previous year range were 9.15% to 9.85%).

16. Other Financial Liabilities

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|--|-----------------------------|--------------------|-----------------------------|--------------------|----------------------------|--------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Current Maturities of Long-Term Borrowings (Ref Note 15) | | | | | | |
| From Banks | - | 413,635,119 | - | 392,668,362 | - | 358,483,936 |
| From Others | - | 3,869,445 | - | 3,543,112 | - | 2,914,274 |
| Interest Accrued But not due on Borrowings | - | 9,632,550 | - | 8,165,955 | - | 7,296,835 |
| Unpaid /Unclaimed Dividends | - | 12,299,427 | - | 12,895,802 | - | 8,715,516 |
| Payable on Purchase of Fixed Assets | - | 13,702,078 | - | 13,761,512 | - | 66,934 |
| Trade / Security Deposits | - | 89,990,085 | - | 94,899,641 | - | 103,890,163 |
| Total | - | 543,128,704 | - | 525,934,384 | - | 481,367,658 |

17. Deferred Tax Liability/(Asset) (Net)

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--------------------------------|-----------------------------|-----------------------------|----------------------------|
| Deferred Tax Liability/(Asset) | 394,666,762 | 323,055,919 | 299,738,582 |

Movement in Deferred Tax Assets and Liabilities During the Year Ended 31st March 2016

| Particulars | 1 st April 2015 | Recognised in Statement of Profit and Loss | Recognised in Other equity | 31 st March 2016 |
|--------------|----------------------------|--|----------------------------|-----------------------------|
| Depreciation | 309,848,533 | 87,757,641 | - | 397,606,174 |
| Others Items | (10,109,951) | (60,952,133) | (3,488,171) | (74,550,255) |
| Total | 299,738,582 | 26,805,508 | (3,488,171) | 323,055,919 |

Movement in Deferred Tax Assets and Liabilities During the Year Ended 31st March 2017

| Particulars | 31 st March 2016 | Recognised in Statement of Profit and Loss | Recognised in Other equity | 31 st March 2017 |
|--------------|-----------------------------|--|----------------------------|-----------------------------|
| Depreciation | 397,606,174 | 8,590,393 | - | 406,196,567 |
| Others Items | (74,550,255) | 63,487,983 | (467,533) | (11,529,805) |
| Total | 323,055,919 | 72,078,376 | (467,533) | 394,666,762 |

18. Government Grant

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|-----------------------------|-----------------------------|------------------|-----------------------------|---------|----------------------------|---------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Opening Balance | | | | | | |
| Additions during the Year | 20,308,268 | 4,691,732 | - | - | - | - |
| Amount Recognised as Income | - | (2,345,866) | - | - | - | - |
| Total | 20,308,268 | 2,345,866 | - | - | - | - |

*Government grants are received from the Ministry of Food Processing Industries ('MoFPI') for Cold Chain Projects across various locations. There are no unfulfilled conditions or other contingencies attached to these grants.

19. Other Liabilities

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|-----------------------|-----------------------------|--------------------|-----------------------------|--------------------|----------------------------|-------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Due to Gratuity Fund | - | 4,718,788 | - | 4,583,010 | | 19,920,494 |
| Statutory Remittances | - | 49,799,988 | - | 46,033,600 | | 35,053,318 |
| Accrued Expenses | - | 66,131,441 | - | 51,681,038 | | |
| Book Overdraft | - | 2,942,960 | - | 2,398,667 | | 1,854,626 |
| Total | - | 123,593,177 | - | 104,696,315 | | 56,828,438 |

20. Short-Term Borrowings

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-----------------------|-----------------------------|-----------------------------|----------------------------|
| Secured | | | |
| From Banks | | | |
| Working Capital Loans | 383,073,510 | 861,752,342 | 784,370,866 |
| Unsecured | | | |
| From Banks | | | |
| Commercial Paper | 1,880,000,000 | 1,200,000,000 | 1,150,000,000 |
| Other Loans | 100,000,000 | 100,000,000 | 100,000,000 |
| From Directors | 573,855 | 587,274 | 598,373 |
| Total | 2,363,647,365 | 2,162,339,616 | 2,034,969,239 |

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 7.33 % on short term borrowings (Previous year 8.29%).

21. Trade Payables

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|-------------------------------------|-----------------------------|-----------------------------|----------------------------|
| Micro, Small and Medium Enterprises | - | - | - |
| Others | 853,743,651 | 632,141,669 | 780,492,697 |
| Total | 853,743,651 | 632,141,669 | 780,492,697 |

22. Short-Term Provisions

| Particulars | 31 st March 2017 | | 31 st March 2016 | | 1 st April 2015 | |
|---------------------------------|-----------------------------|-------------------|-----------------------------|-------------------|----------------------------|-------------------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Provision for employee benefits | - | 53,076,177 | - | 63,689,021 | - | 54,163,117 |
| Total | - | 53,076,177 | - | 63,689,021 | - | 54,163,117 |

23. Revenue from Operations

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Freight, Demurrage and Miscellaneous Charges | 17,636,660,323 | 15,419,255,369 |
| Logistics and Other Services | 1,743,741,694 | 1,817,624,267 |
| Other Operating Income (i) | 44,970,749 | 33,432,048 |
| Total | 19,425,372,766 | 17,270,311,684 |

24. Other Income

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Income from Investments | | |
| Dividend Income | 1,529,352 | 1,001,352 |
| Interest from | | |
| Financial Asset Carried at Amortised Cost | 9,130,228 | 5,304,445 |
| Others | 5,701,821 | 9,930,748 |
| Other income | 14,832,049 | 15,235,193 |
| Rent | 63,229,311 | 33,181,568 |
| Profit on Disposal of Fixed Assets | - | 9,653,918 |
| Unclaimed Balances and Excess Provisions Written Back | 22,058,971 | 8,432,596 |
| Bad Debts and Irrecoverable Balances Written off Earlier, Realised | 14,411,863 | 12,397,196 |
| Fair valuation of Mutual Funds | 1,188,684 | - |
| Government Grant (ii) | 2,345,866 | - |
| Miscellaneous Income | 2,022,287 | (1,825,452) |
| Total | 121,618,383 | 78,076,371 |

* The Company did not received any dividend from the equity instruments designated as FVOCI.

Note:

i) Break-up of Sale of Power

| | | |
|---|------------|------------|
| Sale of Power | 44,970,749 | 33,432,048 |
| Rental Income due to Embedded Leases (included in Rent) | 26,016,217 | 26,016,217 |
| Net Sale of Power | 70,986,966 | 59,448,265 |

ii) Government grants are received from the Ministry of Food Processing Industries ('MoFPI') for Cold Chain Projects across various locations. There are no unfulfilled conditions or other contingencies attached to these grants.

25. Cost of Rendering of Services

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Freight | 11,847,032,243 | 10,523,781,782 |
| Vehicles' Trip Expenses | 1,690,758,057 | 1,377,747,269 |
| Tyres & Tubes etc. | 68,998,759 | 39,286,348 |
| Warehouse Rent | 248,189,033 | 275,252,506 |
| Warehouse Expenses | 759,010,801 | 750,735,255 |
| Other Transportation Expenses | 112,537,957 | 97,037,339 |
| Claims for Loss & Damages (Net) | (3,344,145) | (1,156,598) |
| Commission | 1,930,050 | 1,971,633 |
| Vehicles' Taxes | 59,722,193 | 49,892,214 |
| Vehicles' and Ship Insurance | 47,427,251 | 35,478,854 |
| Power, Fuel and Water Charges | 341,939,725 | 301,692,904 |
| Stores & Spare Parts Consumed | 77,498,494 | 77,211,637 |
| Port and Survey Expenses | 78,730,224 | 68,019,258 |
| Stevedoring and Cargo Expenses | 339,901,349 | 293,015,321 |
| Wages, Bonus and Other Expenses - Floating Staff | 104,183,886 | 104,954,371 |
| Contribution to Provident & Other Funds -Floating Staff | 1,757,587 | 411,059 |
| Clearing and Forwarding Expenses | 42,925,575 | 38,793,302 |
| Total | 15,819,199,039 | 14,034,124,455 |

26. Employee Benefit Expense

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Salaries, Wages and Bonus | 884,660,165 | 815,263,959 |
| Contribution to Provident and other Funds | 76,881,220 | 55,127,825 |
| Contribution to Employees' State Insurance | 16,133,399 | 28,267,614 |
| Share Based Payments to Employees | 19,229,311 | 13,987,794 |
| Staff Welfare & Development Expenses | 70,928,166 | 66,861,794 |
| Total | 1,067,832,261 | 979,508,986 |

27. Finance Costs

| Particulars | 31 st March 2017 | 31 st March 2016 |
|-------------------------------------|-----------------------------|-----------------------------|
| Interest | 287,777,216 | 239,428,392 |
| Guarantee, Finance and Bank Charges | 13,147,731 | 10,768,290 |
| Total | 300,924,947 | 250,196,682 |

28. Depreciation and Amortisation

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Depreciation on Property, Plant and Equipment | 587,475,516 | 507,042,822 |
| Amortisation on Intangible Assets | 4,519,089 | 14,035,801 |
| Total | 591,994,605 | 521,078,623 |

29. Other Expenses

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| (A) Administrative Expenses | | |
| Rent | 132,914,245 | 107,735,001 |
| Rates and Taxes | 9,320,209 | 11,631,396 |
| Insurance | 13,694,227 | 11,902,664 |
| Telephone Expenses | 19,158,506 | 20,587,629 |
| Printing and Stationery | 35,686,601 | 32,529,159 |
| Travelling Expenses | 116,564,290 | 117,962,440 |
| Legal Expenses | 5,616,106 | 5,887,687 |
| Postage and Courier | 11,051,839 | 9,561,030 |
| Electricity Expenses | 42,526,122 | 47,651,478 |
| Advertisement Expenses | 3,451,236 | 10,008,253 |
| Office Maintenance & Security exp. | 52,479,506 | 68,295,726 |
| E mail/I. net/Telex Expenses | 20,913,441 | 16,527,695 |
| Consultancy & Internal Audit fee | 18,702,228 | 19,159,196 |
| Conference & Seminar exp. | 15,268,413 | 21,756,853 |
| Commission & Fee's to Directors | 5,157,500 | 4,599,023 |
| Remuneration to Auditors | | |
| Audit Fees | 1,658,077 | 1,554,634 |
| Tax Audit Fees | 609,981 | 517,742 |
| Other Services | 57,500 | - |
| Lease Rent Payments | 21,050 | 21,050 |
| Bad Debts and Irrecoverable Balances Written Off | 53,101,969 | 141,699,231 |
| Charity & Donations | 25,247,107 | 21,590,110 |
| Loss on Sale of Assets | 8,179,921 | - |
| Exchange Difference | 1,199,326 | - |
| Miscellaneous Expenses | 34,359,608 | 31,216,505 |
| Sub-total | 626,939,008 | 702,394,500 |

(i) Includes ₹ 30,00,000 paid to a director for services of a professional nature (Previous period ended ₹ 21,60,000)

(ii) Includes provision of ₹ 1,41,05,011 (Previous period ended ₹ 94,83,471)

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| (B) Repairs and Maintenance Expenses | | |
| Motor Trucks | 160,465,604 | 131,785,155 |
| Other Vehicles | 25,369,315 | 25,226,179 |
| Ships | 38,109,256 | 32,322,141 |
| Plant & Equipment | 27,583,688 | 24,557,302 |
| Computers | 9,535,066 | 12,219,272 |
| Buildings | 30,010,129 | 34,201,508 |
| Sub-total | 291,073,058 | 260,311,557 |
| Total | 918,012,066 | 962,706,057 |

30. Tax Expense

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--------------|-----------------------------|-----------------------------|
| Current Tax | 118,962,526 | 218,536,707 |
| Deferred Tax | 72,078,377 | 69,432,489 |
| Total | 191,040,903 | 287,969,196 |

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:

| | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| At Country's Statutory Income Tax Rate of 34.608% (31 st March 2016: 34.608%) | 34.608% | 34.608% |
| Accounting Profit Before Income Tax | 1,003,686,321 | 1,164,268,504 |
| Income Exempted From Income Taxes | (348,047,730) | (260,562,516) |
| Others | (103,624,886) | (71,617,559) |
| Taxable Income | 552,013,705 | 832,088,523 |
| Tax Expense Provided in Etatement of Profit and Loss | 191,040,903 | 287,969,196 |
| Total | 191,040,903 | 287,969,196 |

Consequence to reconciliation items shown above, the effective tax rate is 19.03% (31st March 2016: 25.73%)

31. 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.

