



**TCI EXPRESS**  
LEADER IN EXPRESS

TCI Express Limited

ANNUAL  
REPORT | 2015-16

A TCI Company

# Corporate Information

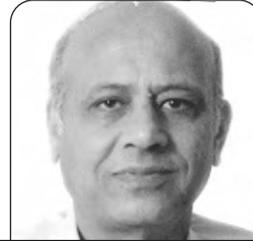
## Board of Directors



**Mr. D P Agarwal**  
Chairman



**Mr. Murali Krishna Chevuturi**  
Director



**Mr. Ashok Kumar Ladha**  
Director



**Ms. Manisha Agarwal**  
Director



**Mr. Prashant Jain**  
Director



**Mr. Phool Chand Sharma**  
Whole Time Director



**Mr. Vineet Agarwal**  
Director



**Mr. Chander Agarwal**  
Managing Director

Chief Financial Officer:  
Mr. Mukti Lal

Company Secretary & Compliance Officer:  
Mr. Vinay Gujral

Statutory Auditors:  
M/s. R.S Agarwala & Co., Chartered Accountants

Registered Office  
Flat No. 306 & 307, 1-8-27 1 To 273,  
3rd Floor, Ashoka Bhoopal Chambers,  
S.P Road, Secunderabad - 500003,  
Telangana Tel: +91-40-27840104  
CIN: U62200TG2008PLC061781

Corporate Office:  
TCI House, 69, Institutional Area,  
Sector-32, Gurgaon-122001 (Haryana)  
Tel: +91-124-2384090 - 94  
Fax: +91-124-2381611  
Email: [secretarial@tcieexpress.in](mailto:secretarial@tcieexpress.in)  
Website: [www.tcieexpress.in](http://www.tcieexpress.in)

Registrar & Share Transfer Agent:  
Karvy Computershare Pvt Ltd  
Karvy Selenium, Tower-B, Plot No. 31 & 32,  
Financial District Gachibowli, Hyderabad-500032  
Tel: +9140 67161524  
Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)  
Email: [rajeev.kr@karvy.com](mailto:rajeev.kr@karvy.com)

Principal Bankers  
State Bank of India  
HDFC Bank

## Contents

**03** Management Discussion and Analysis Report

**04** Directors' Report

**08** Report on Corporate Governance

**10** Financial Statement

**19** Notice of Annual General Meeting

# Management Discussion and Analysis

## Industry Overview:

As per the revised estimates released by the Central Statistical Organization (CSO) India's GDP grew at 7.6% in fiscal 2016. However, the growth mix changed at the sectoral level. While services sector growth slowed to 8.9% as against the 9.2% estimated earlier, industrial and agricultural growth rose 10 basis points to 7.4% and 1.2%, respectively. Even as investment growth slowed in fiscal 2016, private consumption has emerged as the bulwark of the economy. However, private consumption demand will need to rise further to encourage private investment, which remains muted given excess capacity and high leverage. The demand is set to receive an impetus in fiscal 2017 with a normal monsoon, better public sector wages, and improved transmission of interest rates.

Source: [www.Crisilresearch.com](http://www.Crisilresearch.com)

## Company Overview

Pursuant to the Scheme of Arrangement, approved by Hon'ble High Court of Hyderabad for the state of Telangana and Andhra Pradesh vide its order dated June 14, 2016, the XPS division of Transport Corporation of India Limited (Demerged Company) which is engaged in express distribution and offers a single window door-to-door solutions to customers had vested and transferred into Company. The Company prefers to call its services as solutions, and thus provides its clients solutions with the sole objective to simplify and customize the express cargo distribution.

## Services Offerings:

- **Surface Express Service**  
Offers express solutions with over 3000 pick-up and 13000 delivery locations with its fully containerized fleet of vehicles. It offers customized day definite by road, value added services to meet customer's requirements.
- **Domestic Air Express Service**  
Provides round the clock services and time sensitive express deliveries by Air mode. It facilitates deliveries in all major metros in 24hrs and Mini Metros and A class cities in 48hrs.
- **International Air Express Service**  
Provides services to 202 Countries across the globe (Commercial and Samples).
- **Ecommerce Express Service**  
Provides B2C and B2B on multi-model distribution for optimum on time delivery with value added features of COD(Cash on delivery), Pick n pack, late night and early morning deliveries.
- **Priority Express Service**  
Provides assured day definite delivery to selective locations backed by money back guarantee.
- **Reverse Express Service**  
Offers reverse logistics in cost effective manner with end to end visibility

## Choice of Customers

The Company believes in organising everything to provide the customers the best experience. Towards this end, it follows well connected routes for speedy movement of cargo through hub & spoke distribution model. It has well equipped and secured transit hubs, and a large customer base in sectors such as electronics,

retail, IT hardware, textiles, automotive, pharma, high-value goods, e-Commerce, energy electrical power and tele-communication.

For seamless operations throughout the day, every day, it uses fully computerized offices interconnected via state of the art software and database, GPS-enabled vehicles, online track & trace services, and ePOD full images.

## Outlook

The regulatory reforms proposed in the GST, likely present an excellent opportunity to revisit, rationalize and re-engineer the transportation and logistics networks in India. With the implementation of GST, there will be improvement in the logistic time after phasing out the border check posts resulting in enhancement in operational efficiency through quicker and increased number of deliveries along with reduction in logistic cost during the transit. The entire Logistics activity will become a lot more focused, concentrated, smarter and will be able to migrate to an efficient supply chain model as against the present supply chain model, which is dependent on tax considerations vis-a-vis operational considerations.

GST seeks to unify India into a common market by replacing levies imposed by states and the centre. As a result it will unleash a new era of developing logistics infrastructure and take investments to the next level. Taxation at a national level, rather than by each state, will result in more efficient cross-state transportation, streamlining paperwork for road transporters and bringing down logistics costs.

## Threat, Risks and Concern

The Company is exposed to different types of Threats and Risks such as credit risk, market risk (including liquidity risk, interest rate risk, etc.) and operational risk. The Company monitors the risks, as well as portfolio and operational risk through the overseeing of senior management personnel. The Company aims to understand, measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

## Material Developments in Human Resources/Industrial Relations

The Human Resource Assets of the Company comprise of people of diverse educational and technical backgrounds. The Company has inbuilt systems to ensure that employees are continuously updated with the needs of changing technology. The Company strives to retain talent by facilitating career growth through job enrichment and empowerment, as it believes that the pool of the human resources is the biggest asset of the organization.

## Internal Controls and their Adequacy

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all transactions are authorized, recorded and reported correctly and adequately. The Company's internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures.

## Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed and implied due to several factors which are beyond the control of the management.

# Directors' Report

## Dear Members

Your Directors have pleasure in presenting the 8th Annual Report on the business and operations together with the Audited Financials Statement for the financial year ended March 31, 2016.

## Financial Results

The Financial Results of your Company for the financial year ended as on March 31, 2016 are summarized below:

Particulars	(Amount in Rs)	
	2015-16	2014-15
Income	25,416	15,602
Expenditure	165,924	11,418
Profit/(Loss) before Tax	(140,508)	4,184
Current Tax	-	1,293
Tax for earlier year	369	-
Profit/(Loss) after Tax	(140,877)	2,891

During the year under review, your Company has earned total Income of Rs. 25,416 as compared to Rs. 15,602 in the previous year and incurred loss after tax of Rs. (140,877) as compared to profit after tax of Rs. 2,891 in the previous year.

## Review of Operations

As per the terms of Scheme of Arrangement between Transport Corporation of India Limited (Demerged Company) and TCI Express Limited (Resulting Company and/or Company) and their respective Shareholders and Creditors, with effect from the Appointed Date i.e closing of business hours of March 31, 2016, the XPS Division of Demerged Company has, pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, been transferred to and vested in the Company.

## Dividend

The Board of Directors considering the Company's performance and financial position for the year under review, has not recommended any dividend on Equity Shares of the Company for the financial year ended March 31, 2016.

## Scheme of Arrangement

The Scheme of Arrangement between the Company and its parent Company, Transport Corporation of India Ltd. (TCI) for Demerger and Transfer of XPS division of TCI into the Company pursuant to Sections 391 to 394 of the Companies Act, 1956 was sanctioned by the Hon'ble High Court of Hyderabad vide its order dated June 14, 2016. Post filing of High Court order with Registrar of Companies, Hyderabad, the said Scheme has become effective from August 11, 2016, the appointed date being closing business hours of March 31, 2016.

Pursuant to the Scheme, the shareholders of TCI have been allotted one Equity Share of Rs. 2/- each of the Company for every two Equity Share of Rs. 2/- each held in TCI as on August 29, 2016, being the Record Date fixed for the purpose. These shares are proposed to be listed on National Stock Exchange of India Ltd. & BSE Ltd.

## Issue and Allotment of Equity Shares

Pursuant to clause 14 of the Scheme of Arrangement, the Board of Directors of the Company have been issued and allotted 3,82,88,725 fully paid Equity Shares of Rs. 2/- each to the shareholders of M/s. Transport Corporation of India Limited who are holding shares as on Record date i.e August 29, 2016. Post allotment of Equity Shares, the necessary procedures for listing of Equity Shares shall be initiated and the same will be completed in due course.

## Share Capital

Upon the coming into effect of the Scheme, the Authorized Share Capital of the Company shall stand increased from Rs. 10,00,000/- (Rupees Ten Lakh only) divided into 1,00,000 Equity Shares of Rs.10/- (Rupees Ten) each to Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 5,00,00,000 Equity Shares of Rs. 2/- (Rupees Two) each.

As envisaged in the Scheme of Arrangement, upon scheme being effective and upon issue and allotment of new equity shares of the Company to the Shareholders of Demerged Company, the paid up share Capital of Rs. 5,00,000/- (Rupees Five Lakh only) divided into 50,000 Equity Shares of Rs. 10/- (Rupees Ten) each stands cancelled.

## Change in name and nature of business of the Company

Your Company was originally incorporated as TCI Properties (Pune) Limited under the provisions of the Companies Act, 1956 with Registrar of Companies. The name of the Company was changed to TCI Express Limited and fresh certificate of Incorporation was issued by the Registrar of Companies dated October 8, 2015. During the year, the Memorandum and Article of Association of the Company were changed with the approval of shareholders at the Extra Ordinary General Meeting held on September 18, 2015.

## Extension of Time for Holding Annual General Meeting

In view of delay in process of Scheme of Arrangement between Transport Corporation of India Limited and TCI Express Limited and their respective Shareholder and Creditors, your Board of Director has sought extension of time for holding Annual General Meeting of the Company.

Accordingly, the Registrar of Companies, Hyderabad vide its letter dated August 30, 2016, has granted 3 months' time from the due date i.e September 30, 2016 for holding Annual General Meeting for financial year 2015-16.

## Management Discussion and Analysis Report

A detailed Management Discussion and Analysis Report as required under SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 is forming part of this Annual Report.

## Subsidiaries Companies/Joint Ventures/ Associates Companies

There is no Subsidiary/Joint Venture/Associate Companies as on March 31, 2016.