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---|-----------------------------|-----------------------------|
| Net profit attributable to equity shareholders | | |
| Continuing Operations | 806,927,744 | 561,155,786 |
| Discontinued Operations | - | 311,000,333 |
| Weighted-average number of equity shares for basic EPS | 76,513,951 | 75,935,483 |
| Basic earnings per share of ₹ 2 Each Shares | | |
| Continuing Operations | 10.61 | 7.43 |
| Discontinued Operations | - | 4.09 |
| Net Basic earnings per share | 10.61 | 11.52 |
| Weighted-average number of equity shares adjusted for the effect of dilution for computing diluted earnings per share | 76,513,951 | 76,131,115 |
| Diluted earnings per share | | |
| Continuing Operations | 10.61 | 7.42 |
| Discontinued Operations | - | 4.09 |
| Net Diluted earnings per share | 10.61 | 11.51 |

32. Financial Instruments

i) Fair Values Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are Companied 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 rely as little as possible 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

| 31 st March 2017 | Notes | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|-------|------------|---------|------------|------------|
| Financial Assets | | | | | |
| Investments at FVTPL | | | | | |
| Mutual Fund Investments | 6 | 4,138,483 | - | - | 4,138,483 |
| Investments at FVOCI | | | | | |
| Equity Investments | 6 | 36,960,000 | - | 11,473,484 | 48,433,484 |
| Total Financial Assets | | 41,098,483 | - | 11,473,484 | 52,571,967 |
| Financial Liabilities | | | | | |
| Total Financial Liabilities | | - | - | - | - |

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements

| 31 st March 2016 | Notes | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|-------|------------|---------|-----------|------------|
| Financial Assets | | | | | |
| Investments at FVTPL | | | | | |
| Mutual Fund Investments | 6 | 2,949,800 | - | - | 2,949,800 |
| Investments at FVOCI | | | | | |
| Equity Investments | 6 | 32,100,000 | - | 7,730,530 | 39,830,530 |
| Total Financial Assets | | 35,049,800 | - | 7,730,530 | 42,780,330 |
| Financial Liabilities | | | | | |
| Total Financial Liabilities | | - | - | - | - |

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements

| 1 st April 2015 | Notes | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|-------|------------|---------|-----------|------------|
| Financial Assets | | | | | |
| Investments at FVTPL | | | | | |
| Mutual Fund Investments | 6 | 3,214,538 | - | - | 3,214,538 |
| Investments at FVOCI | | | | | |
| Equity Investments | 6 | 29,000,000 | - | 7,498,238 | 36,498,238 |
| Total Financial Assets | | 32,214,538 | - | 7,498,238 | 39,712,776 |
| Financial Liabilities | | | | | |
| Total Financial Liabilities | | - | - | - | - |

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

| 31 st March 2017 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial Assets | | | | | |
| Investments in Preference Shares and Debt Securities | 6 | - | - | 75,936,912 | 75,936,912 |
| Deposits with Others | 7 | - | - | 165,630,724 | 165,630,724 |
| Security Deposits with Customers | 7 | - | - | 42,652,546 | 42,652,546 |
| Loans to Employees | 7 | - | - | 8,117,690 | 8,117,690 |
| Others | 8 | - | - | 37,111,358 | 37,111,358 |
| Total Financial Assets | | - | - | 329,449,230 | 329,449,230 |
| Financial Liabilities | | | | | |
| Borrowings | 16 & 20 | - | - | 3,795,181,757 | 3,795,181,757 |
| Others | 16 | - | - | 543,128,704 | 543,128,704 |
| Total Financial Liabilities | | - | - | 4,338,310,461 | 4,338,310,461 |

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

| 31 st March 2016 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial Assets | | | | | |
| Investments in Preference Shares and Debt Securities | 6 | - | - | 63,436,000 | 63,436,000 |
| Deposits with Others | 7 | - | - | 85,132,606 | 85,132,606 |
| Security Deposits with Customers | 7 | - | - | 32,571,166 | 32,571,166 |
| Loans to Employees | 7 | - | - | 10,100,529 | 10,100,529 |
| Others | 8 | - | - | 36,674,729 | 36,674,729 |
| Total Financial Assets | | - | - | 227,915,030 | 227,915,030 |
| Financial Liabilities | | | | | |
| Borrowings | 16 & 20 | - | - | 3,146,248,249 | 3,146,248,249 |
| Others | 16 | - | - | 525,934,384 | 525,934,384 |
| Total Financial Liabilities | | - | - | 3,672,182,633 | 3,672,182,633 |

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

| 1 st April 2015 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial Assets | | | | | |
| Investments in Preference Shares and Debt Securities | 6 | - | - | 63,436,000 | 63,436,000 |
| Deposits with Others | 7 | - | - | 119,901,451 | 119,901,451 |
| Security Deposits with Customers | 7 | - | - | 61,212,323 | 61,212,323 |
| Loans to Employees | 7 | - | - | 12,915,453 | 12,915,453 |
| Others | 8 | - | - | 35,345,890 | 35,345,890 |
| Total Financial Assets | | - | - | 292,811,117 | 292,811,117 |
| Financial Liabilities | | | | | |
| Borrowings | 16 & 20 | - | - | 3,157,114,282 | 3,157,114,282 |
| Others | 16 | - | - | 481,367,658 | 481,367,658 |
| Total Financial Liabilities | | - | - | 3,638,481,940 | 3,638,481,940 |

iv) Valuation Process and Technique used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- (a) The use of quoted market prices or dealer quotes for similar instruments
- (b) The fair value of the remaining financial instruments is determined based on the following methods:
 - (i) Net assets value method
 - (ii) Valuation of investment in unquoted equity shares has been made using the of FCFF 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 Group'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 (ii) above for the valuation techniques adopted.

| Particulars | Fair value as at | | | Significant unobservable inputs | Probability-weighted range | | | Sensitivity |
|------------------------|-----------------------------|-----------------------------|----------------------------|---------------------------------|-----------------------------|-----------------------------|----------------------------|--|
| | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 | |
| Unquoted Equity Shares | 11,473,484 | 7,730,530 | 7,498,238 | Earnings growth rate | 2% | 2% | 2% | An increase/(decrease) in earnings growth rate of 100 basis points would increase/(decrease) fair value: 31 st March 2017 : 2 lakh/(2 lakh) 31 st March 2016 : 2 lakh/(2 lakh) 1 st April 2015 : 2 lakh/(2 lakh) |

- vi) The following table presents the changes in level 3 items for the periods ended 31st March 2017 and 31st March 2016:

| Particulars | Unlisted equity securities | Mutual funds | Unlisted debentures |
|---|----------------------------|--------------|---------------------|
| As at 1 st April 2015 | 7,498,238 | - | - |
| Acquisitions | - | - | - |
| Gain recognised in statement of profit and loss | - | - | - |
| Disposal | - | - | - |
| Gain recognised in other comprehensive income | 232,292 | - | - |
| As at 31 st March 2016 | 7,730,530 | - | - |
| Acquisitions | 3,000,000 | - | - |
| Gains/losses recognised in statement of profit and loss | - | - | - |
| Disposal | - | - | - |
| Gains/losses recognised in other comprehensive income | 742,954 | - | - |
| As at 31 st March 2017 | 11,473,484 | - | - |

33 Financial Risk Management

i) Financial Instruments by Category

For amortised cost instruments, carrying value represents the best estimate of fair value.

| Particulars | 31 st March 2017 | | | 31 st March 2016 | | | 1 st April 2015 | | |
|------------------------------|-----------------------------|-------------------|----------------------|-----------------------------|-------------------|----------------------|----------------------------|-------------------|----------------------|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| Financial Assets | | | | | | | | | |
| Investments | 4,138,483 | 48,433,484 | 813,788,108 | 2,949,800 | 39,830,530 | 717,401,171 | 3,214,538 | 36,498,238 | 694,305,158 |
| Trade Receivables | - | - | 3,584,420,188 | - | - | 3,253,441,411 | - | - | 4,035,766,439 |
| Loans & Advances | - | - | 216,400,960 | - | - | 127,804,301 | - | - | 194,029,227 |
| Cash and Equivalents | - | - | 186,559,379 | - | - | 105,276,673 | - | - | 149,705,975 |
| Other Financial Assets | - | - | 37,111,358 | - | - | 36,674,729 | - | - | 35,345,890 |
| Total | 4,138,483 | 48,433,484 | 4,838,279,993 | 2,949,800 | 39,830,530 | 4,240,598,285 | 3,214,538 | 36,498,238 | 5,109,152,689 |
| Financial Liabilities | | | | | | | | | |
| Borrowings | - | - | 3,795,181,757 | - | - | 3,146,248,249 | - | - | 2,795,716,072 |
| Trade Payable | - | - | 853,743,651 | - | - | 632,141,669 | - | - | 780,492,697 |
| Other Financial Liabilities | - | - | 543,128,704 | - | - | 525,934,384 | - | - | 481,367,658 |
| Total | - | - | 5,192,054,112 | - | - | 4,304,324,302 | - | - | 4,057,576,427 |

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 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 ₹

| Credit rating | Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---------------|---------------------------|-----------------------------|-----------------------------|----------------------------|
| Low Risk | Trade Receivables | 3,584,420,188 | 3,253,441,411 | 4,035,766,439 |
| No Risk | Investments | 866,360,075 | 717,401,171 | 694,305,158 |
| No Risk | Loans and Advances | 216,400,960 | 127,804,301 | 194,029,227 |
| No Risk | Cash and Cash Equivalents | 186,559,379 | 105,276,673 | 149,705,975 |
| No Risk | Other Financial Assets | 37,111,358 | 36,674,729 | 35,345,890 |
| Total | | 1,306,431,772 | 4,240,598,285 | 5,109,152,689 |

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 Company 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 st March 2017 | 3,584,420,188 | 3.65% | 130,910,110 | 3,453,510,078 |
| | 31 st March 2016 | 3,253,441,411 | 3.01% | 97,935,547 | 3,155,505,864 |
| | 1 st April 2015 | 4,035,766,439 | 2.48% | 100,187,766 | 3,935,578,673 |

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 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

| 31 st March 2017 | Less than 1 Year | 1-2 Year | 2-3 Year | More than 3 Years | Total |
|-----------------------------------|------------------|-------------|-------------|-------------------|---------------|
| Financial Liabilities | | | | | |
| Borrowings | 2,828,103,576 | 391,493,905 | 339,710,464 | 653,378,377 | 4,212,686,321 |
| Trade Payable | 853,743,651 | - | - | - | 853,743,651 |
| Other Financial Liabilities | 543,128,704 | - | - | - | 543,128,704 |
| Total | 4,224,975,931 | 391,493,905 | 339,710,464 | 653,378,377 | 5,609,558,676 |
| 31st March 2016 | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | 2,599,020,954 | 328,567,641 | 245,327,566 | 369,543,562 | 3,542,459,723 |
| Trade Payable | 632,141,669 | - | - | - | 632,141,669 |
| Other Financial Liabilities | 525,934,384 | - | - | - | 525,934,384 |
| Total | 3,757,097,007 | 328,567,641 | 245,327,566 | 369,543,562 | 4,700,535,776 |
| 1st April 2015 | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | 2,422,613,705 | 273,753,318 | 175,057,659 | 285,689,600 | 3,157,114,282 |
| Trade Payable | 780,492,697 | - | - | - | 780,492,697 |
| Other Financial Liabilities | 481,367,658 | - | - | - | 481,367,658 |
| Total | 3,684,474,060 | 273,753,318 | 175,057,659 | 285,689,600 | 4,418,974,637 |

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

| Particulars | 31 st March 2017 | 31 st March 2016 |
|--|-----------------------------|-----------------------------|
| Price Sensitivity (Investment at FVOCI & FVTPL) | | |
| Price Increase by (5 %) | 2,024,014 | 1,682,500 |
| Price Decrease by (5 %) | (2,024,014) | (1,682,500) |

* 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.

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Net Debts (Net of Cash and Cash Equivalent) | 3,858,472,050 | 3,272,150,266 | 2,904,376,071 |
| Total Equity | 5,777,247,773 | 5,032,122,312 | 5,814,820,673 |
| Net debt to equity ratio (Times) | 0.67 | 0.65 | 0.50 |

(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%.

The Company has complied with these covenants throughout the reporting period. As at 31st March 2017, the ratio of net finance cost to EBITDA was 4% (31st March 2016 – 3%).

(ii) Dividends

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (i) Equity Shares | | | |
| Interim and final dividend for the year ended (In CY 2016-17 ₹ 1.10 Per Share and PY 2015-16 ₹ 1.50 Per Share) | 84,240,324 | 182,216,744 | |
| (ii) Dividends not Recognised at the End of the Reporting Period | | | 68,106,150 |
| In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.90 per fully paid equity share at the end of the financial year 2014-15. This would be considered in the financial year 2015-16 on payment basis to fulfil Ind AS compliance. | | | |

35. The Consolidated Financial Statement Include Results of all the Subsidiaries, Step-Down Subsidiaries And Joint Ventures of Transport Corporation Of India Limited.

| Sl. | Name of the Company | Country of Incorporation | % of Shareholding | Consolidated as |
|-----|--|--------------------------|-------------------|-----------------------------|
| 1 | Transystem Logistics International Pvt. Ltd. | India | 49% | Joint Venture |
| 2 | PT. TCI Global, Indonesia | Indonesia | 48% | Step-down deemed Subsidiary |
| 3 | PT. TCI Global | Indonesia | 100% | Step-down Subsidiary |
| 4 | TCI Global (Thailand) Co. Ltd. | Thailand | 49% | Step-down deemed Subsidiary |
| 5 | TCI Global Pte Ltd. | Singapore | 100% | Step-down Subsidiary |
| 6 | TCI Global Brazil Logistica Ltda | Brazil | 100% | Step-down Subsidiary |
| 7 | TCI Holdings Netherlands B.V. | Netherlands | 100% | Step-down Subsidiary |
| 8 | TCI Global (Shanghai) Co. Ltd. | China | 100% | Subsidiary |
| 9 | TCI Holdings Asia Pacific Pte. Ltd. | Singapore | 100% | Subsidiary |
| 10 | TCI Holdings SA & E PTE LTD | Singapore | 100% | Subsidiary |
| 11 | TCI Transportation Company Nigeria Ltd | Nigeria | 50% | Joint Venture |
| 12 | TCI Bangladesh Limited | Bangladesh | 100% | Subsidiary |
| 13 | TCI Venture Limited | India | 100% | Subsidiary |
| 14 | TCI-CONCOR Multimodal Solutions Pvt. Ltd. | India | 51% | Subsidiary |

The Following companies has been struck off /liquidated during the year:

| | | | | |
|---|--------------------------|---------|------|----------------------|
| 1 | TCI Global Logistik GmbH | Germany | 100% | Step-down Subsidiary |
|---|--------------------------|---------|------|----------------------|

The Following companies are under liquidation proceedings

| | | | | |
|---|--------------------------------|-----------|------|-----------------------------|
| 1 | PT. TCI Global, Indonesia | Indonesia | 48% | Step-down deemed Subsidiary |
| 2 | PT. TCI Global | Indonesia | 100% | Step-down Subsidiary |
| 3 | TCI Global (Shanghai) Co. Ltd. | China | 100% | Subsidiary |

(a) The Financial Statement of these Companies are for the Period as under:-

| Sl. | Name of the Company | Period | | Remarks |
|-----|---|-----------------------------|------------------------------|-------------------------------|
| | | From | To | |
| 1 | Transsystem Logistics International Pvt. Ltd. | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 2 | PT. TCI Global, Indonesia | 1 st April, 2016 | 31 st March, 2017 | Under Liquidation |
| 3 | PT. TCI Global | 1 st April, 2016 | 31 st March, 2017 | Under Liquidation |
| 4 | TCI Global (Thailand) Co. Ltd. | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 5 | TCI Global Pte Ltd. | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 6 | TCI Global Brazil Logistica Ltda | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 7 | TCI Holdings Netherlands B.V. | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 8 | TCI Global (Shanghai) Co. Ltd. | 1 st April, 2016 | 31 st March, 2017 | Under Liquidation |
| 9 | TCI Holdings Asia Pacific Pte. Ltd. | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 10 | TCI Holdings SA & E PTE LTD | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 11 | TCI Transportation Company Nigeria Ltd | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 12 | TCI Bangladesh Limited | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 13 | TCI Venture Limited | 1 st April, 2016 | 31 st March, 2017 | Financial year of the company |
| 14 | TCI-CONCOR Multimodal Solutions Pvt. Ltd. | 1 st April, 2016 | 31 st March, 2017 | 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, the financial statements have been consolidated considering the interest in the joint ventures using equity method as per the Ind AS 31st "Financial Reporting of Interest in Joint Ventures".
- In respect of associates the financial statements have been consolidated by adding share of net profit/losses in the carrying amount of the investment in associates as per Accounting Standard-23. Accounting for Investment in Associates in Consolidated Financial Statement.
- 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 Company 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 is included in carrying amount of the investment in associates

36. Additional information, as required under Schedule III to the Companies Act 2013, of enterprises consolidated as Subsidiaries/Associates/ Joint Ventures.

| Name of the Enterprise | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | |
|---|--|------------------|-------------------------------------|------------------|
| | As % of consolidated net assets | Amount (In Lakh) | As % of consolidated profit or loss | Amount (In Lakh) |
| Parent | | | | |
| Transport Corporation of India Limited | 89.25 | 58,090.20 | 87.07 | 7,026.32 |
| Subsidiary | | | | |
| Indian | | | | |
| 1 TCI-CONCOR Multimodal Solutions Pvt. Ltd. | 1.33 | 863.03 | 1.45 | 116.69 |
| 2 TCI Venture Limited | 0.25 | 160.41 | (0.02) | (1.60) |
| Foreign | | | | |
| 1 TCI Holdings SA & E PTE LTD | 0.34 | 219.71 | (0.03) | (2.71) |
| 2 TCI Holdings Asia Pacific Pte. Ltd. | 4.02 | 2,615.34 | (0.07) | (5.89) |
| 3 TCI Global Pte Ltd. | (0.00) | (2.20) | 0.03 | 2.22 |
| 4 TCI Holdings Netherlands B.V. | 0.04 | 27.82 | (0.07) | (5.32) |
| 5 PT. TCI Global | (0.06) | (249.69) | 0.00 | - |
| 6 TCI Global (Thailand) Co. Ltd. | (0.00) | (0.73) | (0.03) | (2.29) |
| 7 TCI Global Brazil Logistica Ltda | 0.02 | 15.14 | (0.01) | (0.55) |
| 8 PT. TCI Global, Indonesia | (0.06) | (39.03) | (0.00) | (0.10) |
| 9 TCI Global (Shanghai) Co. Ltd. | 0.07 | 48.14 | (0.08) | (6.60) |
| 10 TCI Bangladesh Limited | 0.24 | 153.63 | 0.41 | 33.34 |
| Minority Interests in all subsidiaries | 0.79 | 516.45 | 0.71 | 57.18 |
| Joint Ventures (as per equity method) | | | | |
| Indian | | | | |
| 1 Transsystem Logistics International Pvt. Ltd. | 11.06 | 7,197.85 | 19.01 | 1,534.31 |
| Foreign | | | | |
| 1 TCI Transportation Company Nigeria Ltd | 0.28 | 180.67 | 0.15 | 12.27 |
| Intercompany and consolidation adjustments | (7.24) | (4,713.19) | (8.53) | (687.99) |
| Grand Total | 100 | 65,083.53 | 100 | 8,069.28 |

37 Related Party Information
a) Name of Key Managerial Personnel and Relatives

| Name of Key Managerial Personnel | Designation | Relatives |
|--|-----------------------------------|------------------------|
| Mr. D.P Agarwal | Vice Chairman & Managing Director | Mrs. Urmila Agarwal |
| Mr. Vineet Agarwal | Managing Director | Mrs. Priyanka Agarwal |
| Mr. Chander Agarwal (Till 18 th Aug 2016) | Joint Managing Director | Mrs. Chandrima Agarwal |

(b) Joint Ventures

| |
|--|
| Transystem Logistics International Pvt.Ltd |
| TCI Transportation Company Nigeria Ltd. |

(c) Other Related Companies

| | |
|---|---|
| TCI Global Logistics Ltd. | TCI Exim Pvt. Ltd. |
| Bhoruka Finance Corporation of India Ltd. | TCI India Ltd. |
| TCI Industries Ltd. | TCI Warehousing (MH) – Partnership firm |
| Bhoruka International Pvt. Ltd. | TCI Properties (South) – Partnership firm |
| TCI Properties (Guj) – Partnership firm | TCI Properties (NCR) – Partnership firm |
| TCI Properties (Delhi) – Partnership firm | TCI Infrastructure Ltd. |
| TCI Developers Ltd. | TCI Apex Pal Hospitality India Pvt. Ltd. |
| TCI Properties (West) Ltd. | TCI Institute Logistics |
| XPS Cargo Services Ltd. | TCI Express Limited |
| TCI Distribution Centres Ltd. | |

(d) Key Managerial Personnel Compensation

| Description | 31 st March 2017 | 31 st March 2016 |
|------------------------------|-----------------------------|-----------------------------|
| Short Term Employee Benefits | 100,707,684 | 120,834,138 |
| Post-Employment Benefits | 2,134,327 | 2,689,258 |
| Long-Term Employee Benefits | 4,147,428 | 4,577,727 |
| Employee Share Based Payment | - | - |
| Total Compensation | 106,989,439 | 128,101,123 |

(e) Transactions during the Year with Related Parties

| Description | Nature of Relation | 31 st March 2017 | 31 st March 2016 |
|-------------------------------------|--|-----------------------------|-----------------------------|
| Income | | | |
| Freight Income | Joint Ventures | 518,901,454 | 393,803,193 |
| | Other Related Party | 5,171,696 | |
| Logistic Services | Joint Venture | 82,205,186 | 78,116,046 |
| | Other Related Party | 4,137,700 | |
| Dividend Income | Joint Venture | 58,800,000 | 78,400,000 |
| | Other Related Party | - | 900,000 |
| Reimbursement of Misc Expenditures | Other Related Party | 110,459 | |
| Rent Received | Key Management Personnel Being Trustee | 83,640 | 109,098 |
| | Other Related Party | 30,582,285 | 267,900 |
| Expenditure | | | |
| Freight Expenses | Joint Venture | 7,412,221 | 482,587 |
| | Other Related Party | 5,227,196 | |
| Fuel Purchase | Other Related Party | 81,007,324 | 62,331,608 |
| Training Expenses | Other Related Party | 1,021,000 | 5,106,000 |
| Reimbursement of Misc Expenditures | Other Related Party | 119,502 | |
| Vehicle Maintenance | Joint Venture | 3,373,290 | 5,168,564 |
| Rent paid | Other Related Party | 116,903,528 | 110,932,687 |
| | Key Management Personnel Being Trustee | 2,011,800 | 1,571,800 |
| | Key Management Personnel | 768,600 | 768,600 |
| | Relatives of Key Management Personnel | 900,000 | 900,000 |
| Directors Remuneration & Commission | Directors | 3,300,000 | 3,300,000 |
| | Key Management Personnel | 100,707,684 | 120,834,138 |
| Finance and Investments | | | |
| Property Management Services | Other Related Party | 1,200,000 | 2,989,000 |
| Advances / Deposits Refund | Other Related Party | 1,340,000 | - |
| Advances / Deposits Given | Other Related Party | - | 24,448,660 |

(h) Balance at the End of the Year

| Description | Nature of Relation | 31 st March 2017 | 31 st March 2016 |
|-------------------------|---------------------------------------|-----------------------------|-----------------------------|
| Investments | Joint Ventures | 39,200,000 | 39,200,000 |
| | Other related Party | 67,637,000 | 67,637,000 |
| Advances /Deposit Given | Other related Party | 84,596,654 | 101,788,653 |
| | Key Management Personnel | 640,500 | 640,500 |
| | Relatives of Key Management Personnel | 240,000 | 240,000 |
| | Trust | 372,860 | - |
| Trade receivables | Joint Ventures | 79,631,802 | 38,475,848 |
| Advances /Deposit taken | Key Management Personnel | 323,861 | 587,274 |
| Trade Payables | Joint Ventures | 3,176,089 | 582,515 |

38. Segment Information**Operating Segments:**

a) Freight Division:

b) Supply Chain Solutions Division:

c) Seaways Division:

d) Energy Division:

e) XPS Division (Demerged):

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.