## Directors, Key Managerial Personnel & Evaluation

### Directors:

Mr. VBK Rao has resigned w.e.f April 30, 2015 and Mr. Ashish Tiwari, Mr. Deepak Jain & Mr. Rameshwar Lal has resigned w.e.f October 7, 2015 from the Board of Directors of the Company. The Board places on record its sincere appreciation for the valuable contributions made by them during their tenure.

The Board of Directors has appointed Mr. D P Agarwal, Mr. Vineet Agarwal and Mr. Chander Agarwal as Additional Directors w.e.f October 8, 2015. Mr. Chander Agarwal has further been appointed as Managing Director, (subject to the approval of shareholders), w.e.f August 18, 2016 for a period of five years effective from August 18, 2016 to August 17, 2021 and designated as Key Managerial Personnel of the Company.

Mr. Phool Chand Sharma has been appointed as Additional Director, w.e.f August 18, 2016. Mr. Phool Chand Sharma has been further appointed as Whole Time Director, (subject to the approval of shareholders) for a period of five years effective from August 18, 2016 to August 17, 2021 and designated as Key Managerial Personnel of the Company.

Mr. Murali Krishna Chevaturi, Ms. Manisha Agarwal, Mr. Prashant Jain & Mr. Ashok Kumar Latha have been appointed as an Additional Directors w.e.f August 18, 2016. The requisite resolutions for appointment of aforesaid Managing Director/Directors will be placed before the shareholders for their approval.

Since all Directors will be appointed in the ensuing Annual General Meeting of the Company, there is no Director who will retire by rotation in the ensuing Annual General Meeting.

Brief resume(s) of the abovementioned Director(s), nature of their expertise in specific functional area, detail of Directorship in their Companies and the membership/chairmanship of committee(s) of the Board, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given in Annual Report.

Pursuant to the provisions of Companies Act, 2013 and SEBI Regulations, the Board of Directors will approve the criteria for performance evaluation of all Directors and the Board as whole. Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company will impart familiarize program/training to new Directors.

### KMP:

The Board of Directors has appointed Mr. Mukti Lal as Chief Financial Officer and Mr. Vinay Gujral as Company Secretary & Compliance Officer and designated them as Key Managerial Personnel of the Company w.e.f. August 18, 2016.

### Meetings of the Board of Directors

The Board of Directors of your Company have met Ten (10) times during Financial Year 2015-16.

A detailed information on the Board, its composition and attendance of the Directors are provided in the Report of Corporate Governance, forming part of the Annual Report.

### Policy on Directors' appointment and remuneration

The Policy on Directors' Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, will be adopted by the Board of Directors.

### Statement of Particulars of Employees and Related Disclosures

Disclosures as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not required, since there was neither any Employee nor any Director receiving remuneration in financial year ended March 31, 2016.

### Public Deposits

During the year under review, your Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

### Extract of Annual Return

In accordance with the provisions of section 92 & 134 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on March 31, 2016 in Form MGT-9 is annexed herewith as Annexure-1 forming part of Annual Report.

### Statutory Auditors and Auditors' Report

The Shareholders of the Company in their Annual General Meeting held on July 28, 2015 had appointed M/s. R.S Agarwala & Co., Chartered Accountants, Kolkata, as Statutory Auditors of the Company for a period of five years to hold office till the conclusion of Annual General Meeting to be held in calendar year 2020, subject to ratification by the shareholders in every Annual General Meeting. M/s. R.S Agarwala & Co., Statutory Auditors have expressed their willingness and confirmed their eligibility to the effect that their re-appointment/ratification, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment/ratification. Members are requested to ratify the appointment and authorize the Board to fix their remuneration and pay out of pocket expenses.

The Auditors' observations are self-explanatory and do not call for any further comments.

### Secretarial Auditor

The provisions of section 203 of the Companies Act, 2013 are not applicable on the Company for financial year 2015-16.

### Significant and Material Orders passed by the Regulators or Court

There are no significant and material order(s) passed by the Regulators/Court that would impact the going concern status of the Company.

### Particulars of Loan Given, Investment & Guarantee

The particulars of the Loans given, investment made, guarantee given, securities provided as on March 31, 2016 are provided in financial Statement forming part of Annual Report.

### Internal Control System and their Adequacy

Your Company has an internal control system including financial control and these are sufficient and functioning effectively. In the opinion of the Board, the existing internal control framework is adequate and commensurate with the size and nature of the business of the Company.

### Corporate Social Responsibility

The provisions of the section 135 of the Companies Act, 2013 are not applicable on the Company for financial year 2015-16.

### Transaction with Related Party

The Company has not entered into Related Party Transaction(s) during the year under review. Accordingly, the disclosures of related party transaction(s) as required under section 134(3) (h) of the Companies Act, 2013 in form AOC-2 is not applicable. The Company will formulate Policy on Related Party Transaction(s) and the same will be uploaded on the website of the Company.

### Risk Management

The Company has laid down procedure to inform the Board of Directors about the

risk assessment and minimization procedures. These procedure are periodically reviewed to ensure management consequently control the risk.

### Corporate Governance

A separate section on Corporate Governance Report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of Annual Report.

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That they 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;
- That proper and sufficient care has been taken 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;
- That the annual accounts have been prepared on a going concern basis;
- That proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively; and
- That proper internal financial controls have been laid down and that such internal financial controls are adequate and are operating effectively.

### Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo

#### A. Conservation of Energy:

Considering the nature of business of the Company, energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continues efforts are being put for conservation of energy and minimizing power cost.

#### B. Technology Absorption:

We are well aware of latest technology being available in our field of operation. Necessary training is imparted to the relevant people from time to time to make them well acquainted with the latest technology.

#### C. Foreign Exchange Earning and Outgo:

During the year under review, there was no inflow or outgo of Foreign Exchange.

### Acknowledgments and Appreciation

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's employees.

For and on behalf of the Board of Directors

Place: Gurgaon

Date: 31st August, 2016

DP Agarwal  
Chairman

## Annexure - 1

### FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED 31.03.2016

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

#### I. REGISTRATION & OTHER DETAILS:

I. CIN	U62200TG2008PLC061781
II. Registration Date	November 10, 2008
III. Name of the Company	TCI Express Limited
IV. Category/Sub-category of the Company	Company Limited by Shares/ Indian Non- Government Company
V. Address of the Registered office & contact details	Flat No. 306 & 307, 1-8-271 to 273, 3rd Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad - 500003 (Telangana)
VI. Whether listed company Yes/ No	No (Proposed to be Listed on NSE and BSE)
VII. 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

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S.No.	Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Transport & Storage, Warehousing & Support services for transportation	5320, 5210, 5224, 4923	----

## III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S.No	Name & Address of the Company*	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
-----					

\* The scheme of Arrangement between Transport Corporation of India Limited and TCI Express Limited and their respective Shareholders and Creditors was approved by the Hon'ble High of Hyderabad for the State of Telangana and Andhra Pradesh vide its order dated June 14, 2016. The Certified true copy of the order was filed with the office of Registrar of Companies on August 11, 2016. Accordingly, the Scheme become effective with effect from the Appointed Date i.e closing business hours of March 31, 2016. Consequently, the Company is no longer Subsidiary of Transport Corporation of India Limited.

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

### (i) Category Wise Shareholding

Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 <sup>st</sup> April, 2015)				No. of Shares held at the end of the year (as on 31 <sup>st</sup> March, 2016)				% change during the year
		Demat	Physical	Total Shares	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
(1)	Indian									
(a)	*Individual /HUF	-	60	60	0.12	-	60	60	0.12	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	49,940	49,940	99.88	-	49,940	49,940	99.88	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(1) :</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-
(2)	Foreign	-	-	-	-	-	-	-	-	-
(a)	Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(2) :</b>	-	-	-	-	-	-	-	-	-
	<b>Total A=A(1)+A(2) :</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-
<b>(B)</b>	<b>Public Shareholding</b>									
(1)	Institution	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
(b)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(1) :</b>	-	-	-	-	-	-	-	-	-
(2)	Non-Institutions	-	-	-	-	-	-	-	-	-
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(b)	Individuals	-	-	-	-	-	-	-	-	-
(i)	Individuals holding nominal share capital upto Rs.2 lakh	-	-	-	-	-	-	-	-	-
(ii)	Individuals holding nominal share capital in excess of Rs.2 lakh	-	-	-	-	-	-	-	-	-
(c)	Others	-	-	-	-	-	-	-	-	-
	Non-resident Indian	-	-	-	-	-	-	-	-	-
	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	Trusts	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(2) :</b>	-	-	-	-	-	-	-	-	-
	<b>Total B=B(1)+B(2) :</b>	-	-	-	-	-	-	-	-	-
	<b>Total (A+B) :</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-
(C)	Shares held by custodians, against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	<b>GRANDTOTAL (A+B+C) :</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	-

\* Equity Shares held as nominee of Transport Corporation of India Limited

**Notes:**

- Pursuant to clause 19 of the Scheme of Arrangement, upon Scheme being effective and upon the issuance and allotment of equity shares by the Company in accordance with Clause 14(a), the existing issued, subscribed and paid up Equity Share Capital of the Company comprising of 50,000 Equity Shares of Rs. 10/- (Ten) each amounting to Rs. 500,000/- (Rupees Five Lacs Only) as held by Transport Corporation of India Limited and its nominee stands cancelled.
- Pursuant to Clause 14 (a) of the Scheme, TCI Express Limited has to issue and allot to the shareholders of Transport Corporation of India Limited, whose names are recorded in the Register of Member of Transport Corporation of India Limited as on Record Date, One (1) Equity Share having face value of Rs. 2/- each of TCI Express Limited for every two (2) Equity Share held by them in Transport Corporation of India Limited, each fully paid up. Therefore 3,82,88,725 Equity Shares of Rs. 2/- each have been issued and allotted in terms of Scheme of Arrangement.

**(ii) Shareholding of Promoters**

Sl No.	Name of the Shareholders / Promoters	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April, 2015)			Shareholding at the end of the year (as on 31 <sup>st</sup> March, 2016)			% 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.	Transport Corporation of India Ltd	49,940	99.88	-	49,940	99.88	-	-
2	Mr. D.P Agarwal*	10	0.02	-	10	0.02	-	-
3	Mr. Vineet Agarwal*	10	0.02	-	10	0.02	-	-
4	Mr. Chander Agarwal*	10	0.02	-	10	0.02	-	-
5	Mr. Akhil Kumar Bansal*	10	0.02	-	10	0.02	-	-
6	Mr. Naresh Kumar Baranwal*	10	0.02	-	10	0.02	-	-
7	Mr. Sudhir Kumar Agarwal*	10	0.02	-	10	0.02	-	-
		<b>50,000</b>	<b>100.00</b>	-	<b>50,000</b>	<b>100.00</b>	-	-

\*Equity Shares held as nominee of Transport Corporation of India Limited, please refer note no. 1 and 2 mentioned above.