| Particulars | | 31 st March 2017 | 31 st March 2016 |
|----------------------------|---|-----------------------------|-----------------------------|
| Revenue | | | |
| Segment Revenue | | | |
| | Freight Division | 10,590,368,591 | 9,710,415,707 |
| | Supply Chain Solutions Division | 7,374,355,714 | 6,309,704,444 |
| | Seaways Division | 1,639,323,654 | 1,402,200,000 |
| | Energy Division | 73,762,916 | 59,600,000 |
| | Unallocated Income/Expenditure | 83,129,079 | 39,935,844 |
| | Total | 19,760,939,954 | 17,521,855,995 |
| | Less: Inter Segment Revenue | 213,948,805 | 173,467,940 |
| Net Income from Operations | | 19,546,991,149 | 17,348,388,055 |
| Segment Results | | | |
| | Freight Division | 241,793,011 | 183,283,403 |
| | Supply Chain Solutions Division | 447,302,244 | 381,172,582 |
| | Seaways Division | 381,800,617 | 314,170,738 |
| | Energy Division | 39,386,490 | 26,159,053 |
| | Unallocated (Net of Unallocated Corporate Expenses) | 26,521,065 | (53,815,842) |
| | Less: Interest Expenses | 287,775,195 | 250,196,682 |
| Profit Before Tax | | 849,028,231 | 600,773,252 |
| Other Information | | | |
| Segment Assets | | | |
| | Freight Division | 2,594,965,175 | 2,464,841,256 |
| | Supply Chain Solutions Division | 3,422,896,611 | 2,775,324,393 |
| | Seaways Division | 2,263,018,670 | 1,642,242,117 |
| | Energy Division | 242,673,391 | 283,992,738 |
| | Unallocated Corporate Assets | 3,068,334,978 | 2,823,089,898 |
| Total Assets | | 11,591,888,825 | 9,989,490,402 |
| Segment Liabilities | | | |
| | Freight Division | 318,494,667 | 248,393,712 |
| | Supply Chain Solutions Division | 652,719,522 | 489,007,417 |
| | Seaways Division | 7,098,017 | 13,200,000 |
| | Energy Division | 389,553 | 59,019 |
| | Unallocated Corporate Liabilities | 325,077,205 | 338,587,984 |
| Total Liabilities | | 1,303,778,964 | 1,089,248,132 |

| Particulars | | 31 st March 2017 | 31 st March 2016 |
|----------------------------|---------------------------------|-----------------------------|-----------------------------|
| Capital Expenditure | Freight Division | 710,736,794 | 128,027,843 |
| | Supply Chain Solutions Division | 2,832,774,557 | 807,928,124 |
| | Seaways Division | 1,579,845,193 | 45,383,933 |
| | Unallocated Capital Expenditure | 2,765,007,657 | 647,873,143 |
| Total Capital Expenditure | | 7,888,364,201 | 1,629,213,043 |
| Depreciation | Freight Division | 113,963,827 | 100,585,803 |
| | Supply Chain Solutions Division | 331,955,420 | 290,455,482 |
| | Seaways Division | 125,011,191 | 108,981,151 |
| | Energy Division | 21,064,167 | 21,056,187 |
| Total Depreciation | | 591,994,605 | 521,078,623 |

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

*As required by Ind AS 105 – “Non-current Assets Held for Sale and Discontinued Operations” figures relating to XPS undertaking which was demerged under the scheme of arrangement at the close of business hours on 31st March, 2016 have been excluded from the figures for the previous year ended 31st March, 2016.

39 Commitments

Non-Cancellable Operating Leases

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.

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|---|-----------------------------|-----------------------------|----------------------------|
| Commitments for minimum lease payments in relation to non-cancellable operating leases are receivable as follows: | | | |
| Within one Year | 26,016,217 | 26,016,217 | 26,016,217 |
| Later than One Year but not Later than Five Years | 55,025,508 | 70,862,189 | 86,698,870 |
| Later than Five Years | 68,914,439 | 124,152,586 | 164,870,732 |
| Total Financial Assets | 149,956,165 | 221,030,992 | 277,585,819 |

40 Contingent Liabilities and Commitments:-

| Particulars | 31 st March 2017 | 31 st March 2016 | 1 st April 2015 |
|--|-----------------------------|-----------------------------|----------------------------|
| (a) Contingent liabilities not Provided in Respect of Following | | | |
| Trade Tax/ Octroi/ Duty/ ESI and other Demands under Dispute | 36,672,810 | 32,471,589 | 47,184,441 |
| Guarantees and Counter Guarantees Outstanding | 434,649,389 | 459,343,256 | 454,154,421 |
| Income Tax Demands under Dispute | 2,271,370 | 2,271,370 | 3,397,540 |
| (b) Commitments | | | |
| Estimated Amount of Contracts Remaining to be Executed on Capital Account and not Provided for Net of Advance on Tangible Assets | 99,736,668 | 48,201,179 | 224,490,000 |

41 The step down overseas subsidiary, TCI Global (Singapore) PTE. Ltd. has total current liabilities exceeding total current assets by in ₹ 36,463,351 (S\$ 787,440) as at 31st March 2017 (2016 S\$ 756,706). The financial statement have been prepared on a going concern basis on the assumption that financial support from its ultimate holding company will continue to be available, In the event that there is no continued financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation in the of the company,s assets and further costs, which might arise. The directors are satisfied that financial support from ultimate holding company will be available as when required.

42 (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) Contributions Towards CSR

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsible committee has been formed by the company. Expenditure by way of contribution to various trusts and institutions related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof ₹ 297 lakh

43 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 6)

Corporate Guarantees given by the Company in respect of loans as at 31st March, 2017

| Sl No | Name of the Company | As at 31 st March 2017 | As at 31 st March 2016 | As at 1 st April 2015 |
|-------|-------------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| 1 | ABC India Ltd | 74,206,119 | 74,206,119 | 118,500,000 |
| 2 | TCI Infrastructure Ltd. | 134,800,000 | 174,562,500 | 211,310,000 |

44 Discontinued Operation (Demeger of TCI XPS Undertaking)

The Scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 (the Scheme) between Transport Corporation of India Limited (the demerged company) and its wholly owned subsidiary TCI Express Limited (formerly known as TCI Properties (Pune) Limited) (the resulting company) and their respective shareholders and the creditors of the two companies for demerger of the XPS undertaking of the demerged

company into TCI Express limited with the appointed date at the close of business hours on 31st March 2016, has been sanctioned by the Hon'ble Telangana and Andhra Pradesh High Court by an order dated 14th June, 2016 and a certified copy thereof has been filed with the Registrar of the Companies, Hyderabad. The Scheme, being effective from the appointed date, provides for:

- Issue of one equity share of ₹ 2 each by TCI Express Limited for two equity shares of ₹ 2 each of the demerged company
- Cancellation of 50,000 equity shares of ₹ 10 each of the TCI express Ltd held by the demerged company under the provisions of sections 102 to 103 of the Companies Act 1956 and same has been adjusted with General Reserve.
- In respect of the above adjustments it is deemed that the special resolution as contemplated under Article 62 of the Article of Association of the demerged company and under section 100 of the Companies act 1956 has been passed and all the procedures required under section 100 of the Companies Act, 1956 for reduction of share capital have been complied with.
- In Pursuant to the Scheme, losses of ₹ 2,13,739,400 on liquidation of the wholly owned subsidiary of the demerged company TCI Global Holding (Mauritius) Limited shall be adjusted in the statement of profit and loss and an equivalent amount of such loss shall be transferred from Securities Premium Account to the Statement of Profit and Loss.
- The amount of difference in the net value of assets shall be adjusted against reserves as envisaged under the Scheme.
- All the assets and liabilities of the XPS Undertaking has been transferred as a going concern at the values appearing in the books of the Company at the close of business hours on 31st March 2016. The particulars of assets and liabilities transferred are as follows:

| Name of the Company | 31 st March 2016 |
|---------------------|-----------------------------|
| Total assets | 1,984,567,303 |
| Total liabilities | 755,093,391 |

- In pursuant to the Scheme, the surplus of ₹ 1,229,473,912 lacs assets over liabilities pertaining to XPS Undertaking transferred to and vested in TCI Express Limited (Formerly known as TCI Properties (Pune) Limited) has been adjusted with reserve and surplus of the Company in the following manner.

| Name of the Company | 31 st March 2016 |
|-----------------------|-----------------------------|
| Share Premium Account | 978,599,696 |
| General Reserve | 250,874,216 |
| Total | 1,229,473,912 |

- In pursuant to the Scheme, contingent liabilities and commitments related to the XPS Undertakings has been transferred to TCI Express Ltd. (Formerly known as TCI Properties (Pune) Ltd.)

| Contingent Liabilities not Provided in Respect of Following | 31 st March 2016 |
|---|-----------------------------|
| Trade Tax/ Octroi/ Duty/ ESI and Other Demands Under Dispute | 2,420,766 |
| Guarantees and Counter Guarantees Outstanding | 4,382,452 |
| Commitments | |
| Estimated Amount of Contracts Remaining to be Executed on Capital Account and not Provided for Net of Advance on Tangible Assets. | 110,877,825 |

- The following statement shows the revenue and expenses of continuing and discontinuing (demerged) operations for the year ended 2016. In ₹

| Particulars | Continuing Operations | Discontinued Operation (TCI XPS Undertaking) | Total |
|-------------------------|-----------------------|--|---------|
| Turnover | 173,484 | 66,380 | 239,864 |
| Operating Expenses | 140,341 | 50,582 | 190,923 |
| Profit (Loss) Before | 7,152 | 4,449 | 11,601 |
| Income Tax Expenses | 1,540 | 1,339 | 2,880 |
| Profit (Loss) After Tax | 5,612 | 3,110 | 8,722 |

- Non-Current Assets Held for Sale and Discontinued Operations;
As required by Ind AS 105 – "Non-current Assets Held for Sale and Discontinued Operations" figures relating to XPS undertaking which was demerged under the scheme of arrangement at the close of business hours on 31st March, 2016 have been excluded from the figures for the previous year ended 31st March, 2016.

- There is no outstanding as at 31st March 2017 due to Micro and Small Enterprises registered under Micro, Small and Medium Enterprises development Act, 2006, (MSME)
 - Interest paid/payable to the enterprises register under MSME ₹ NIL (Previous Year ₹ NIL)

- Previous year figure's have been regrouped /rearranged wherever considered necessary

47 Details of Specified Bank Notes (SBN) held and Transacted

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below -

| | SBNs | Other denomination notes | Total |
|---|------------|--------------------------|-------------|
| Closing Cash in Hand as on 8 th November 2016 | 28,557,000 | 35,628,091 | 64,185,091 |
| (+) Permitted Receipts | - | 428,493,304 | 428,493,304 |
| (-) Permitted Payments | - | 452,884,156 | 452,884,156 |
| (-) Amount Deposited in Banks | 28,557,000 | 321,345 | 28,878,345 |
| Closing Cash in Hand as on 30 th December 2016 | - | 10,915,894 | 10,915,894 |

48. First-Time Adoption of Ind AS

These financial statements, for the year ended 31st March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2017, together with the comparative period data as at and for the year ended 31st March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2015, the Company's date of transition to Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and Exceptions Availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS

(a) Ind AS Optional Exemptions

Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

Investment in Subsidiaries, Jointly Controlled Entities and Associates

Ind AS 101 permits a first-time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in the subsidiary, jointly controlled entities and associates as the deemed cost. Accordingly, the Company has opted to measure its investment in subsidiary, jointly controlled entities and associates at deemed cost i.e., previous GAAP carrying amount.

Share Based Payment

Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before the transition date, i.e. 1st April 2015.

Business Combinations

Ind AS 103, Business Combinations has not been applied to acquisition of subsidiaries, which are considered under Ind AS that occurred before 1st April 2015. Use of this exemption means that Indian GAAP carrying amount of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with the respective Ind AS.