**(iii) Change in Promoters' Shareholding : There is no change in Shareholding of promoters during the year, please refer note no 1 & 2 mentioned above**

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

S. No	Name of Shareholders	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of shares at the beginning (1 <sup>st</sup> April, 2015)/ end of the year (31 <sup>st</sup> March, 2016)	% of total shares of the company				No. of Shares	% of total shares of the company
NIL								

**(v) Shareholding of Directors and KMP:**

S. No	Name	Shareholding		Date	Increase/ (Decrease in Shareholding)	Reason	Cumulative	
		No. of shares at the beginning (1 <sup>st</sup> April, 2015)/ end of the year (31 <sup>st</sup> March, 2016)	% total shares of the Company				No. of Shares	% total shares of the Company
1	Mr. D.P Agarwal*	10	0.02		-	Nil movement during the year	10	0.02
2	Mr. Vineet Agarwal*	10	0.02		-		10	0.02
3	Mr. Chander Agarwal*	10	0.02		-		10	0.02
4	Mr. Ashish Tiwari	-	-		-		-	-
5	Mr. Deepak Jain	-	-		-		-	-
6	Mr. Ramashwar Lal	-	-		-		-	-
7	Mr. VBK Rao	-	-		-		-	-

\*Shares held as nominee of Transport Corporation of India Limited, please refer note no. 1 and 2 mentioned above

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment					(Amount in Rs.)	
	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness		
<b>Indebtedness at the beginning of the financial year</b>						
i) Principal Amount	-	-	-	-	-	
ii) Interest due but not paid	-	-	-	-	-	
iii) Interest accrued but not due	-	-	-	-	-	
<b>Total (i+ii+iii)</b>	-	-	-	-	-	
<b>Change in Indebtedness during the financial year</b>						
Additions	40,80,60,792	-	-	-	40,80,60,792	
Reduction	-	-	-	-	-	
Net Change	40,80,60,792	-	-	-	40,80,60,792	
<b>Indebtedness at the end of the financial year</b>						
i) Principal Amount	40,80,60,792	-	-	-	40,80,60,792	
ii) Interest due but not paid	-	-	-	-	-	
iii) Interest accrued but not due	70,848	-	-	-	70,848	
<b>Total (i+ii+iii)</b>	<b>40,81,31,640</b>	-	-	-	<b>40,81,31,640</b>	

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:** During the year under review, the Company has not paid any remuneration to any Director or Key Managerial Personnel.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:** No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.

# Report On Corporate Governance

## CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is viewed as the structure and the relationships which administer corporate direction and performance. The Board of Directors of the Company is normally central to Corporate Governance. The Board relationship with other participant's viz. shareholders and management is crucial. The Corporate Governance framework also depends on the legal, regulatory, institutional and ethical environment of the community as large.

## BOARD OF DIRECTORS

### I. Composition of Board of Directors of the Company

The Board currently comprises of 8 experts drawn from diverse fields/professions. The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors, which is in conformity with the requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

1. Mr. DP Agarwal, Chairman (Promoter)
2. Mr. Vineet Agarwal, Non-Executive Director (Promoter)
3. Mr. Chander Agarwal, Managing Director (Promoter)
4. Mr. Phool Chand Sharma, Whole Time Director
5. Mr. Murali Krishna Chevuturi, Non - Executive Independent Director
6. Mr. Ashok Kumar Ladha, Non - Executive Independent Director
7. Ms. Manisha Agarwal, Non - Executive Independent Director
8. Mr. Prashant Jain, Non - Executive Independent Director

### II. Details of Board Meetings

During the financial year 2015-16, your Directors have met 10 (ten) times viz. April 30, 2015, May 12, 2015, July 21, 2015, September 15, 2015, September 28, 2015, September 30, 2015, October 7, 2015, October 8, 2015, November 05, 2015, January 29, 2016. The maximum gap between two successive meetings did not exceed one hundred twenty days.

### III. The names and categories of Directors on the Board, their attendance at the Board Meeting, number of Directorships and Committee Chairmanships/Memberships held by them in Companies (Other than TCI Express Ltd) and attendance at the last Annual General Meeting are given herein below:

S. No	Name of Director	Category	No. of Equity Shares held	Number of Board Meetings attended	Whether attended last AGM	No. of Directorship held		Number of Committee position held	
						Public	Pvt.	Chairman	Member
1	Mr. Ashish Tiwari#	Non-Executive Director	-	7	Yes	-	2	-	-
2	Mr. Deepak Jain#	Non-Executive Director	-	6	Yes	-	-	-	-
3	Mr. Rameshwar Lal#	Non-Executive Director	-	7	No	-	-	-	-
4	Mr. VBK Rao##	Non-Executive Director	-	-	No	1	-	-	-
5	Mr. D.P Agarwal###	Non-Executive Director	10*	4	No	5	--	-	2
6	Mr. Vineet Agarwal###	Non-Executive Director	10*	4	No	3	4	-	5
7	Mr. Chander Agarwal####	Managing Director	10*	4	No	3	2	-	-
8	Mr. Phool Chand Sharma**	Whole Time Director	-	-	No	1	1	-	-
8	Mr. Murali Krishna Chevuturi***	Non-Executive Director	-	-	No	-	-	-	-
9	Mr. Ashok Kumar Ladha ***	Non-Executive Director	-	-	No	8	1	3	-
10	Ms. Manisha Agarwal ***	Non-Executive Director	-	-	No	1	1	-	-
11	Mr. Prashant Jain ***	Non-Executive Director	-	-	No	1	3	-	-

\* Equity shares holds as nominee of Transport Corporation of India Limited.

# Resigned as Directors of the Company w.e.f October 7, 2015.

## Resigned as Director of the Company w.e.f April 30, 2015.

### Appointed as Additional Non-Executive Directors w.e.f October 7, 2015.

#### Appointed as Additional Director and Managing Director w.e.f October 07, 2015 and August 18, 2016 respectively.

\*\* Appointed as Additional Director and Whole Time Director w.e.f August 18, 2016.

\*\*\* Appointed as Additional Directors w.e.f. August 18, 2016.

**Note :** (i) Chairmanship/Membership of Committee only includes Two Committee viz. Audit Committee and Stakeholder Relationship Committee, in India Public Companies excluding TCI Express Limited  
(ii) Directorship exclude Foreign Companies and Section 8 Companies.

## COMMITTEES OF THE BOARD OF DIRECTOR

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors will constitute Committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee which will play very important role in governance structure of the Company. The composition and the terms of reference of these committees will be in line with the requirement of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Company will comply with the Corporate Governance norms as stipulated by SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## Annual General Meeting:

Annual General Meetings conducted during the last three years are as follows:

S. No	For the Year	Date	Venue
1	2014-15	July 28, 2015	Flat No.306 & 307 1-8-27 1 To 273, 3rd Floor, Ashoka Bhoopal Chambers, S.P Road, Secunderabad, Hyderabad-500003 (TG)
2	2013-14	July 21, 2014	
3	2012-13	July 24, 2013	

**Detail of Special Resolution Passed in last three Annual General Meetings: Nil**

**Extra Ordinary General Meeting**

The details of the Extra Ordinary General Meetings of the shareholders of the company held during the financial year are as follows:

S. No	Date of EGM	Purpose/Resolution
1	September 18, 2015	Alteration in Memorandum and Article of Association of the Company
2	October 01, 2015	Change in name of the Company

**Postal Ballot:** The Company has not passed any resolution by way of Postal Ballot during the financial year ended March 31, 2016.

**General Shareholder Information:**

Annual General Meeting:

<b>Date</b> :	November 04, 2016
<b>Time</b> :	11:30 a.m.
<b>Venue</b> :	Emerald II, H-Floor, Taj Krishna, Road No. 1, Banjara Hills, Hyderabad-500034, Telangana

**Financial Calendar:** Financial year: April 01, 2016 to March 31, 2017 (tentative)

Results for the First quarter ended June 30, 2016	Not Applicable
Results for the Second quarter/Half year ended September 30, 2016	By the 2nd week of November, 2016
Results for the Third quarter/Nine months ended December 31, 2016	By the 2nd week of February, 2017
Results for the fourth quarter/Financial year ended March 31, 2017	By the 4th week of May, 2017

**Date of Book Closure:** Not applicable

**Dividend Payment:** Not applicable

**Market Price Data:** Not applicable

**Unclaimed Dividend/Fractional entitlement:** Not applicable

**Listing on Stock Exchange:** The Company will get its Equity Shares listed on NSE and BSE Ltd.

**Distribution of Shareholding:** Pursuant to clause 19 of the Scheme of Arrangement, upon Scheme being effective and upon the issuance and allotment of equity shares by the Company in accordance with Clause 14(a), the existing issued, subscribed and paid up Equity Share Capital of the Company comprising of 50,000 (Fifty Thousand) Equity Shares of Rs. 10/- (Ten) each amounting to Rs. 500,000/- (Rupees Five Lacs Only) as held by Transport Corporation of India Limited and its nominee stand cancelled.

Pursuant to Clause 14 (a) of the Scheme, TCI Express Limited has to issue and allot to the shareholders of Transport Corporation of India Limited, whose name is recorded in the Register of Member of Transport Corporation of India Limited as on Record Date, One (1) Equity Share having face value of Rs. 2/- each of TCI Express Limited for every two (2) Equity Share held by them in Transport Corporation of India Limited, each fully paid up. Therefore 3,82,88,725 Equity Shares of Rs. 2/- each have been issued and allotted in terms of Scheme of Arrangement

**Registrar and Transfer Agent:** Karvy Computershare Pvt Ltd, Karvy Selenium, Tower-B, Plot no.31-32, Gachibowli, Financial District, Nanakrampuda, Hyderabad, Telangana, 500032

**Share Transfer System:** The Share transfer activity in respect of the shares in physical mode will be carried out by the Company's Registrar and Transfer Agent (RTA). The requests for dematerialization of shares will also be processed by the RTA agent within stipulated period and uploaded with the concerned depositories.

**Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on Equity**

The Company does not have any GDRs/ADRs/Warrants/Convertible Instruments As on March 31, 2016.

**Address for Correspondence:**

Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot number 31 & 32, Financial District Gachibowli Hyderabad 500032 Tel: :+91 040 67161524 Email ID:rajeev.kr@karvy.com Website:www.karvycomputershare.com	Company Secretary TCI Express Limited TCI House, 69 Institutional Area, Sector 32, Gurgaon-122001 Tel. +91 124 2384090-94 Email: secretarial@tcexpress.in, Website: <a href="http://www.tcexpress.in">www.tcexpress.in</a>
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**For and on behalf of the Board of Directors**

Place: Gurgaon

Date: 31st August, 2016

**D P Agarwal**  
Chairman

# AUDITORS' REPORT

## Independent Auditor's Report

### To the Members of TCI Express Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of TCI Express Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Company and for preventing and detecting 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2016, and its loss and its cash flows for the year ended on that date.

#### 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;
- c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under Section 133 the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014 (as amended).
- e) on the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director 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 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) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long terms contract including derivative Contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**(R.S. Agarwala)**  
**Partner**

Membership No.005534

Camp:- Hyderabad  
Date: 18th August, 2016

#### Annexure "A" to Independence Auditors' Report of even date to the members of TCI Express Limited, on the Financial Statement for the year ended 31st March, 2016.