(b) Ind AS Mandatory Exceptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

c) Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

I Reconciliation of Equity as at Date of Transition (1st April 2015)

| Particulars | Note | Indian GAAP | Share of JV | Indian GAAP Excluding Share of JV | Adjustments | Ind AS |
|---------------------------------|--------|----------------|--------------|-----------------------------------|--------------|----------------|
| Assets | | | | | | |
| Non-Current Assets | | | | | | |
| a)Property, Plant and Equipment | 1 & 10 | 5,176,350,725 | 311,224,165 | 4,865,126,560 | 9,789,758 | 4,874,916,318 |
| b)Capital work in progress | | 68,217,052 | 114,940 | 68,102,112 | - | 68,102,112 |
| c)Other Intangible Assets | | 36,863,664 | 1,559,100 | 35,304,564 | - | 35,304,564 |
| d)Financial Assets | | | | | | |
| i) Investments | 6 | 72,087,538 | (54,873,285) | 126,960,823 | 607,057,111 | 734,017,934 |
| ii) Loans | 3 | 86,183,282 | | 86,183,282 | (27,245,007) | 58,938,275 |
| ii) Other Financial Assets | 11 | | | | 27,963,854 | 27,963,854 |
| e)Other Non Current Assets | 1 & 3 | 347,294,001 | | 347,294,001 | 39,701,583 | 386,995,584 |
| | | 5,786,996,262 | 258,024,920 | 5,528,971,342 | 657,267,299 | 6,186,238,641 |
| Current assets | | | | | | |
| a)Inventories | | 22,752,180 | | 22,752,180 | - | 22,752,180 |
| b)Financial Assets | | | | | | |
| i)Trade receivable | 8 | 4,345,803,002 | 210,881,364 | 4,134,921,638 | (99,155,199) | 4,035,766,439 |
| ii)Cash and Cash Equivalents | | 384,529,496 | 243,539,038 | 140,990,459 | - | 140,990,459 |
| iii)Other Bank Balances | | 8,715,516 | - | 8,715,516 | - | 8,715,516 |
| iv)Loans | | 155,268,081 | 20,177,129 | 135,090,952 | - | 135,090,952 |
| v)Other Financial Assets | 11 | 35,345,890 | | 35,345,890 | (27,963,854) | 7,382,036 |
| c)Other Current Assets | 7 & 9 | 111,236,995 | (5,131,227) | 116,368,222 | 132,361,922 | 248,730,144 |
| d)Current Tax Assets (net) | | 76,508,163 | (11,876,120) | 88,384,283 | - | 88,384,283 |
| | | 5,140,159,323 | 457,590,184 | 4,682,569,140 | 5,242,869 | 4,687,812,009 |
| Total | | 10,927,155,585 | 715,615,104 | 10,211,540,482 | 662,510,168 | 10,874,050,650 |

| Particulars | Note | Indian GAAP | Share of JV | Indian GAAP Excluding Share of JV | Adjustments | Ind AS |
|----------------------------------|------|----------------|-------------|-----------------------------------|--------------|----------------|
| Equity and Liabilities | | | | | | |
| Equity | | | | | | |
| a)Equity Share Capital | | 151,347,000 | | 151,347,000 | - | 151,347,000 |
| b)Other Equity | | 6,053,798,646 | 565,536,088 | 5,488,262,558 | 731,598,132 | 6,219,860,690 |
| c)Non Controlling Interest | | 34,536,396 | | 34,536,396 | - | 34,536,396 |
| | | 6,239,682,042 | 565,536,088 | 5,674,145,954 | 731,598,132 | 6,405,744,086 |
| Liabilities | | | | | | |
| Non-Current Liabilities | | | | | | |
| a)Financial Liabilities | | | | | | |
| i)Long-Term Borrowings | | 778,417,200 | 17,670,367 | 760,746,833 | - | 760,746,833 |
| ii)Other Financial Liabilities | | | | - | - | - |
| b)Deferred Tax Liabilities (Net) | | 292,646,954 | 5,540,977 | 287,105,977 | 12,632,605 | 299,738,582 |
| c)Other Non Current Liabilities | | 1,992,383 | 1,992,383 | - | - | - |
| | | 1,073,056,537 | 25,203,727 | 1,047,852,810 | 12,632,605 | 1,060,485,415 |
| Current Liabilities | | | | | | |
| a)Financial Liabilities | | | | | | |
| i)Borrowings | | 2,057,983,879 | 23,014,640 | 2,034,969,239 | - | 2,034,969,239 |
| ii)Trade Payables | | 869,505,347 | 89,012,655 | 780,492,697 | - | 780,492,697 |
| iii)Other Financial Liabilities | 11 | 479,513,031 | | 479,513,031 | 1,854,627 | 481,367,658 |
| b)Provisions | 2 | 144,118,350 | 8,234,664 | 135,883,686 | (81,720,569) | 54,163,117 |
| c)Other Current Liabilities | 11 | 63,296,399 | 4,613,330 | 58,683,065 | (1,854,627) | 56,828,438 |
| | | 3,614,417,006 | 124,875,289 | 3,489,541,718 | (81,720,569) | 3,407,821,149 |
| Total | | 10,927,155,585 | 715,615,104 | 10,211,540,482 | 662,510,169 | 10,874,050,650 |

II Reconciliation of Equity as at date of Transition (31st March 2016)

| Particulars | Note | Indian GAAP | Share of JV | Indian GAAP (Excluding Share of JV) | Adjustments | Ind AS |
|----------------------------------|--------|----------------|--------------|-------------------------------------|--------------|----------------|
| Assets | | | | | | |
| Non-Current Assets | | | | | | |
| a)Property, Plant and Equipment | 1 & 10 | 5,577,083,138 | 309,342,393 | 5,267,740,745 | 46,284,084 | 5,314,024,829 |
| b)Capital Work in Progress | | 124,747,065 | 1,560,174 | 123,186,891 | - | 123,186,891 |
| c)Other Intangible Assets | | 11,065,331 | 1,201,128 | 9,864,203 | - | 9,864,203 |
| d)Financial Assets | | | | - | - | - |
| i) Investments | 6 | 71,822,800 | (54,873,285) | 126,696,085 | 633,485,416 | 760,181,501 |
| ii) Loans | 3 | 86,188,182 | 4,900 | 86,183,282 | (21,940,563) | 64,242,719 |
| ii) Other Financial Assets | 11 | | | - | 31,210,353 | 31,210,353 |
| e)Other Non Current Assets | 1 & 3 | 314,883,733 | | 314,883,733 | 33,358,134 | 348,241,867 |
| | | 6,185,790,249 | 257,235,310 | 5,928,554,939 | 722,397,424 | 6,650,952,363 |
| Current assets | | | | | | |
| a)Inventories | | 20,027,291 | 2,341,123 | 17,686,168 | - | 17,686,168 |
| b)Financial Assets | | | | - | - | - |
| i)Trade receivable | 8 | 3,481,530,388 | 131,185,998 | 3,350,344,390 | (96,902,979) | 3,253,441,411 |
| ii)Cash and Cash Equivalents | | 405,100,233 | 312,719,361 | 92,380,872 | - | 92,380,872 |
| iii)Other Bank Balances | | 12,895,802 | - | 12,895,802 | - | 12,895,802 |
| iv)Loans | | 94,322,232 | 30,760,650 | 63,561,582 | - | 63,561,582 |
| v)Other Financial Assets | 11 | 36,674,729 | | 36,674,729 | (31,210,353) | 5,464,376 |
| c)Other Current Assets | 7 & 9 | 228,498,418 | | 228,498,418 | 139,482,597 | 367,981,015 |
| d)Current Tax Assets (net) | | 116,003,455 | (3,870,958) | 119,874,413 | - | 119,874,413 |
| | | 4,395,052,548 | 473,136,174 | 3,921,916,374 | 11,369,264 | 3,933,285,638 |
| Total | | 10,580,842,797 | 730,371,484 | 9,850,471,313 | 733,766,688 | 10,584,238,001 |
| Equity and Liabilities | | | | | | |
| Equity | | | | | | |
| a)Equity Share Capital | | 152,147,200 | | 152,147,200 | - | 152,147,200 |
| b)Other Equity | | 5,510,986,124 | 595,469,464 | 4,915,516,660 | 682,128,999 | 5,597,645,659 |
| c)Non Controlling Interest | | 38,679,585 | | 38,679,585 | - | 38,679,585 |
| | | 5,701,812,909 | 595,469,464 | 5,106,343,445 | 682,128,999 | 5,788,472,444 |
| Liabilities | | | | | | |
| Non-Current Liabilities | | | | | | |
| a)Financial Liabilities | | | | | | |
| i)Long-Term Borrowings | | 999,635,830 | 15,727,196 | 983,908,633 | - | 983,908,633 |
| ii)Other Financial Liabilities | | | | - | - | - |
| b)Deferred Tax Liabilities (Net) | 4 | 330,398,065 | 6,264,799 | 324,133,266 | (1,077,347) | 323,055,919 |
| c)Other Non Current Liabilities | | 2,443,511 | 2,443,511 | - | - | - |
| | | 1,332,477,406 | 24,435,506 | 1,308,041,899 | (1,077,347) | 1,306,964,552 |

| Particulars | Note | Indian GAAP | Share of JV | Indian GAAP (Excluding Share of JV) | Adjustments | Ind AS |
|----------------------------------|------|----------------|-------------|-------------------------------------|-------------|----------------|
| Current liabilities | | | | | | |
| a) Financial Liabilities | | | | | | |
| i) Borrowings | | 2,164,454,801 | 2,115,185 | 2,162,339,616 | - | 2,162,339,616 |
| ii) Trade Payables | | 727,460,084 | 96,352,415 | 631,107,669 | 1,034,000 | 632,141,669 |
| iii) Other Financial Liabilities | 11 | 528,333,051 | | 528,333,051 | (2,398,667) | 525,934,384 |
| b) Provisions | 2 | 68,093,875 | 4,404,854 | 63,689,021 | - | 63,689,021 |
| c) Other Current Liabilities | 11 | 58,210,671 | 7,594,060 | 50,616,611 | 54,079,704 | 104,696,315 |
| | | 3,546,552,482 | 110,466,514 | 3,436,085,968 | 52,715,037 | 3,488,801,005 |
| Total | | 10,580,842,797 | 730,371,484 | 9,850,471,312 | 733,766,689 | 10,584,238,001 |

III Reconciliation of Total Comprehensive Income for the Year Ended (31st March 2016)

| Particulars | Note | Indian GAAP (Excluding Share of JV) | Adjustments | Ind AS |
|--|----------|-------------------------------------|--------------|----------------|
| Income from Operations | | | | |
| a) Income from Operations | 7 & 11 | 17,233,401,902 | 36,909,782 | 17,270,311,684 |
| Total Income from Operations (Net) | | 17,233,401,902 | 36,909,782 | 17,270,311,684 |
| Expenses | | | | |
| a) Cost of Rendering Services | 7 | 13,988,557,310 | 45,567,145 | 14,034,124,455 |
| b) Employee Benefits Expense | 5 & 9 | 991,516,807 | (12,007,821) | 979,508,986 |
| c) Depreciation and Amortisation Expense | 10 | 495,378,623 | 25,700,000 | 521,078,623 |
| d) Other Expenses | 1, 3 & 8 | 1,023,746,200 | (61,040,143) | 962,706,057 |
| Total Expenses | | 16,499,198,940 | (1,780,819) | 16,497,418,121 |
| Profit from Operations Before Other Income and Finance Costs | | 734,202,962 | 38,690,601 | 772,893,563 |
| Other Income | 11 | 48,985,941 | 29,090,430 | 78,076,371 |
| Profit Before Finance Costs | | 783,188,903 | 67,781,031 | 850,969,934 |
| Finance Costs | 11 | 240,507,794 | 9,688,888 | 250,196,682 |
| Profit Before Tax From Continuing Operations | | 542,681,109 | 58,092,143 | 600,773,252 |
| Tax Expense (Including Deferred Tax) | 4 | 145,221,008 | 8,826,742 | 154,047,750 |
| Profit from Continuing Operations After Tax | | 397,460,101 | 49,265,401 | 446,725,502 |
| Share of Profits in JV | | 119,007,611 | (434,138) | 118,573,473 |
| Share of Profits of Non-Controlling Interests | | 4,143,189 | - | 4,143,189 |
| Profit from Continuing Operations After Tax | | 512,324,523 | 48,831,263 | 561,155,786 |
| Profit Before Tax from Discontinuing Operations | 7 | 435,266,560 | 9,655,219 | 444,921,779 |
| Tax Expense of Discontinuing Operations | 4 | 130,579,967 | 3,341,479 | 133,921,446 |
| Profit from Discontinuing Operations After Tax | | 304,686,593 | 6,313,740 | 311,000,333 |
| Net Profit for the Period | 5 & 6 | 817,011,116 | 55,145,002 | 872,156,119 |
| Other Comprehensive Income/(Expense) Net of Taxes | 4 | - | (3,971,716) | (3,971,716) |
| Total Comprehensive Income as Per Ind AS | | 817,011,116 | 51,173,287 | 868,184,403 |

IV Reconciliations Between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015

| Particulars | 31 March 2016 | 1 April 2015 |
|--|---------------|---------------|
| Total Equity (Shareholder's Funds) as Per Previous GAAP | 5,701,812,909 | 6,239,682,042 |
| Adjustments: | | |
| Impact of Change in Revenue Recognition (POCM) | 24,590,358 | 140,134,044 |
| Impact of Expected Credit Loss | (5,293,076) | (99,155,199) |
| Impact of Financial Instruments at Amortised Cost | (868,439) | |
| Impact of Leasehold Land - Operating Leases | (231,847) | (3,006,862) |
| Reversal of Proposed Dividend (Including Tax on Dividend) | (81,720,569) | 81,720,569 |
| Impact of Investments Carried at Fair Value Through Profit and Loss and Other Comprehensive Income | 3,332,292 | 31,061,238 |
| Impact of Expenses Capitalised | 36,494,321 | 25,314,481 |
| Others | (5,119,343) | 2,626,377 |
| Deferred Tax Impact on Above Adjustments | (8,214,708) | (12,632,605) |
| Total Adjustments | (37,031,010) | 166,062,044 |
| Impact Taken Last Year | 166,062,044 | |
| Impact Pertaining to Demerged Entity | (42,371,498) | |
| Total Equity as Per Ind AS | 5,788,472,444 | 6,405,744,086 |

Reconciliation of Total Comprehensive Income for the Year Ended 31st March 2016

| Particulars | 31 March 2016 |
|--|---------------|
| Profit After Tax as Per Previous GAAP | 817,011,116 |
| Adjustments: | |
| Impact of Change in Revenue Recognition (POCM) | 24,590,358 |
| Impact of Expected Credit Loss | (5,293,076) |
| Impact of Financial Instruments at Amortised Cost | (868,439) |
| Impact of Leasehold Land - Operating Leases | (231,847) |
| Impact of Investments Carried at Fair Value Through Profit and Loss and Other Comprehensive Income | 3,332,292 |
| Impact of Expenses Capitalised | 36,494,321 |
| Others | (5,119,343) |
| Deferred Tax Impact on Above Adjustments | (8,214,708) |
| Share of Profits of JV | (353,534) |
| Total Adjustments | 51,173,287 |
| Total Comprehensive Income for the Year ended 31 st March 2016 | 868,184,403 |

d) Notes to First-Time Adoption:**Note : 1**

AS 19 excluded lease agreements to use land from its scope. However, lease agreements to use land are within the scope of Ind AS 17. Accordingly, in accordance with principles set out in Ind AS 17, land lease agreements have been determined to be operating lease arrangements.