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) The fixed assets have been verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification..
  - c) The titles deeds of all the immovable properties, as disclosed in the financial statements are in the process of being transferred in the name of the Company
2. The provisions of clause 3(ii) of the Companies (Auditors' Report) Order, 2016 is not applicable to the Company as the Company does not hold any inventory.
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 to the Company.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of the loans and investments made and guarantees and security provided by it.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of any activities of the Company. Therefore, the provisions of Clause 3 (vi) of the said order are not applicable to the Company.

7. (a) According to the books and records produced to us and based on management representation, undisputed statutory dues including provident fund, employees' state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company during the year with the appropriate authorities.
- (b) According to the information and explanation given to us and the record of the company examined by us, there are no statutory dues as at the year end which has not been deposited on account of a dispute.
8. In our opinion and according to 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. 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 on or by the company noticed or reported during the year, nor have we been informed of such cases by the management.
11. The company has not 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 financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
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 to the Company.
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 said order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

#### **Annexure B to The Independent Auditors' Report**

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of TCI Express Limited on the financial statements for the year ended 31st March, 2016

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 TCI Express Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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, 2016, 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 Regn No:- 304045E**

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

**Camp:- Hyderabad  
Date: 18th August, 2016**

# Balance Sheet as at 31<sup>st</sup> March 2016

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 16	As at 31 <sup>st</sup> March, 15
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	76,073,600	500,000
Reserves and Surplus	2	1,153,713,688	(45,748)
		<b>1,229,787,288</b>	<b>454,252</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	5,802,733	-
Deferred Tax Liabilities (Net)	4	23,543,807	-
		29,346,540	-
<b>Current Liabilities</b>			
Short-Term Borrowings	5	397,483,220	-
Trade Payables	6	231,596,013	5,618
Other Current Liabilities	7	76,879,258	1,293
Short-Term Provisions	8	19,889,828	-
		725,848,319	6,911
<b>TOTAL</b>		<b>1,984,982,147</b>	<b>461,163</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	616,769,709	-
Intangible Assets		20,693,862	-
Capital Work-in-Progress		90,734,027	-
Long-Term Loans and Advances	10	28,364,554	-
Other Non-Current Assets	11	-	42,824
		<b>756,562,152</b>	<b>42,824</b>
<b>Current Assets</b>			
Trade Receivables	12	1,053,924,665	-
Cash and Cash Equivalents	13	109,131,886	416,348
Short-Term Loans and Advances	14	65,363,444	1,991
Other Current Assets		-	-
		1,228,419,995	418,339
<b>TOTAL</b>		<b>1,984,982,147</b>	<b>461,163</b>
<b>THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS</b>		<b>1-20</b>	

## In terms of our Report of even date

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

**R S Agarwala**  
Partner  
Membership No.005534  
Camp: Hyderabad  
Date: 18th August, 2016

**D P Agarwal**  
(Chairman)

**P C Sharma**  
(Whole Time Director)

**Chander Agarwal**  
(Managing Director)

**Mukti Lal**  
(AVP & CFO)

For and on behalf of the Board

**Vineet Agarwal**  
(Director)

**Vinay Gujral**  
(Company Secretary)

# Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2016

(Amount in ₹)

Particulars	Note	31 <sup>st</sup> March, 16	31 <sup>st</sup> March, 15
<b>REVENUE</b>			
Other Income	15	25,416	15,602
<b>TOTAL REVENUE</b>		<b>25,416</b>	<b>15,602</b>
<b>EXPENSES</b>			
Other Expenses	16	165,924	11,418
<b>TOTAL EXPENSES</b>		<b>165,924</b>	<b>11,418</b>
(Loss) / Profit Before Tax		(140,508)	4,184
<b>TAX EXPENSES</b>			
Current Tax		-	1,293
Taxes for earlier years		369	-
<b>(LOSS) / PROFIT FOR THE YEAR</b>		<b>(140,877)</b>	<b>2,891</b>
Earning Per Equity Share of Rs. 2 each			
Basic		-0.00	0.06
Diluted		-0.00	0.06

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1-20

## In terms of our Report of even date

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

**R S Agarwala**  
Partner  
Membership No.005534  
Camp: Hyderabad  
Date: 18th August, 2016

**D P Agarwal**  
(Chairman)

**P C Sharma**  
(Whole Time Director)

**Chander Agarwal**  
(Managing Director)

**Mukti Lal**  
(AVP & CFO)

For and on behalf of the Board

**Vineet Agarwal**  
(Director)

**Vinay Gujral**  
(Company Secretary)

# Cash Flow Statement for the Year ended 31<sup>st</sup> March 2016

(Amount in ₹)

Particulars	31 <sup>st</sup> March, 16	31 <sup>st</sup> March, 15
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/Net Profit before Tax	(140,877)	2,891
Adjustments for Non-Operating Activities:	-	-
Preliminary expenses written off	42,824	-
Interest Received	(25,416)	-
	17,408	-
Operating Profit before Working Capital Changes	(123,469)	2,891
Adjustments for Working Capital Changes:		
Trade Receivables #	(1,053,924,665)	-
Trade Payables #	231,590,395	-
Other Current Liabilities #	76,877,965	-
Short-Term Provisions #	19,889,828	-
Deferred Tax Liabilities (Net) #	23,543,807	-
Cash Generation From Operations	(702,146,139)	2,891
Direct Taxes Paid (Net)	-	-
Net Cash from Operating Activities	<b>(702,146,139)</b>	<b>2,891</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed Assets #	(728,197,598)	-
Long Term Long Loans and Advances #	(28,364,554)	-
Short Term Loans and Advances #	(65,361,453)	-
Interest Received	25,416	-
Net Cash from Investing Activities	<b>(821,898,189)</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital Suspense Account #	76,073,600	-
General Reserve #	1,153,400,313	-
Short-Term Borrowings #	397,483,220	-
Long Term Borrowings #	5,802,733	-
Net Cash from Financing Activities	<b>1,632,759,866</b>	<b>-</b>
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)	108,715,537	2,891
CASH & CASH EQUIVALENT AS ON 31ST MARCH 2015	416,348	413,457
CASH & CASH EQUIVALENT AS ON 31ST MARCH 2016	<b>109,131,885</b>	<b>416,348</b>

# As per scheme of arrangement

## In terms of our Report of even date

### For R S Agarwala & Co.

Chartered Accountants  
Firm Regn No. 304045E

### R S Agarwala

Partner  
Membership No.005534  
Camp: Hyderabad  
Date: 18th August, 2016

**D P Agarwal**  
(Chairman)

**P C Sharma**  
(Whole Time Director)

**Chander Agarwal**  
(Managing Director)

**Mukti Lal**  
(AVP & CFO)

For and on behalf of the Board

**Vineet Agarwal**  
(Director)

**Vinay Gujral**  
(Company Secretary)

# Notes to the Financial Statements

## 1. SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Authorised :</b> 100,000 Equity Shares of Rs 10 each	1,000,000 <b>1,000,000</b>	1,000,000 <b>1,000,000</b>
<b>Issued , Subscribed and Paid up :</b> 50,000 Equity Shares of Rs.10 each Fully Paid (Note 19)	-	500,000
<b>Share Capital Suspense Account</b> 38,036,800 Equity Shares of Rs.2 each fully paid up to be issued to the shareholders of Transport Corporation of India Ltd in the terms of Scheme of Arrangement (Note 19) (50,000 In Previous Year)	76,073,600	-
<b>Total Share Capital</b>	<b>76,073,600</b>	<b>500,000</b>

### Reconciliation of the Number of Shares Outstanding

Particulars	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Shares at the Beginning of the Year	50,000	500,000	50,000	500,000
Less: Cancellation of Equity Share capital	50,000	500,000	-	-
Shares at the end of the Year to be issued as per Scheme of Arrangement	38,036,800	76,073,600	50,000	500,000

### Details of Shareholders Holding More Than 5% Shares:

Name of Shareholders	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
To be issued	Note 19	-	50,000	100

## 2. RESERVES & SURPLUS

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Business Restructuring Reserve</b> As per last Balance Sheet		
Add: On cancellation of share capital in pursuant to the Scheme (Note19)	500,000	-
Add: Transferred as per Scheme (Note19)	1,229,473,913	-
Less: Transferred as per Scheme (Note19)	(76,073,600)	-
Less: Transferred as per Scheme (Note19)	(1,153,900,313)	-
	-	-
<b>General Reserve</b> As per last Balance Sheet		
Add: Transferred pursuant to the Scheme (Note 19)	1,153,900,313	-
	1,153,900,313	-
<b>Surplus As Per Statement of Profit and Loss</b> As per last Balance Sheet	(45,748)	(48,639)
Add: (Loss) / Profit for the year	(140,877)	2,891
Closing Balance	(186,625)	(45,748)
<b>Total</b>	<b>1,153,713,688</b>	<b>(45,748)</b>

## 3. LONG TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Secured</b>		
<b>Term Loans</b> From Banks	10,577,572	-
<b>Total</b>	<b>10,577,572</b>	-
Less: Current maturities of long term borrowings (Note 7)	4,774,839	-
<b>Total</b>	<b>5,802,733</b>	-

### Other Information Pertaining to Nature of Security and Terms of Repayment

Particulars of Nature of Security	Terms of Repayment	Secured to the extent	
		As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
<b>Term Loans from Bank:</b> Cars acquired against individual loan	Repayable in monthly installments at an average rate of 9.20% p.a.	10,577,572	-
<b>Total</b>		<b>10,577,572</b>	-

## 4. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Difference between book and tax depreciation	23,543,807	-
	<b>23,543,807</b>	-

## 5. SHORT TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Secured</b> <b>Working Capital Loans (I)</b>	397,483,220	-
<b>Total</b>	<b>397,483,220</b>	-

### (I) Particulars of nature of security

Working capital loans are secured by hypothecation of book debts as primary security along with land properties as collateral

**6. TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Other than Acceptances	231,596,013	5,618
<b>Total</b>	<b>231,596,013</b>	<b>5,618</b>

**7. OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Current maturities of Long-Term Borrowings (Note-3)		
From Banks	4,774,839	-
Interest accrued but not due on borrowings	70,848	-
Trade / security deposits	28,638,011	-
Due to gratuity fund	8,383,163	-
Payable on purchase of fixed assets	28,904,338	-
Statutory remittances	6,108,059	1,293
<b>Total</b>	<b>76,879,258</b>	<b>1,293</b>

**8. SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Provisions for Employee Benefits	19,889,828	-
<b>Total</b>	<b>19,889,828</b>	<b>-</b>

**9. FIXED ASSETS**

Description of Assets	Gross Block					Depreciation					Net Carrying Value	
	As at 1 <sup>st</sup> April 2015	Addition During the Year	Deductions During the year	Transferred on Demerger Refer Note 19	As at 31 <sup>st</sup> March 2016	Up to 31 <sup>st</sup> March 2015	For the Year	Adjustment on Deductions	Transferred on Demerger Refer Note 19	Total Depreciation	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
<b>Tangible Assets:</b>												
Land	-	-	-	242,106,359	242,106,359	-	-	-	-	-	242,106,359	-
Buildings (a)	-	-	-	259,611,235	259,611,235	-	-	-	17,321,313	17,321,313	242,289,922	-
Vehicles	-	-	-	29,062,194	29,062,194	-	-	-	7,664,386	7,664,386	21,397,808	-
Plant and Equipment	-	-	-	47,412,818	47,412,818	-	-	-	10,827,764	10,827,764	36,585,054	-
Computers	-	-	-	62,074,134	62,074,134	-	-	-	42,718,449	42,718,449	19,355,685	-
Containers	-	-	-	168,000	168,000	-	-	-	112,825	112,825	55,175	-
Furniture & Fixtures	-	-	-	59,051,997	59,051,997	-	-	-	35,958,960	35,958,960	23,093,037	-
Office Equipments	-	-	-	73,513,178	73,513,178	-	-	-	44,011,364	44,011,364	29,501,815	-
Weighing Scales & Chain Pulley	-	-	-	4,512,808	4,512,808	-	-	-	2,127,953	2,127,953	2,384,855	-
Sub-Total	-	-	-	777,512,723	777,512,723	-	-	-	160,743,014	160,743,014	616,769,709	-
<b>Intangible Assets</b>												
Computer Software	-	-	-	28,790,889	28,790,889	-	-	-	8,097,027	8,097,027	20,693,862	-
<b>Capital Work-in-Progress</b>												
Capital Work-in-Progress	-	-	-	90,734,027	90,734,027	-	-	-	-	-	90,734,027	-
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>897,037,639</b>	<b>897,037,639</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168,840,041</b>	<b>168,840,041</b>	<b>728,197,598</b>	<b>-</b>

(a) Buildings include those on leasehold land.

**10. LONG TERM LOANS & ADVANCES**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Unsecured</b>		
Capital advances	12,350,905	-
Advance & deposits with related parties	16,013,649	-
<b>Total</b>	<b>28,364,554</b>	<b>-</b>

**11. OTHER NON-CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Preliminary Expenses	-	42,824
<b>Total</b>	<b>-</b>	<b>42,824</b>

**12. TRADE RECEIVABLES**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the due date		
Considered good	21,698,995	-
Others	21,698,995	-
Total	1,032,225,670	-
<b>Total</b>	<b>1,053,924,665</b>	<b>-</b>

### 13. CASH & CASH EQUIVALENTS

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Cash on Hand	2,968,781	-
Balances with Banks		
In Current accounts	105,652,466	41,348
In Deposit accounts	510,639	375,000
<b>Total</b>	<b>109,131,886</b>	<b>416,348</b>

Some of the fixed deposit receipts are deposited with Banks against borrowings and guarantees issued.

### 14. SHORT TERM LOANS & ADVANCES

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
<b>Unsecured</b>		
Advances & deposits with Landlords	36,156,772	-
Security deposits with customers	5,105,501	-
Loans and advances to employees	1,444,006	-
Prepaid expenses	5,455,759	-
CENVAT credit receivable	7,680,338	-
Tax deducted at source	2,540	1,560
Accrued Income	4,959	431
Operational advances	10,514,267	-
	66,364,142	1,991
Considered good	65,363,444	-
Considered doubtful	1,000,698	-
Less : Provision for doubtful advances	(1,000,698)	-
<b>Total</b>	<b>65,363,444</b>	<b>1,991</b>

In the Opinion of the Management, assets other than fixed assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

### 15. OTHER INCOME

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Interest received	25,416	15,602
<b>Total</b>	<b>25,416</b>	<b>15,602</b>

### 16. OTHER EXPENSES

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in ₹	Amount in ₹
Consultancy & Internal Audit fee	9,540	3,000
Preliminary Expenses Written Off	42,824	-
Remuneration to Auditors		
Audit Fees	100,000	5,618
Miscellaneous Expenses	13,560	2,800
<b>Total</b>	<b>165,924</b>	<b>11,418</b>

### 17. I. LIST OF RELATED PARTIES:

#### i. Key Management Personnel:

Mr. Chander Agarwal  
Mr. P C Sharma

#### ii. Associates:

TCI Global Logistics Ltd  
Bhoruka Finance Corporation of India Ltd  
TCI Industries Ltd  
Bhoruka International Pvt. Ltd  
TCI Properties (Guj) – Partnership firm  
TCI Properties (Delhi) – Partnership firm  
TCI Developers Ltd.  
TCI Properties (West) Ltd.  
TCI Distribution Centres Ltd.  
TCI Institute Logistics

TCI Exim Pvt. Ltd.  
XPS Cargo Services Ltd  
TCI India Ltd  
TCI Warehousing (MH) – Partnership firm  
TCI Properties (South) – Partnership firm  
TCI Properties (NCR) – Partnership firm  
TCI Infrastructure Ltd.  
TCI Apex Pal Hospitality India Pvt. Ltd  
Transport Corporation of India Ltd  
Transystem Logistics International Pvt. Ltd.

#### II. Transactions during the year with related parties:

Nature of Transaction	Nature of Relation	Amount in ₹ 31st March 2016	Amount in ₹ 31st March 2015
<b>Transactions during the year:</b>			
<b>Income:</b>	-	NIL	NIL
<b>Expenditure:</b>	-	NIL	NIL
<b>III. Balances as at the year end</b>			
<b>Assets:</b>			
Trade Receivables	Associates	316,002	NIL
Advances/ Deposits Given	Associates	16,013,649	NIL
<b>Liabilities:</b>	-	NIL	NIL

### 18. CONTINGENT LIABILITIES AND COMMITMENTS

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
<b>(a) Contingent liabilities not provided in respect of following</b>		
Trade Tax/ Octroi/ Duty and other demands under dispute	2,420,766	-
Guarantees and Counter Guarantees Outstanding	4,382,452	-
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advance on tangible assets	110,877,825	-

## 19 SCHEME OF ARRANGEMENT

- (a) The Scheme of Arrangement for demerger of XPS Undertaking of Transport Corporation of India Limited (The Demerged Company) as a going concern into the Company has been approved by the Hon'ble High Court of Telangana and Andhra Pradesh by Order dated 14th June, 2016. The Scheme has accordingly been given effect to in the accounts effective from the Appointed Date being closing business hours of 31st March, 2016.
- (b) In accordance with the Scheme, shareholders of the Transport Corporation of India Limited (The demerged Company) to be allotted 3,80,36,800 equity shares of Rs. 2 each by the Company in the ratio of 1 equity share in TCI Express Ltd. for every 2 equity shares of Rs. 2/- each held in the demerged Company. According to the Scheme, equal amount transferred to Share Capital Suspense Account from Business Restructuring Reserve.
- (c) Pursuant to the Scheme, the surplus of Rs 12295 lacs of the assets over liabilities of the XPS Undertaking has been transferred and vested into the company at the values appearing in the books of the Transport Corporation of India Limited (the demerged Company) as on 31st March 2016. The particulars of assets and liabilities transferred are as follows:-

Assets:	Amount in ₹
Fixed Assets including Land & Building	637,463,571
Capital Work-in-Progress	90,734,027
Long-Term Loans and Advances	28,364,554
Short-Term Loans and Advances	65,360,673
Trade Receivable	1,053,924,665
Cash and Bank Balances	108,719,813
<b>Total</b>	<b>1,984,567,303</b>
Liabilities	
Long Term Borrowings	5,802,733
Deferred tax liabilities	23,543,807
Short-Term Borrowings	397,483,220
Trade Payables	231,494,913
Other Current Liabilities	76,878,890
Short-Term Provisions	19,889,828
<b>Total</b>	<b>755,093,391</b>

- (d) Pursuant to the Scheme, the surplus of the assets over liabilities, after adjusting Share Capital Suspense Account vide Note No 19 (b) and cancellation of existing Share Capital has been accounted for as Business Restructuring Reserve. The balance of Business Restructuring Reserve has been transferred to the General Reserve.
- (e) Transport Corporation of India Limited (demerged Company) is deemed to have been carrying on all business activities relating to the demerged undertaking with effect from 31st March 2016 after closing of business hours for and on account of and in trust of the Company. All profits or losses, income and expenses accruing or arising or incurred after closing business hours of 31st March, 2016 relating to the said undertaking shall get vested to the Company.
- (f) Titles of the immovable properties are still being held in the name of the Transport Corporation of India Limited (Demerged Company) and are in the process of being transferred in the name of the Company.
- (g) In pursuant to the Scheme, contingent liabilities and commitments related to the XPS Undertaking has been transferred to the Company.

(i) Contingent liabilities not provided in respect of the following	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Trade Tax/ Octroi/ Duty/ ESI and other demands under dispute*	2,420,766	-
Guarantees and Counter Guarantees Outstanding *	4,382,452	-
(ii) 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	-

## 20. SIGNIFICANT ACCOUNTING POLICIES OF THE FINANCIAL STATEMENT

### 1 Recognition of Income and Expenditure

- (a) Income and expenditure are recognized on accrual basis in accordance with the applicable accounting standards and provision is made for all known losses and liabilities.
- (b) Freight income is accounted when goods are delivered by the company to customers.
- (c) Freight expenses are accounted when hired vehicles deliver goods to the Company at destination.
- (d) Having regard to the size of operations and the nature and complexities of the Company's business, freight received/paid in advance is accounted as income/expense on payment.
- (e) Year-end liability in respect of claims for loss and damages is provided as calculated by claims recovery agents.

### 2 Gratuity and Leave Encashment

A provision for gratuity and leave encashment liability to employees is made on the basis of actuarial valuation. Gratuity liability is paid to the approved Gratuity Fund.

### 3 Depreciation

The Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Companies Act 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on additions to assets or on sales/ discardment of assets, is calculated prorata from/ to the date of addition/deduction of individual assets.

### 4 Fixed Assets : Fixed Assets are stated at cost and/or at revaluation.

### 5 Foreign Exchange Transactions:

- (a) Initial recognition : All transactions in foreign currency are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- (b) Measurement of foreign currency monetary items at the balance sheet date  
Monetary items in foreign currency at the year end are converted in Indian

Currency at the year end rates. In terms of the amendments to Accounting Standard 11 on The Effects of Changes in Foreign Exchange Rates, exchange differences relating to long-term monetary items are dealt with in the following manner:

- (i) Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to/ deducted from the cost of the asset and depreciated over the balance life of the asset.
- (ii) In other cases such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance life of the long-term monetary item.
- (c) Treatment of exchange differences : Any income or expense on account of exchange difference either on settlement or translation is recognised in the Statement of Profit and Loss.
- (d) In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract.

### 6 Taxation

Provision for tax is made for both current and deferred taxes. The Company provides for deferred tax based on the tax effect of timing difference resulting from the recognition of items in the accounts and in estimating its current tax provision. The effect on deferred taxes of a change in tax rate is recognized in the year in which the change is effected.