Accordingly, amount paid upfront which was earlier recognised under previous GAAP as a fixed asset has been derecognised having a net impact of ₹ 155.24 lakh on 1st April 2015 and of ₹ Nil for the FY 2015 -16. Accordingly, amortisation on leasehold land has also been charged amounting to ₹ 30.07 lakh as on 1st April 2015 and ₹ 2.32 lakh in the FY 2015 -16.

The above has resulted in a net impact of ₹ 30.07 lakh as on 1st April 2015 and ₹ 32.39 lakh as on 31 March 2016 in equity. Further, this has resulted an impact of ₹ 2.32 lakh in the net profit for the FY 2015 -16.

Note : 2

Under Indian GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared/paid. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid which happens after year end.

Therefore, the liability of ₹ 817 lakh for the year ended on 31st March 2015 recorded for proposed dividend & their tax has been derecognised on 1st April 2015 and the same has been recognised as an appropriation of profit in the FY 2015-16.

Note : 3

Interest free security deposits paid/received were carried at nominal cost under previous GAAP. On application of Ind AS 109, all such financial assets are now being measured at amortised cost using effective rate of interest. At the date of transition to Ind AS, difference between the amortised cost and Indian GAAP carrying amount these security deposits lacs has been recognised as prepaid rent. Correspondingly, interest income/expense on security deposits and amortisation of prepaid rent have also been accounted for.

The above recognition has a net impact of ₹ 1.92 lakh in the FY 2015 -16.

Note : 4

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. The net impact on deferred tax liabilities is of ₹ 126.32 lakh on 1st April 2015 and ₹ 82.14 lakh on 31st March 2016.

Note : 5

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised to retained earnings through OCI. Thus, remeasurements gains of ₹ 102.33 lakh has been reduced from the net profit of the FY 2015-16 and has been recognised in OCI at ₹ 66.9 lakh (net of tax). This has no resulting impact on equity.

Note : 6

Under Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution which is other than temporary, under Ind AS financial asset other than amortised cost are subsequently measured at fair value.

The Company holds investment in equity instruments of companies and mutual funds with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. The Company has also made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading. This has resulted in increase in investments reserve by ₹ 310.61 lakh as at 1st April 2015 and by ₹ 33.32 lacs as at 31st March 2016, net of related deferred taxes.

Investments in mutual funds have been classified as fair value through statement of profit and loss and changes in fair values are recognised in statement of profit and loss. This has resulted in decreased in retained earnings by ₹ 17.85 lakh as at 1st April 2015 and by ₹ 20.50 lakh as at 31st March 2016 and decreased in net profit by ₹ 2.64 lakh for the year ended 31st March 2016.

Note : 7

Under Previous GAAP, revenue from rendering services were recognised using either Percentage of completion method or completed contract method. Under Ind AS, revenue from rendering of services is recognised using Percentage of completion method.

Accordingly, the Company has changed its accounting policy for recognising revenue and associated costs from logistic services on the basis of Percentage of completion method. The above recognition has a net impact of ₹ 1401.34 lakh on 1st April 2015 and ₹ 245.90 lakh in the FY 2015 -16 accumulating to ₹ 1647.24 lakh on 31st March 2016.

Note : 8

Under Indian GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the group impaired its trade receivable by ₹ 991.55 lakh on 1st April 2015 which has been eliminated against retained earnings. The impact of ₹ 52.93 lakh for year ended on 31st March 2016 has been recognised in the statement of profit and loss.

Note : 9

Under Indian GAAP, the Company recognised only the intrinsic value for the share based ayments as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An expense of ₹ 17.61 lacs has been reduced recognised in the statement of profit and loss for the year ending 31st March 2016.

Note : 10

Ind AS 16 requires significant component parts of an item of property, plant and equipment to be depreciated separately. Accordingly, the cost of major overhaul (Dry docking cost) is capitalised and depreciated separately over the period to the next major overhaul. At the date of transition to Ind AS, an increase of ₹ 253.14 lakh was recognised in property, plant and equipment net of accumulated depreciation due to separate depreciation of significant components of property, plant and equipment. This amount has been recognised against retained earnings. For the year ended on 31st March 2016, increase in depreciation was charged in the statement of profit and loss for ₹ 257.54 lakh and correspondingly dry dock expenses which was debited in statement of profit and loss reversed of Rs 622.49 lakh.

Note : 11

The Company has reclassified certain items of assets and liabilities to comply with the requirements of Ind AS. This has no resulting impact on equity and net profit.

Note : 12

The transition from previous GAAP to Ind AS has not made a material impact on the statement of cash flows.

In terms of our Report of even date

For and on behalf of the Board

For **R S Agarwala & Co.**

Chartered Accountants
Firm Regn No. 304045E

S.M. Datta
(Chairman)

O. Swaminatha Reddy
(Director)

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

Vineet Agarwal
(Managing Director)

R. S. Agarwala

Partner
(Membership No.005534)
Camp: Gurugram
Date : 16th May, 2017

Place: Gurugram
Date: 16th May, 2017

Archana Pandey
(Company Secretary &
Compliance Officer)

Ashish Tiwari
(Group CFO)

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

Part "A": Subsidiaries

| Sl No | Name of the Subsidiary | Reporting Currency and Exchange rate as on the last date of the Financial Year in the case of foreign subsidiaries | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments (a) | Turnover | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of Shareholding |
|-------|---|--|---------------|--------------------|--------------|-------------------|-----------------|----------|------------------------|------------------------|-----------------------|-------------------|-------------------|
| 1 | TCI Global (Thailand) Co. Ltd. | THB 1 = 1.878124 | 31.93 | (32.00) | 0.23 | 0.30 | Nil | 0.00 | (0.23) | 0.00 | (0.23) | Nil | 100% |
| 2 | TCI Global (Singapore) Pte Ltd. | SGD 1 = 46.306196 | 96.89 | (97.11) | 68.38 | 68.59 | Nil | 45.84 | 0.22 | 0.00 | 0.22 | Nil | 100% |
| 4 | TCI Holdings Asia Pacific Pte. Ltd. | SGD 1 = 46.306196 | 314.10 | (52.56) | 261.90 | 0.37 | Nil | 0.00 | (0.59) | 0.00 | (0.59) | Nil | 100% |
| 5 | TCI Global Brazil Logistica Ltda | BRL 1 = 20.548336 | 5.73 | 4.21 | 39.89 | 38.37 | Nil | 0.00 | (0.05) | 0.00 | (0.05) | Nil | 100% |
| 6 | TCI Holdings Netherlands B.V. | EUR 1 = 69.135118 | 28.16 | (25.38) | 26.345 | 23.56 | Nil | 0.00 | (0.53) | 0.00 | (0.53) | Nil | 100% |
| 7 | TCI Holdings SA & E PTE LTD | SGD 1 = 46.306196 | 25.89 | (3.92) | 25.54 | 3.57 | Nil | 0.00 | (0.27) | 0.00 | (0.27) | Nil | 100% |
| 8 | TCI Global (Shanghai) Co. Ltd. | CNY 1 = 9.391414 | 47.27 | (4.52) | 17.60 | 12.79 | Nil | 0.00 | (0.66) | 0.00 | (0.66) | Nil | 100% |
| 9 | PT. TCI Global, Indonesia | IDR 1 = 0.004854 | - | (3.91) | 0.199 | 4.10 | Nil | 0.00 | (0.01) | 0.00 | (0.01) | Nil | 48% |
| 10 | PT. TCI Global | IDR 1 = 0.004854 | 23.63 | (48.60) | 1.789 | 26.76 | Nil | 0.00 | 0.00 | 0.00 | 0.00 | Nil | 100% |
| 11 | TCI Bangladesh | BDT 1 = 0.790623 | 3.08 | 3.16 | 15.42 | 0.06 | Nil | 20.24 | 5.13 | 1.80 | 3.33 | Nil | 100% |
| 12 | TCI-CONCOR Multimodal Solutions Pvt. Ltd. | | 70.00 | 16.30 | 297.03 | 210.73 | Nil | 1372.83 | 17.79 | 6.12 | 11.67 | Nil | 51% |
| 13 | TCI Venture Limited | | 16.20 | (0.16) | 16.04 | 0.00 | Nil | 0.00 | (0.16) | 0.00 | (0.16) | Nil | 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

| Sl. No | Name of Joint Venture | 1. Latest audited Balance Sheet Date | 2. Shares of Associate/ Joint Ventures held by the company on the year end | | 3. Description of how there is significant influence | 4. Reason why the associate/joint venture is not consolidated | 5. Networth attributable to Shareholding as per latest audited Balance Sheet | | 6. Profit/Loss for the year |
|--------|--|--------------------------------------|--|---------------------------------------|--|---|--|-----------------------------|-----------------------------|
| | | | No of Shares | Amount of Investment in Joint Venture | | | Extend of Holding % | Considered in Consolidation | |
| 1 | Transystem Logistics International Pvt. Ltd. | 31.03.2017 | 3.92 | 719.78 | N.A. | N.A. | 719.78 | 153.43 | 159.69 |
| 2 | TCI Transportation Company Nigeria Ltd (a) | 31.03.2017 | 5 | 16.84 | N.A. | N.A. | 18.07 | 1.23 | 1.23 |

(a) Figures of TCI Transportation Company Nigeria Ltd translated at exchange rate as on 31st March, 2017 as NGN 1 = Rs 0.3328

In terms of our Report of even date

For and on behalf of the Board

R S Agarwala & Co.
Chartered Accountants
Firm Regn No. 304045E

S.M Datta
(Chairman)

O. Swaminatha Reddy
(Director)

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

Vineet Agarwal
(Managing Director)

R S Agarwala
Partner
(Membership No.005534)
Camp: Gurugram
Date: 16th May, 2017

Archana Pandey
(Company Secretary & Compliance Officer)

Ashish Tiwari
(Group CFO)

Place: Gurugram
Date: 16th May, 2017

Notice of Annual General Meeting

NOTICE is hereby given that the 22nd Annual General Meeting of the Company will be held on Wednesday, 2nd August, 2017 at 10.00 a.m. at Salon II & III, 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 31st March, 2017 together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. M P Sarawagi, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Chander Agarwal, Director who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and appoint M/s Brahmayya & Co., Chartered Accountants, (Firm Registration Number 000511S), in place of M/s R. S. Agarwala & Co., the retiring Statutory Auditors, to hold office from the conclusion of this meeting until conclusion of the 27th Annual General Meeting and to fix their remuneration.