### 7 Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired and if such indication exists, the carrying value of such asset is reduced to its recoverable amount and a provision is made for such impairment loss in the Statement of Profit and Loss

### In terms of our Report of even date

#### For R S Agarwala & Co.

Chartered Accountants  
Firm Regn No. 304045E

**R S Agarwala**  
Partner  
Membership No.005534  
Camp: Hyderabad  
Date: 18th August, 2016

**D P Agarwal**  
(Chairman)  
**P C Sharma**  
(Whole Time Director)

**Chander Agarwal**  
(Managing Director)  
**Mukti Lal**  
(AVP & CFO)

**Vineet Agarwal**  
(Director)  
**Vinay Gujral**  
(Company Secretary)

For and on behalf of the Board

# Notice of Annual General Meeting

NOTICE is hereby given that the 8th Annual General Meeting of the Company will be held on Friday, the 4th November, 2016 at 11:30 a.m. at Emerald II, H-Floor, Taj Krishna, Road No. 1, Banjara Hills, Hyderabad-500034, to transact the following businesses:

## Ordinary Business:

- To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2016 & the report of the Board of Directors and Auditors thereon.**
- To consider and if thought fit, to pass, with or without modification(s), the following 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, the appointment of M/s. R S Agarwala & Co., Chartered Accountants (Firm Registration No.304045E) as Auditors of the Company for a term of Five years i.e. till the conclusion of the Annual General Meeting to be held in the year 2020, which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 9th Annual General Meeting of the Company to be held in the year 2017, at such remuneration, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be mutually agreed between the Board of Directors of the Company and the Auditors."

## Special Business:

- 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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. DP Agarwal, who was appointed as an Additional Director on October 07, 2015 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 Non- Executive Non Independent Director on the Board of Directors of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

- 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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Vineet Agarwal, who was appointed as an Additional Director on October 7, 2015 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 Non- Executive Non Independent Director on the Board of Directors of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

- 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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Chander Agarwal, who was appointed as an Additional Director on October 7, 2015 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 Director on the Board of Directors of the Company, not liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

- To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) and approval of Central Government, if required, the consent of the shareholders be and is hereby accorded for appointment of Mr. Chander Agarwal as Managing Director of the Company for a period of five years with effect from August 18, 2016 to August 17, 2021, upon the terms and conditions as detail below:

**Basic Salary:** Rs. 15,00,000 per month (in the range of Rs. 15,00,000 (Rupees Fifteen Lakh only) per month to Rs. 25,00,000 (Rupees Twenty Five Lakh only) with the liberty to the Board or Committee thereof in its absolute discretion to fix basic salary and annual increment within the above range.

**Commission** @ 4% of the net profit

### Perquisite and other allowances:

- Housing:** Furnished/Unfurnished residential accommodation or house rent allowance as may be applicable. Expenses incurred on gas, electricity, water and furniture shall be valued as per Income Tax Rules.
- Medical reimbursement/allowance:** Reimbursement of actual expenses for self and family and/or allowances will be paid as per the rules of the Company
- Leave travel concession/allowance:** For self and family in accordance with the rules of the Company
- Club Fees:** Fee payable subject to rules of the Company
- Personal accident insurance:** As per rules of the Company
- Provision of driver/allowance for driver's salary:** As per rules of the Company
- Company car and telephone:** Expenses in relation to use Company car and telephone for official purpose
- Any other expenses incurred/reimbursed not specifically included hereinabove.

### Other benefits:

- Earned/privilege leave:** As per the rules of the Company
- Company's contribution to provident fund and superannuation fund:** As per the rules of the Company
- Gratuity:** As per the rules of the Company
- Encashment of leave:** As per the rules of the Company

The aggregate of the salary, commission, perquisite and allowances and other benefit taken together in respect of payment to Mr. Chander Agarwal shall always be subject to compliance with applicable statutory requirements.

**Termination:** The Company or the Managing Director shall be entitled at any time to terminate this appointment by giving six months written notice or by any shorter notice as may be mutually agreed to, by both the parties. If any time, he ceases to be director of the Company for any cause whatsoever, the appointment shall forthwith be terminated.

**Duties:** Mr. Chander Agarwal shall perform such duties as may from time to time be entrusted to him, subject to the superintendence and control of the Board of Directors.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Chander Agarwal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution”.

**7. 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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Phool Chand Sharma, who was appointed as an Additional Director on August 18, 2016 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 Director on the Board of Directors of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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.”

**8. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) and approval of Central Government, if required, the consent of the shareholders be and is hereby accorded for appointment of Mr. Phool Chand Sharma as Whole Time Director of the Company for a period of five years with effect from August 18, 2016 to August 17, 2021, upon the terms and conditions as detail below:

**Basic Salary:** Rs. 4,25,000/- per month (in the range of Rs. 4,00,000 (Rupees Four Lakh only) per month to Rs. 9,00,000 (Rupees Nine Lakh only) with the liberty to the Board or Committee thereof in its absolute discretion to fix basic salary and annual increment within the above range.

**Perquisite and other allowances:**

- i. Housing:** Furnished/Unfurnished residential accommodation or house rent allowance as may be applicable. Expenses incurred on gas, electricity, water and furniture shall be valued as per Income Tax Rules.
- ii. Medical reimbursement/allowance:** Reimbursement of actual expenses for self and family and/or allowances will be paid as per the rules of the Company
- iii. Leave travel concession/allowance:** For self and family in accordance with the rules of the Company
- iv. Club Fees:** Fee payable subject to rules of the Company
- v. Personal accident insurance:** As per rules of the Company
- vi. Provision of driver/allowance for driver's salary:** As per rules of the Company
- vii. Company car and telephone:** Expenses in relation to use Company car and telephone for official purpose
- viii.** Any other expenses incurred/reimbursed not specifically included hereinabove.

**Other benefits:**

- i. Earned/privilege leave:** As per the rules of the Company
- ii. Company's contribution to provident fund and superannuation fund:** As per the rules of the Company
- iii. Gratuity:** As per the rules of the Company
- iv. Encashment of leave:** As per the rules of the Company

The aggregate of the salary, commission, perquisite and allowances and other benefit taken together in respect of payment to Mr. Phool Chand Sharma shall always be subject to compliance with applicable statutory requirements.

**Termination:** The Company or the Whole Time Director shall be entitled at any time to terminate this appointment by giving two months written notice or by any shorter notice as may be mutually agreed to, by both the parties. If any time, he ceases to be director of the Company for any cause whatsoever, the appointment shall forthwith be terminated

**Duties:** Mr. Phool Chand Sharma shall perform such duties as may from time to time be entrusted to him, subject to the superintendence and control of the Board of Directors.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Phool Chand Sharma, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution”.

**9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Shareholders be and is hereby accorded to the payment of commission for a period of five years commencing from financial year 2016-17 to the Non-Executive Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Non-Executive Directors per annum shall not exceed 0.5% of the net profits of the Company for that year as computed in the manner specified under Section 198 of the Act, with authority to the Board to determine the manner and proportion in which the amount be distributed among Non-Executive Directors.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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.”

**10. 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 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Murali Krishna Chevuturi, who was appointed as an Additional Director on August 18, 2016 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 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2021.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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.”

**11. 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 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Prashant Jain, who was appointed as an Additional Director on August 18, 2016 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 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2021.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

**12. 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 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ashok Kumar Ladha, who was appointed as an Additional Director on August 18, 2016 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 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2021.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

**13. 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 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Manisha Agarwal, who was appointed as an Additional Director on August 18, 2016 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 her 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 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2021.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

**14. To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution**

**"RESOLVED THAT** pursuant to Section 180 (1)(c) and other applicable provisions of the Companies Act, 2013 & Rules made thereunder (the Act) including any modification or re-enactment thereof, if any, the consent of the shareholders be and is hereby accorded to Board of Directors to borrow such sum or sums of money on such terms and conditions as the Board of Directors and/or the Committee of Directors may determine, from anyone or more of the Company's Bankers and/or from anyone or more other Bank(s), Person(s), Firm(s), Companies/Bodies Corporate, Financial Institution(s), Institutional Investor(s), Mutual Fund(s), Insurance Companies, Pension Fund(s) and or any entity/entities or Authority/Authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, commercial papers, long/short term loans, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the

Company's assets, licenses and properties, whether immovable or movable, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary Loan obtained/to be obtained from Company's Bankers in the ordinary course of business) may exceed the aggregate of the Paid up Capital of the Company and its Free Reserves, not set apart from any specific purpose provided, however that the total monies so borrowed including the money already borrowed shall not exceed Rs.3,00,00,00,000 (Rupees Three Hundred crores).

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma - Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral- Company Secretary of the Company be and are hereby authorized, jointly and severally to do all such act, deeds and things as may be necessary to give effect to this resolution."

**15. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution**

**"RESOLVED THAT** in terms of Section 180(1)(a) of the Companies Act, 2013) and other applicable provisions of the Companies Act, 2013 & rules made thereunder including any modification or re-enactment thereof and the consent of the shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit to secure the borrowings of the Company together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment or on redemption, remuneration of Agent(s)/ Trustee(s) and all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreements or any other document entered into/to be between the Company and the Lender(s), Agent(s), Trustee(s) in respect of the said loans/borrowings either by way of mortgage (including equitable mortgage), hypothecation, pledge, and/or lien in addition to the mortgages/charges created/ to be created by Company on such terms and conditions, in such form and manner and with such ranking for priority and at such times as the Board of Directors may determine, on all or any of the properties of the Company including Land, Building, other Fixed Assets, Stock in Trade, Book Debts, Bank Deposits, Shares, Securities and any other Assets as held presently and/or to be acquired in future and by giving guarantees, indemnities, undertakings for and on behalf of the Company. Provided that the total amount of Loans together with liquidated damages, commitment charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Limit approved under section 180(1)(c) of the Companies Act, 2013 or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal- Managing Director, Mr. Phool Chand Sharma - Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral- Company Secretary be and are hereby authorized, jointly and severally to do all such act, deeds and things as may be necessary to give effect to this resolution."

**16. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution**

**"RESOLVED THAT** pursuant to the provisions of section 181 and other applicable provisions if any, of the Companies Act, 2013 & rules made thereunder including any modification or re-enactment thereof, consent of the Shareholders be and is hereby accorded to the Board of Directors to contribute, donate, subscribe or otherwise provide assistance from time to time to any charitable, public, social, or benevolent or general fund, society, association, institution, trust, organization, not directly relating to the business the Company or the welfare of its employee, for taking up any programme, activities of social, cultural, educational, economic, rural development of people at large and/or incur any expenditure on their behalf, upto an amount not exceeding to Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lakhs only) in any financial year, notwithstanding the fact that said amount may exceed 5% of the Company's average net profit during the 03 years immediately preceding the current financial year.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal- Managing Director, Mr. Phool Chand Sharma - Whole Time Director, Mr. Mukti Lal- CFO and Mr. Vinay Gujral- Company Secretary be and are hereby authorised, jointly and severally to do all such act, deeds and things and to execute and sign all such documents and papers as may be necessary to give effect to this resolution."

**17 To consider and if thought fit, to pass with or without modification(s) the following resolution as 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 and (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 - 2016 (hereinafter referred to as 'ESOP- 2016'), 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 Nomination & Remuneration Committee which the Board has constituted/to be constituted to exercise its powers, including the powers, conferred by this resolution) to create, grant, issue and offer 957,218 options representing 2.5% 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 the ESOP 2016 to the present and/or future permanent employees of the Company which term shall be deemed to include the holding and subsidiary companies as well, (hereinafter referred to as 'employees' or 'said employees') exercisable into 9,57,218 equity shares representing 2.5% 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 for 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 2016 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 2016 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 Nomination, Remuneration Committee (collective 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- 2016 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."

**18. To consider and if thought fit, to pass with or without modification(s) the following resolution as 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 2016 (hereinafter referred to as 'ESOP- 2016') to the present and future, permanent employees of the holding and 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 summarised in the Explanatory Statement.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and the Nomination, Remuneration Committee (collective 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- 2016 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."

**19. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

**RESOLVED FURTHER THAT** Mr. Vineet Agarwal-Director, Mr. Chander Agarwal-Managing Director, Mr. Phool Chand Sharma-Whole Time Director, Mr. Mukti Lal-CFO and Mr. Vinay Gujral, 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."

**Place: Gurgaon  
Date: 31st August, 2016**

**For By Order of Board  
For TCI Express Limited  
Vinay Gujral  
Company Secretary & Compliance Officer**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING. A PROXY FORM IS ENCLOSED FOR THIS PURPOSE.
2. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. An Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 is annexed to and forms part of this Notice.

4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of Board Resolution authorising their representatives to attend and vote on their behalf at the meeting.
  5. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, additional information on directors recommended for appointment/re-appointment at the Annual General Meeting is contained in the Statement annexed to Notice.
  6. Register of members and share transfer books of the Company will remain closed from 29.10.2016 to 04.11.2016 (both days inclusive).
  7. Members who are holding shares in physical form are requested to notify the change in their respective addresses or Bank details to the Company and always quote their Folio Numbers in all correspondence with the Company. Those holding shares in electronic form are requested to notify any change in addresses or Bank details to their respective Depository Participants.
  8. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
  9. Non-resident Indian members are requested to inform Company on:
    - a. The change in the residential status on return to India for permanent settlement, and
    - b. The particulars of the bank accounts maintained in India with complete name of Bank, branch, account type, account number and address of the bank, if not furnished earlier.
  10. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form. Therefore, it shall be mandatory for the transferee(s) to furnish a copy of the PAN card to M/s. Karvy Computershare Pvt Ltd /Investor Service Department of the Company for registration of such transfers. Members/Investors are therefore requested to make note of the same and submit their PAN card copy to M/s. Karvy Computershare Pvt Ltd /Investor Service Department.
  11. Pursuant to Section 72 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.
  12. The members are requested to address all their communications Karvy Computershare Pvt Ltd., Karvy Selenium Tower B, Plot Number 31 and 32, Financial District, Gachibowli, Hyderabad-500032, 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. 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 Computer share Private Limited ("Karvy") as the Agency to provide e-voting facility.
  - IV. The Board of Directors of the Company has appointed Shri. Vasanth Bajaj, Practising Company Secretary as Scrutinizer to scrutinise 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 same purpose.
  - V. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner( incase of electronic shareholding) as on the cut-off date i.e. 28.10.2016.
- 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 cutoff date, i.e. 28.10.2016 only, 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 i.e. 28.10.2016, 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](mailto: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 01.11.2016 End of remote e-voting: Up to 5.00 p.m. (IST) 03.11.2016.

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 (Insta Poll) 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.tciexpress.in](http://www.tciexpress.in) 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 the Meeting, i.e. 04.11.2016.
  - 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 TCI Express 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\_tciexp@vkbajassociates.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 "CorporateName\_EVENTNO."
- 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.
2. 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.
  3. 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, 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.tciexpress.in](http://www.tciexpress.in) and on <https://evoting.karvy.com> immediately after the result is declared by the Chairman.

#### **Explanatory Statement under section 102 of the Companies Act, 2013:**

##### **Item No. 3 & 4**

In terms of the provisions of section 161 of the Companies, Act 2013 and other applicable provisions, if any, the Board of Directors had appointed Mr. D.P

Agarwal and Mr. Vineet Agarwal as an Additional Directors to hold office upto the date of the ensuing Annual General Meeting and in respect of whom notices pursuant to section 160 of the Companies Act, 2013 has been received from a members signifying their intention to propose them as candidate for the office of the Directors. They are not disqualified being appointed as Directors in terms of section 164 of the Companies Act, 2013 and given their consent to act as Directors. The brief profiles including experience are given under the head "Additional Information".

The Board recommends the resolution set out at Item No.3 & 4 as an Ordinary Resolutions to the shareholders for their approval.

Mr. Chander Agarwal being relative of Mr. D.P Agarwal and Mr. Vineet Agarwal, may be deemed to be interested in the resolutions. None of other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution set out at Item No. 3 & 4.

##### **Item No. 5 & 6**

In terms of the provisions of section 161 of the Companies, Act 2013 and other applicable provisions, if any, the Board of Directors had appointed Mr. Chander Agarwal as an Additional Director to hold office upto the date of the ensuing Annual General Meeting and in respect of whom a notice pursuant to section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose him as candidate for the office of Director. He is not disqualified being appointed as Director in terms of section 164 of the Companies Act, 2013 and given his consent to act as Director.

In compliance with the provisions of Section 196, 197, 201, 203 of the Companies Act, 2013 read with rule 7(2) of the Companies (Appointment and Remuneration of Managerial) Rules, 2014 and Schedule V of the Companies Act, 2013, subject to the approval of Shareholders, the Board of Director had appointed Mr. Chander Agarwal as Managing Director for a period of five years with effect from August 18, 2016 to August 17, 2021, on terms and conditions including remuneration as specified in resolution.

Your Directors recommend the resolution at Item No 5 and 6 as an Ordinary and Special Resolution, respectively for your approval. Mr. D.P Agarwal and Mr. Vineet Agarwal being relatives, may be deemed to be interested in the resolutions. None of the Other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolutions set out at Item No 5 and 6.

##### **Item No. 7 & 8**

In terms of the provisions of section 161 of the Companies, Act 2013 and other applicable provisions, if any, the Board of Directors had appointed Mr. Phool Chand Sharma as an Additional Director to hold office upto the date of the ensuing Annual General Meeting and in respect of whom a notice pursuant to section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose him as candidate for the office of Director. He is not disqualified being appointed as Director in terms of section 164 of the Companies Act, 2013 and given his consent to act as Director.

In compliance with the provisions of Section 196, 197, 201, 203 of the Companies Act, 2013 read with rule 7(2) of the Companies (Appointment and Remuneration of Managerial) Rules, 2014 and Schedule V of the Companies Act, 2013 and subject to the approval of Shareholders, the Board of Director had appointed Mr. Phool Chand Sharma as Whole Time Director for a period of five years with effect from August 18, 2016 to August 17, 2021, on terms and conditions including remuneration as specified in resolution. Your Directors recommend the resolution at Item No 7 and 8 as an Ordinary and Special Resolution, respectively. Mr. Phool Chand Sharma, being concerned, may be deemed to be interested in the resolutions. None of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested, in the resolutions set out at Item No 7 and 8.

##### **Item No. 9**

The presence of the Non-Executive Directors on the Board of Directors of your Company will assist your Company to achieve growth. Each Non- Executive Director brings to the Board vast experience and intellect in multifarious fields relevant to unique requirements of your Company. Keeping in view corporate principles, it is considered desirable that Non-Executive Directors are remunerated for their contribution. In terms of the proviso to Section 197(1) of

the Companies Act, 2013, a Company can remunerate/make payment by way of commission to its Non-Executive Directors for a sum not exceeding 1% of the Profits as computed as per provision of the Companies Act, 2013, if the Company has a Managing Director or Executive Director.

Further pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, all fees/compensation, if any, paid to Non-Executive Directors of the Company, shall be fixed by the Board of Directors and shall require the prior approval of the Shareholders at a General Meeting.

The Board of Directors in its meeting held on August 18, 2016 subject to the approval of the Shareholders, has approved the payment of Annual Commission of not exceeding 0.5 % of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, for a period of five years commencing from Financial Year 2016-2017, in addition to the sitting fees payable to such directors for attending the Board and Committee meetings and reimbursement of expenses, if any.

Your Directors recommend the resolution at Item No 9 as an Ordinary Resolution. All Non-Executive Directors of the Company and their relatives, may be deemed to be concerned or interested in the resolution set out at Item No 9 to the extent of commission that may be payable to them from time to time.

#### **Item No. 10,11, 12 & 13**

The Board of Directors had appointed Mr. Murali Krishna Chevuturi, Mr. Prashant Jain, Ms. Manisha Agarwal and Mr. Ashok Kumar Ladha as Additional Directors with effect from August 18, 2016. In terms of provisions of Section 161 of the Companies Act, 2013, they will hold office up to the date of this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation.

The Board felt that their association would be of immense benefit to the Company and in the opinion of the Board, they fulfill the conditions of appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Mr. Murali Krishna Chevuturi, Mr. Prashant Jain, Ms. Manisha Agarwal and Mr. Ashok Kumar Ladha are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations from them that they meet the criteria of Independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Company has received notices in writing from members in terms of Section 160 of the Act alongwith deposit of requisite amount proposing their candidature to be appointed as Directors in this Annual General Meeting.

Their brief profile including experience are given under the head "Additional Information".

The Board recommends the resolutions set out at Item No. 10, 11, 12 & 13 as ordinary resolutions to the Shareholders for their approval.

Mr. Murali Krishna Chevuturi, Mr. Prashant Jain, Ms. Manisha Agarwal and Mr. Ashok Kumar Ladha being concerned, may be deemed to be interested in the respective resolutions. None of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested, in the resolutions set out at Item No. 10, 11, 12 & 13.

#### **Item No. 14 & 15**

Keeping in view the Company's existing and future financial requirements & to support its business operations, the Company may require to borrow additional funds from time to time by way of unsecured/secured loan(s) from Banks, Financial Institutions, Trustee or other Agencies. Pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013, the power of the Board of Directors to borrow money(s) apart from temporary loans obtained from the Company's banker in ordinary course of business in excess of aggregate of the paid up capital and free reserve of the Company, requires approval from the shareholders of the Company.

Further, the said borrowing may be required to be secured by way of Mortgages, Charges and Hypothecations, in favor of the Bank(s), Financial Institution(s), Trustee(s) etc.

Your Directors recommend the resolution at Item No 14 & 15 as an Special Resolutions for your approval. None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolutions set out at Item No 14 & 15.

#### **Item No. 16**

Pursuant to Section 181 of the Companies Act 2013, the Board of Directors of the Company is authorized to make contributions to charitable and other funds, provided that prior permission of the Members is required for such contributions during a financial year exceeding five percent of its average net profits during the three immediately preceding financial years.