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Brahmayya & Co., Chartered Accountants, having Firm Registration Number 000511S, be and is hereby re-appointed as Auditors of the Company in place of retiring auditors, R S Agarwala & Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 27th AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

5. **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 149, 152 and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 2013 & Rules made thereunder, Regulation 25 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mr. Vijay Sankar, who was appointed as Additional Director by the Board of Directors, whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Independent Director of the Company, for a period of 5 consecutive years effective from 4th November, 2016 upto 3rd November, 2021 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Vineet Agarwal - Managing Director, Mr. Chander Agarwal - Director, Mr. Ashish Tiwari - Group CFO and Mr. Archana Pandey - Company Secretary & Compliance Officer be and are hereby severally authorised to do all such acts, deeds and things as may be required to give effect to the above 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 62 (1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the SEBI (Share Based Employee Benefits) Regulations,

2014, the enabling provisions of the Memorandum and Articles of Association of the Company, and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including earlier enactments in this regard to the extent currently applicable) including all relevant revenue, tax, securities or exchange control regulations or corporate laws of India to the extent applicable and other prevailing statutory guidelines in that behalf (hereinafter together referred to as “the Extant Guidelines”) and subject to such terms and conditions as may be prescribed/imposed by the appropriate regulatory authorities/ institutions or bodies while granting such approval(s), consent(s), permission(s) and/ or sanction(s), the Employee Stock Option Plan-2017 (hereinafter referred to as ‘ESOP-2017’), be and is hereby approved and the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Compensation/Nomination & Remuneration Committee which the Board has constituted to exercise its powers, including the powers conferred by this resolution) to create, grant, issue and offer 3,828,873 options representing 5% of the paid up share capital of the Company as on the date of shareholders’ approval, in the form of options, in one or more tranches under ESOP-2017 to the present and/or future permanent employees of the Company which term shall be deemed to include the subsidiary companies as well, (hereinafter referred to as ‘employees’ or ‘said employees’) exercisable into 3,828,873 equity shares representing 5% of the paid up capital of the Company as on the date of shareholders’ approval (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company, as may be applicable from time to time), at such price and on such terms and conditions as may be decided by the Board in accordance with applicable Guidelines and the Regulations or other provisions of the law as may be prevailing at the relevant time.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to modify, change, vary, alter, amend, suspend or terminate the ESOP-2017 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP-2017 and to do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT such Equity Shares issued, shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform with the accounting policies as per Guidelines in force from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Compensation/Nomination & Remuneration Committee (collectively referred to as the “Board”), be and are hereby authorized to do all such acts, deeds, and things, as they may, in their absolute discretion deem necessary including authorizing the Board to appoint Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP-2017 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

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 Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB

Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Shareholders be and is hereby accorded to extend the benefits of Employees Stock Option Plan 2017 (hereinafter referred to as 'ESOP-2017') to the present and future, permanent employees of the subsidiary Company(ies) and their Director(s), whether Whole-time Director or not, but excluding Independent Directors, if any, from time to time as contained in the Scheme, on such terms and conditions, as set out in the Scheme and summarized in the Explanatory Statement.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Compensation/Nomination and Remuneration Committee (collectively referred to as the "Board"), be and are hereby authorized to do all such acts, deeds, and things, as they may, in their absolute discretion deem necessary including authorizing the Board to appoint Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP-2017 as also to make applications to the appropriate authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard."

**BY Order of the Board
For Transport Corporation of India Ltd**

**Place : Gurugram
Date : 16th May, 2017**

**Archana Pandey
Company Secretary & Compliance Officer**

Notes:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business at Items 5, 6 & 7 as set out above, to be transacted at the Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS AUTHORIZED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. 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.
5. As per the provisions of Section 152 of the Companies Act, 2013, Mr. M P Sarawagi and Mr. Chander Agarwal, Directors of the Company, retire by rotation at the Meeting and being eligible, offer themselves for re-appointment. Further, Mr. Vijay Sankar, who was appointed as additional director by the Board of Directors on 4th November, 2016 and whose tenure expires at the conclusion of this meeting, is proposed to be appointed as Independent Director for a term of 5 years effective from 4th November, 2016. The Board of Directors recommend their re-appointment. Brief biodata of the directors proposed to be re-appointed, their experience, nature of their expertise, their directorship & chairmanship in other companies etc. is forming part of this notice.
6. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days between 11.00 a.m. to 1.00 p.m. upto the date of this Annual General Meeting ("AGM") and also at the AGM.
7. The Share Transfer Books and the Register of Members shall remain closed from Friday, 28th July, 2017 to Wednesday, 2nd August, 2017.
8. The name of the Company had been changed from TCI Industries Ltd. to Transport Corporation of India Ltd. vide fresh Certificate of Incorporation dated 29th October, 1999, issued by the Registrar of Companies, Hyderabad.
9. The Non-Resident Indian shareholders are requested to inform the Company immediately about:
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of NRO bank Account in India, if not furnished earlier.
10. 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.
11. 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.
12. The members are requested to address all their communications to M/s. Karvy Stock Broking Limited, Mumbai, the common agency to handle electronic connectivity and the shares in physical mode or at the Corporate Office of the Company for prompt redressal.
13. 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, to obtain their new share certificates of four Companies including this Company.
14. The shares of the Company are at present listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The listing fees in respect of the year 2016-17 have since been paid to both NSE and BSE.
15. The unclaimed final dividend for the year ended 31st March 2010 will be transferred to the "Investor Education and Protection Fund" on expiry of 7 years from the date the dividend became due for payment, pursuant to Section 124 of the Companies Act, 2013. It may be noted that after the expiry of the said period of Seven years on 26th August, 2017, no claim shall lie in respect of unclaimed dividend. 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 (Haryana). 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 IEPF.
16. 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.
17. 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 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.

- III. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.
- IV. The Board of Directors of the Company has appointed Mr. Vasanth Bajaj, Practicing Company Secretary as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the purpose.
- V. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Thursday, 27th July, 2017.
- 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, shall be entitled to avail the facility of remote e-voting.
- VII. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date, may obtain the User ID and password in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS:
 MYEPWD E-Voting Event Number+ Folio No. or DP ID Client ID to 1- 800-3454-001
 Example for NSDL:
 MYEPWD<space>In12345612345678
 Example for CDSL:
 MYEPWD<space> 1402345612345678
 Example for Physical:
 MYEPWD<space> XXXX1234567890
 - b. If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c. Member may call Karvy's toll free number 1-800-3454-001.
 - d. Members may send an e-mail request to evoting@karvy.com.
- VIII. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
 The remote e-voting facility will be available during the following period:
 Commencement of remote e-voting: From 10.00 a.m. (IST) on Sunday, 30th July, 2017.
 End of remote e-voting: Up to 5.00 p.m. (IST) on Tuesday, 1st August, 2017.
 The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
- IX. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.tcil.com and on the website of Karvy <https://evoting.karvy.com>.
- X. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of this Meeting.
- XI. Instructions and other information relating to remote e-voting:
 - A. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date, may cast their vote electronically.
 - a. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - b. Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number, Folio No. or 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. If

required, please visit <https://evoting.karvy.com> or contact toll free number 1-800- 3454-001 for your existing password.

- c. After entering these details appropriately, click on "LOGIN".
 - d. 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 address, 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.
 - e. You need to login again with the new credentials.
 - f. On successful login, the system will prompt you to select the E-Voting Event Number for Transport Corporation of India Limited.
 - g. 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 in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - h. Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - i. 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.
 - j. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - k. 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).
 - l. 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/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: scrutinizer_tci@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.
- B. In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:
 - a. User ID and initial password - These will be provided at the bottom of the Attendance Slip for the AGM.
 - b. Please follow all steps from Sr. No. (a) To (l) as mentioned in (A) above, to cast your vote.
- XII. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
 - XIII. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting 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 and make not later than 48 hours of conclusion of the

meeting a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

The results declared along with the report of the scrutinizer shall be placed on the website of the Company www.tcil.com and on <https://evoting.karvy.com> immediately after the result is declared by the Chairman.

EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

As per the provisions of section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of 5 consecutive years. Section 139 of the Act has also provided a period of 3 years from the date of commencement of the Act to comply with this requirement.

Since the transition period of 3 years has completed, M/s R S Agarwala & Co., the existing Auditors are retiring in this Annual General Meeting of the Company & a new Statutory Auditor needs to be appointed by the Company.

In view of the above, M/s Brahmaya & Co., Chartered Accountants, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 16th May, 2017, proposed the appointment of M/s Brahmaya & Co., as the statutory auditors of the Company for a period of 5 years to hold office from the conclusion of this AGM till the conclusion of the 27th AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM).

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

The Board commends the Resolution at Item No. 4 for approval by the Members.

ITEM NO. 5

Pursuant to Section 149 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(2) of the Listing Regulations, 2015, Mr. Vijay Sankar was appointed as an Additional Director in the category of Non-Executive Independent Director by the Board of Directors in their meeting held on 4th November, 2016. His term is expiring at the conclusion of this Annual General Meeting.

It is proposed to appoint him for a period of 5 consecutive years from 4th November, 2016 upto 3rd November, 2021.

Mr. Vijay Sankar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Vijay Sankar for the office of Director of the Company.

The Company has also received declaration from Mr. Vijay Sankar that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16(2) of the Listing Regulations, 2015.

In the opinion of the Board, Mr. Vijay Sankar fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations, 2015. Mr. Vijay Sankar is independent of the management.

Brief resume of Mr. Vijay Sankar, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees and his shareholding in the Company is annexed to this notice.

Copy of the draft letter for appointment of Mr. Vijay Sankar as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company and at the Corporate Office of the Company during all working days between 10 a.m. to 1.00 p.m. and will also be available at the venue of meeting. It can also be accessed at the website of the Company www.tcil.com.

Mr. Vijay Sankar is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment.

The relatives of Mr. Vijay Sankar may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial

Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

ITEM NO. 6 & 7

The Company has an Employee Stock Option Scheme called, ESOS-2006 in place. The Scheme was launched in the year 2006 with a view to attract & retain the talent pool of the Company. Vide the Scheme, the shareholders had approved and reserved 5% of the paid up capital of the Company existing as on 31st March, 2006 as ESOP pool.

Since the existing options are about to be exhausted, it is proposed to launch a new Scheme, called TCI ESOP-2017.

In terms of the provisions of SEBI (SBEB) Regulations, 2014, and Section 62 and other applicable provisions of the Companies Act, 2013, issue of shares to persons other than the existing members of the Company requires an approval of the existing members by way of a Special Resolution. Accordingly, the Special Resolutions at Item No. 06 & 07 seeks your approval for the issue of further Equity Shares under the ESOP 2017, to the employees of the Company as may be determined by the Board.

The ESOP-2017 will be administered by Compensation/Nomination & Remuneration Committee of the Company.

The main features and other details of the Plan as per Regulation 6(2) of SEBI (SBEB) Regulations, 2014, are as under:

I. Brief description of the Plan

The Plan shall be called as the 'Employee Stock Option Plan 2017' and shall extend its benefits to the present and/or future permanent employees of the Company as well as its subsidiary companies, in accordance with the applicable laws.

The Plan will be implemented via Direct Route wherein the Company will directly allot fresh Equity Shares of the Company, to the Employees who make a valid exercise of their vested options under the Plan.

II. Total number of Options to be granted under the Plan

The maximum number of options to be granted under ESOP-2017 shall not exceed 38,28,873 options representing 5% of the paid-up capital of the Company as on 31st March, 2017. The options which get lapsed under the scheme shall get added back to the pool of un-granted options.

III. Identification of classes of employees entitled to participate and be beneficiaries in ESOP-2017

Employee means:

- i. a permanent employee of the Company who has been working in India or outside India; or
- ii. a director of the Company, whether a whole time director or not but excluding an independent director; or
- iii. an employee as defined in clauses (i) or (ii) of a subsidiary, in India or outside India but does not include:
 - a. an employee who is a promoter or a person belonging to the promoter group; or
 - b. a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

IV. Requirement of Vesting and period of Vesting

Vesting period shall commence after 1 (One) year from the date of grant of Options and may extend upto 3 (Three) years from the date of grant in the following manner:

- | | | |
|----|--------------------|------------------------------------|
| a. | 30% of entitlement | At the end of 1 st year |
| b. | 30% of entitlement | At the end of 2 nd year |
| c. | 40% of entitlement | At the end of 3 rd year |

Actual vesting of performance in the hands of the Employee may further be evaluated on the basis of the grade of the Employee, in Annual Performance Appraisal system of the Company, as per the discretion of the Committee. The Committee shall have the power to modify or accelerate the vesting schedule on a case-to-case basis

subject to the minimum gap of 1 (One) Year between the grant and first vesting. The options which get lapsed due to performance appraisal in any of the vesting, will get lapsed from the hands of the Employee and will add-back to the pool of ungranted options of this Plan, and will be available for further grants under the Plan.

V. Maximum period within which the options shall be vested

All the options will get vested within maximum period of 3 (Three) years from the date of grant.

VI. Exercise Price or Pricing Formula

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.

VII. Exercise period and process of Exercise

The Exercise Period will be upto 2 (Two) months from the date of respective vesting. The options granted under the Plan would be exercisable by the employee by submitting Exercise Form, to the Company during the Exercise Period. After the expiry of exercise period, the options granted under Plan shall not be exercisable and shall lapse. The lapsed options shall be available for fresh grants.

VIII. Appraisal process for determining the eligibility of the Employees to ESOP-2017

The appraisal process for determining the eligibility of the employees will be in accordance with ESOP-2017 or as may be determined by the Compensation/Nomination & Remuneration Committee at its sole discretion. The employees would be granted options under the ESOP-2017 based on various parameters including but not limited to:

- i. Loyalty: It will be determined on the basis of tenure of employment of an Employee in the Company;
- ii. Performance: Employee's performance during the financial year on the basis of the parameters decided by the management;
- iii. Designation: Employee's designation in the as per the HR Policy of the Company;
- iv. The present and potential contribution of the Employee to the success of the Company;
- v. High market value/difficulty in replacing the Employee;
- vi. High risk of losing the Employee to competition; and
- vii. Value addition by the new entrant, if any.

IX. The Maximum number of Options to be granted per employee and in aggregate.

The maximum number of Options that can be granted to any eligible employee during any year shall not equal or exceed 1% of the issued capital of the Company at the time of grant of options unless otherwise approved by the shareholders. However, the aggregate number of options under the Scheme shall not exceed 3,828,873 options representing 5% of the paid-up capital of the Company as on 31st March, 2017.

X. The Maximum quantum of benefits to be provided per Employee under the Plan

The maximum quantum of benefit that will be provided to every eligible employee under the Plan will be the difference between the

exercise price paid by the employee to the Company and the value of Company's Share on the Stock Exchange as on the date of exercise of options.

XI. Implementation and administration of the Plan

The Plan shall be implemented and administered directly by the Compensation/Nomination & Remuneration Committee of the Company.

XII. Whether the Plan involves new issue of shares by the Company or secondary acquisition by the Trust or both

New issue of Shares by the Company directly to the Employees.

XIII. The amount of loan to be provided for implementation of the Plan by the Company to the trust, its tenure, utilization, repayment terms, etc.

Not applicable.

XIV. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan.

Not applicable.

XV. Disclosure and accounting policies:

The Company will conform to the disclosures and the accounting policies prescribed under Regulation 15 of the SEBI (SBE) Regulation, 2014 or as may be prescribed by regulatory authorities from time to time.

XVI. The method which the Company shall use to value its Options.

Fair Value method or any other method as may be prescribed by Ind-AS or SEBI Regulations from time to time.

XVII. Statement with regard to Disclosure in Director's Report

Since the Company has opted for fair value method for expensing of the benefits of the Plan, therefore there is no requirement of giving such statement as well as the disclosures in Director's Report. However, the Company will comply with the disclosure requirements as and when applicable.

Copy of the draft ESOP-2017 is available for inspection by members at the Registered Office of the Company and at the Corporate Office of the Company during all working days between 10 a.m. to 1.00 p.m. and will also be available at the venue of meeting. It can also be accessed at the website of the Company www.tcil.com.

None of directors/Key Managerial Personnel and/or their relatives are concerned or interested in the resolution set out at Item No. 6 & 7 of the Notice except to the extent of the stock options that may be granted to them under ESOP-2017.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Special Resolutions set out at Item No. 6 & 7 of the Notice for approval by the Members.

By Order of the Board

For Transport Corporation of India Ltd

Place: Gurugram
Date: 16th May, 2017

Archana Pandey
Company Secretary & Compliance Officer

A BRIEF PROFILE OF THE DIRECTORS TO BE RE-APPOINTED

| Particulars | Mr. M P Sarawagi | Mr. Chander Agarwal | Mr. Vijay Sankar |
|--|--|---|--|
| Age | 73 | 38 | 44 |
| Qualifications | L.L.B. (Kolkata University) | B.Sc in Business Administration, Bryant College, Smithfield, RI | MBA, J.L Kellogg Graduate School of Management, Northwestern University, USA |
| Expertise in specific Functional Area | 46 years of rich experience in the legal and commercial aspect of the Transport Industry. Please refer Company's website www.tcil.com for detailed profile. | Diligent in nature, handled various finance and management roles, and experience with transfreight USA, a 3PL specialization in 'lean logistics' for Toyota Motor Vehicles, USA and has unmatched knowledge of supply chain Management. Please refer Company's website www.tcil.com for detailed profile. | Mr. Vijay Sankar is the Deputy Chairman of The Sanmar Group. As Deputy Chairman, he is responsible for the Group's operational management. Please refer Company's website www.tcil.com for detailed profile. |
| Terms and conditions of appointment/re-appointment | As per existing terms and conditions | As per existing terms and conditions | As per the resolution at item no. 5 of the Notice convening Annual General Meeting on 2 nd August, 2017 read with explanatory statement thereto. |
| Remuneration last drawn (including sitting fee), if any | - | ₹ 14,080,672 | ₹ 610,000 |
| Remuneration proposed to be paid | They would be eligible for payment of sitting fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. In addition, they may be paid commission, subject to a limit of 0.5% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013, as approved by the shareholders of the Company. | | |
| Date of first appointment on the Board | 18 th June, 1996 | 21 st September, 2006 | 4 th November, 2016 |
| Directorship held in other Companies# | Bhoruka Investment Ltd. Bhoruka Finance Corporation of India Ltd. | TCI Developers Ltd. TCI Infrastructure Ltd. TCI Express Ltd. Gloxinia Farms Pvt. Ltd. TCI Apex-Pal Hospitality India Pvt. Ltd. TCI Institute of Logistics Express Industry Council Of India | Oriental Hotels Ltd. The K C P Ltd. Sanmar Consolidations Ltd. SCL Consultancy And Trading Ltd. Kaveri Retreats And Resorts Ltd. NS Family Consolidations Pvt. Ltd. NS Family Investments P Ltd N Sankar Properties And Holdings Pvt. Ltd. Stargate Enterprises Pvt. Ltd. V S Trading And Consultancy Pvt. Ltd. C Sankar Trading And Consultancy Pvt. Ltd. M Sankar Trading And Consultancy Pvt. Ltd. SCL Research Foundation YPO South Asia Chapter |
| Memberships/ Chairmanships of Committees of other companies | Nil | TCI Developers Ltd. Member, Stakeholders' Relationship Committee TCI Express Ltd. Member, CSR Committee Chairman, Share Transfer Committee | Oriental Hotels Ltd. i. Chairman, Audit Committee ii. Chairman, CSR Committee iii. Member, Ethics Committee iv. Chairman, Risk Management Committee The K C P Ltd. i. Member, Audit Committee ii. Member, Stakeholders' Relationship Committee iii. Member, Nomination & Remuneration Committee iv. Member, Risk Management Committee v. Member, Investment Committee vi. Member, Finance Committee vii. Member, Innovation & Best Responsibility Committee viii. Member, CSR Committee |
| Number of shares held in the Company | 930* | 2,104,262 | Nil |
| Relationship with other directors/Key Managerial Personnel | Not related to any director/Key Managerial Personnel | Related to Mr. D P Agarwal, Vice Chairman & Managing Director, Mr. Vineet Agarwal, Managing Director and Mrs. Urmila Agarwal, Director | Not related to any director/Key Managerial Personnel |
| No. of meetings attended during the year | 04 | 03 | 02 |

*Held through relatives

#Directorships held in other companies excludes Directorship & Trusteeship in Foreign Companies & Trusts respectively.


Transport Corporation of India Limited

CIN: L70109TG1995PLC019116

Regd. Office: Flat Nos. 306 & 307, I-8-273, 3rd 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, **E-mail:** secretarial@tcil.com, **Tel:** +91-124-2381603-07

ATTENDANCE SLIP

| |
|--|
| |
|--|

I hereby record my presence at the 22nd Annual General Meeting of the Company on Wednesday, the 2nd 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/Proxy's name in Block Letter

 Member's/Proxy's/Authorized Representative's Signature

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. No gifts will be distributed at the AGM.
3. Please read the instructions given at Note No 17 of the Notice of the 22nd Annual General Meeting carefully before voting electronically.

| ELECTRONIC VOTING PARTICULARS | | |
|-------------------------------|---------|----------|
| EVEN (E-Voting Event Number) | User ID | Password |
| | | |


Transport Corporation of India Limited

CIN: L70109TG1995PLC019116

Regd. Office: Flat Nos. 306 & 307, I-8-273, 3rd Floor, Ashoka Bhoopal Chambers, S P Road, Secunderabad – 500003

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PROXY FORM

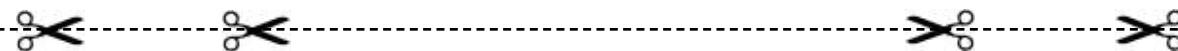
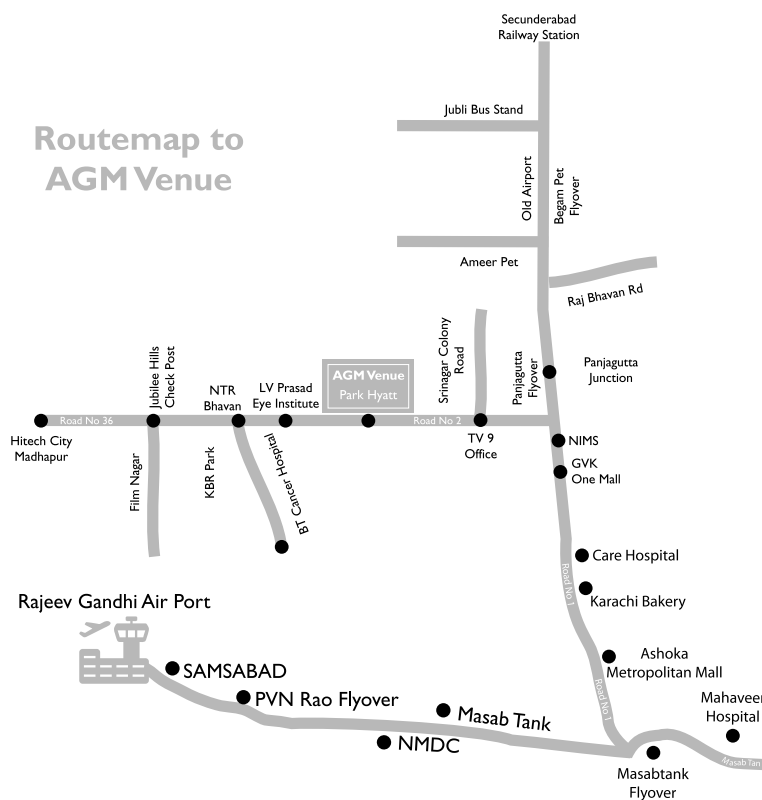
| | |
|---------------------|---------------------|
| Name of Member(s): | Registered address: |
| Folio No/Client ID: | |
| DP ID: | Email ID: |

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 to attend and vote, in case of a poll, for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Wednesday, the 2nd 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 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Routemap to AGM Venue



| Resolution no. | Description | For | Against |
|----------------|---|-----|---------|
| 1 | Adoption of Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March, 2017 together with the Report of Directors and Auditors thereon. | | |
| 2 | To appoint a Director in place of Mr. M P Sarawagi, who retires by rotation and, being eligible, offers himself for re-appointment. | | |
| 3 | To appoint a Director in place of Mr. Chander Agarwal, Director who retires by rotation and, being eligible, offers himself for reappointment. | | |
| 4 | To consider and appoint M/s Brahmayya & Co., Chartered Accountants, (Firm Registration Number 000511S), in place of M/s R. S. Agarwala & Co., the retiring the Statutory Auditors, to hold office from the conclusion of this meeting until conclusion of the 27th Annual General Meeting and to fix their remuneration | | |
| 5 | To appoint Mr. Vijay Sankar as an Independent Director of the Company | | |
| 6 | To approve the Employee Stock Option Plan – 2017 | | |
| 7 | To extend the benefits of Employees Stock Option Plan 2017 to the employees of the subsidiary Company(ies) | | |

Signed thisDay of2017.

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 the resolutions, your Proxy will be entitled to vote in the manner as 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, 3rd Floor, Ashoka Bhoopal Chambers, S P Road, Secunderabad – 500003 not later than 48 HOURS before the commencement of the aforesaid meeting.



Transport Corporation of India Limited

TCI House, 69 Institutional Area

Sector-32, Gurugram - 122 001

Tel. + 91-124-2381603-07

Fax +91-124-2381611

E-mail Id: corporate@tcil.com

Website: www.tcil.com

CIN: L70109TG1995PLC019116

e-presence



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