The approval of the Members is being sought, pursuant to Section 181 of the Act, for authorizing the Board of Directors of the Company to make contributions to Indian or Foreign Institutes or Organizations for Undertaking Scientific Research, Welfare and Social Activities and other Objects of General Utility, in a financial year, exceeding five percent of the Company's average net profits during the three immediately preceding financial years subject to a limit of Rs. 25,000,000/- (Rupees Two Crores Fifty Lacs only).

The Directors recommends the resolution at Item no 16 as an Ordinary Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution set out at Item No 16.

#### **Item No. 17 & 18**

In the present competitive scenario, the Board of Directors of the Company (hereinafter referred to as the "Board") has identified the need to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company and to create a sense of ownership and participation amongst them. In view of this, the Board has formulated a draft of the Employee Stock Option Plan 2016 (hereinafter referred to as 'ESOP 2016') for the present and/or future permanent employees of the Company (hereinafter referred to as 'employees' or 'said employees') in accordance with the applicable laws.

Since, 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 and accordingly, the Special Resolution at Item No. 17 & 18 seeks your approval for the issue of further Equity Shares under the ESOP 2016, to the employees of the Company as may be determined by the Board.

The ESOP 2016 will be administered by 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:

##### **1. Brief description of the Plan**

The Plan shall be called as the 'Employee Stock Option Plan 2016' and shall extend its benefits to the present and/or future permanent employees of the Company as well as its holding and 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.

##### **2. Total number of Options to be granted under the Plan.**

The maximum number of options to be granted under ESOP 2016 shall not exceed 9,57,218 options representing 2.5% of the paid-up capital of the company as on the date of shareholders' approval.

The options which get lapsed under the scheme shall get added back to the pool of ungranted options.

3. Identification of classes of employees entitled to participate and be beneficiaries in ESOP 2016.

Employees are the permanent employees, including Executive Directors and Whole-time Directors, of the company or as may be decided by the Nomination & Remuneration Committee from time to time.

4. Requirement of Vesting and period of Vesting

The options granted under ESOP 2016 shall vest based upon the performance of the Employee, subject to completion of minimum 1 (One) year from the date of grant and will take place over a period of 5 (Five) years from the date of grant, and can vary for different set of employees in the Company, as may be decided by the Nomination & Remuneration Committee.

5. Maximum period within which the options shall be vested

All the options will get vested within maximum period of 5 (Five) years from the date of grant.

6. 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 Nomination & Remuneration Committee wherein the grants 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 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.

7. Exercise period and process of Exercise:

The Exercise Period will be upto 3 (Three) years 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.

8. Appraisal process for determining the eligibility of the Employees to ESOP 2016:

The appraisal process for determining the eligibility of the employees will be in accordance with the ESOP 2016 or as may be determined by the Nomination & Remuneration Committee at its sole discretion.

The employees would be granted options under the ESOP 2016 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
9. 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 one-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 9,57,218 options representing 2.5% of the paid up capital of the Company as on the date of shareholders' approval.

10. 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.

11. Implementation and administration of the Plan

The Plan shall be implemented and administered by the Nomination & Remuneration Committee of the Company.

12. 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 to the Employees

13. The amount of loan to be provided for implementation of the Plan by the company to the trust, its tenure, utilization, repayment terms, etc.; N.A.

14. 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. N.A.

15. Disclosure and accounting policies:

The Company will confirm to the disclosures and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulation, 2014 or as may be prescribed by regulatory authorities from time to time.

16. 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.

17. 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.

In terms of Section 62 of the Companies Act, 2013 and SEBI (SBEB) Regulations, 2014, the approval of the Shareholders is sought by way of Special Resolution for the approval of the ESOP 2016 and issuance of shares under this ESOP 2016, therefore, your Directors recommend the Resolutions as set out at item no. 17 & 18 for your approval by way of Special Resolutions.

Except to the extent of options that may be granted in future to such Director and Key Managerial Personnel excluding Independent Directors, none of the Directors or Key Managerial Personnel of the Company, or their relatives are in anyway concerned or interested in the resolutions as set out at Item No. 17 & 18.

#### Item No. 19

As per the provisions of sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting.

The Board of Directors recommends the resolution set out at item No. 19 as Special Resolution to the shareholders for approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution set out at Item No. 19.

**Additional Information: A brief profile of Directors seeking Appointment/Re-appointment as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

<b>Particulars</b>	Mr. D.P. Agarwal	Mr. Vineet Agarwal	Mr. Chandrar Agarwal	Mr. Phool Chand Sharma	Mr. Murali Krishna Chevuturi	Mr. Prashant Jain	Ms. Manisha Agarwal	Mr. Ashok Kumar Ladha	
<b>Date of Birth</b>	24th August, 1950	16th September, 1973	26th December, 1978	14th July, 1961	2nd February, 1956	30th April, 1969	8th July, 1965	15th April, 1949	
<b>Qualifications</b>	Graduate	B.Sc (Econ.)	B.Sc in Business Administration from Bryant College, Smithfield, RI.	Graduate and also alumni of Harvard Business School and National University of Singapore.	Chartered Accountant and Company Secretary and MBA from University of Pittsburgh, USA.	Graduate	Graduate	Graduate	
<b>Expertise in specific Functional Area</b>	Mr. DP. Agarwal has been associated with the transport industry for more than 51 years. He has been contributing in developing the unorganized logistics sector into an organized one. Mr. DP Agarwal is also associated with various Chambers of Commerce including CII, FICCI & PHDCCI. He also takes active participation in many social and philanthropic activities for the common good.	Under the leadership of Mr. Vineet Agarwal, TCI has adapted to new technologies and work systems to grow from strength to strength. Mr. Vineet Agarwal initiated Transystem Logistics International, a JV between TCI and Mitsui & Co, Japan for the complete logistics management of Toyota Kirloskar Motors in India.	His hands-on experience with Transfreight USA, a 3PL specializing in 'lean logistics' for Toyota Motor vehicles, USA has given him unmatched knowledge of the Supply Chain Management	He has in-depth knowledge about the express distribution which helped him in expanding the business network and maintain the growth and success of TCI XPS. He has been the guiding force for the team and has strong management skills. He is the driving force behind the sustained growth and success of TCI XPS (Demerged Division)	He has practiced as a Chartered Accountant from 1980 to 2009. Between 2009 to 2011, he worked as Group CFO in Amara Raja Group. Presently, he is independent Corporate Business and mentor to professional CA Firms.	He has started his career in the stone business of the family pioneering in exports of value added finished dimensional stones, viz marbles/granites/natural stones. With the turn of the century, the family ventured into education thereby establishing the first campus of Pathways World School in 2003. He has been instrumental in this sphere with a lot of creative approaches in setting up these facilities.	Mrs. Manisha Agarwal serves as an Advisor of Money Transfer Business of Transcorp International Limited. She is well versed with business and commercial aspects of Corporate world.	Mr. Ladha started his career with CK Birla group way back in 1966. He has worked with various companies in CK Birla group in senior position and have vast and extensive experience in various filed of production, finance, Commerce, Marketing, General Administration, Business Strategy and Management. He is currently looking after the Corporate Affairs of CK Birla group of Companies.	
<b>Directorship held in other Companies</b>	<ul style="list-style-type: none"> <li>Transport Corporation of India Ltd</li> <li>TCI Developers Ltd</li> <li>TCI Industries Ltd</li> <li>Bhoruka Power Corporation Ltd</li> <li>Jai Bharat Maruti Ltd</li> <li>TCI Institute of Logistics</li> </ul>	<ul style="list-style-type: none"> <li>Transport Corporation of India Ltd</li> <li>TCI Developers Ltd</li> <li>TCI CONCOR Multimodal Solutions Pvt. Ltd</li> <li>Log Labs Ventures Pvt. Ltd</li> <li>Gloxinia Farms Pvt. Ltd</li> <li>Transystem Logistics International Pvt. Ltd</li> <li>Transcorp International Limited</li> <li>TCI Institute of Logistics</li> <li>YPO/WPO South Asia Chapter</li> <li>YPO Rajasthan</li> </ul>	<ul style="list-style-type: none"> <li>Transport Corporation of India Ltd</li> <li>TCI Developers Ltd</li> <li>Gloxinia Farms Pvt. Ltd</li> <li>TCI Apex Pal Hospitality India Pvt. Ltd</li> <li>TCI Infrastructure Limited</li> <li>TCI Institute of Logistics</li> <li>Express Industry Council of India</li> </ul>	<ul style="list-style-type: none"> <li>XPS Cargo Services Ltd</li> <li>Bhoruka International Pvt. Ltd</li> </ul>	---	<ul style="list-style-type: none"> <li>Sarla Constructions Ltd.</li> <li>Sarla Realtors Private Ltd.</li> <li>Sarla Holdings Private Ltd.</li> <li>Sarla Exports Pvt. Ltd</li> <li>Institute For Innovations and Applications in Mathematics and IT</li> <li>Sarla Foundation</li> </ul>	<ul style="list-style-type: none"> <li>TCI Developers Ltd</li> <li>Ritico Travels &amp; Tours Pvt. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Indo Rama Synthetics (India) Ltd.</li> <li>Rajasthan Industries Limited.</li> <li>V V A Finance Ltd</li> <li>Amer Investments (Delhi) Ltd.</li> <li>Birlasoft (India) Limited</li> <li>Eternity Infra Build Pvt. Ltd.</li> <li>Micro Polypet Pvt. Ltd.</li> <li>CK Birla Corporate Services Ltd.</li> <li>CK Birla Healthcare Pvt. Ltd.</li> <li>Sanchit Polymers Pvt. Ltd.</li> <li>Indorama Ventures Packaging (India) Pvt. Ltd.</li> </ul>	
<b>Membership/Chairmanships of the Committees of other Companies</b>	<ul style="list-style-type: none"> <li><b>Audit Committee:</b> <ul style="list-style-type: none"> <li>Jai Bharat Maruti Ltd</li> </ul> </li> <li><b>Stakeholders' Relationship Committee:</b> <ul style="list-style-type: none"> <li>Jai Bharat Maruti Ltd</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Audit Committee:</b> <ul style="list-style-type: none"> <li>TCI Developers Ltd</li> <li>Transcorp International Ltd</li> </ul> </li> <li><b>Stakeholders' Relationship Committee:</b> <ul style="list-style-type: none"> <li>TCI Developers Limited</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Stakeholders' Relationship Committee</b> <ul style="list-style-type: none"> <li>TCI Developers Limited</li> </ul> </li> </ul>	---	---	---	---	---	<ul style="list-style-type: none"> <li><b>Audit Committee:</b> <ul style="list-style-type: none"> <li>Indo Rama Synthetics (India) Ltd.</li> <li>Birlasoft (India) Limited</li> </ul> </li> <li><b>Stakeholders' Relationship Committee:</b> <ul style="list-style-type: none"> <li>Indo Rama Synthetics (India) Ltd.</li> </ul> </li> </ul>
<b>Number of Equity Shares held in the Company</b>	414314	991467	1052131	40250	---	---	---	---	

\*Membership/Chairmanship in Private Companies excluded.

# REGISTERED BOOK POST

***TCIEXPRESS***

———— LEADER IN EXPRESS ————

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