S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of TVS Supply Chain Solutions Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of TVS Supply Chain Solutions Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and joint venture comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors' report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or

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otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures

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that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of seven subsidiaries (which included the financial statements of step-down subsidiaries), whose Ind AS financial statements include total assets of Rs 264,169.37 lakhs as at March 31, 2019, and total revenues of Rs 478,074.62 lakhs and net cash inflows of Rs 10,919.94 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 225.01 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of an associate and a joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, and our report in terms of sub-sections (3) of Section

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143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associate, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The consolidated Ind AS financial statements of the Company for the year ended March 31, 2018, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on August 30, 2018.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate and joint venture, none of the directors of the Group's companies, its associate and joint venture incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

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(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate and joint venture incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associate and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, associate and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and joint venture in its consolidated Ind AS financial statements – Refer Note 37 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 33 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associate and joint venture.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associate and joint venture incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

per Bharath N S
Partner
Membership Number: 210934
UDIN: 19210934AAAACP1313
Place of Signature: Chennai
Date: September 30, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TVS SUPPLY CHAIN SOLUTIONS LIMTED

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

In conjunction with our audit of the consolidated financial statements of TVS Supply Chain Solutions Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of TVS Supply Chain Solutions Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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

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statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these five subsidiary companies and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

per Bharath N S
Partner
Membership Number: 210934
UDIN: 19210934AAAACP1313
Place of Signature: Chennai
Date: September 30, 2019

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED BALANCE SHEET AS AT 31 March 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	15	43,205.00	43,909.01
Capital work-in-progress		1,265.22	274.70
Goodwill	16	42,953.66	30,623.24
Other intangible assets	16	23,696.29	15,658.23
Equity accounted investees	17	3,491.07	3,647.04
Financial assets			
Investments	19	1,053.78	436.13
Deposits and other receivables	20	3,739.34	2,996.83
Other financial assets	21	752.17	142.50
Deferred tax assets (net)	14	5,621.75	5,844.87
Non-current tax assets (net)		5,798.88	3,964.89
Other non-current assets	22	1,068.92	1,541.80
Total non-current assets		**1,32,646.08**	**1,09,039.24**
Current Assets			
Inventories	23	16,616.22	13,361.20
Financial assets			
Investments	19	1,408.24	1,206.50
Trade receivables	24	1,20,850.53	1,37,209.88
Cash and cash equivalents	25	47,485.17	35,981.50
Other bank balances	26	2,410.27	2,342.46
Loans	27	-	-
Deposits and other receivables	20	5,077.64	4,264.95
Other financial assets	21	23,282.39	14,840.71
Current tax assets (net)		881.99	368.31
Other current assets	28	14,318.62	14,466.66
Assets classified as held for disposal	45	8,148.97	-
Total current assets		**2,40,480.04**	**2,24,132.17**
Total assets		**3,73,126.12**	**3,33,171.41**
EQUITY AND LIABILITIES			
Equity			
Share capital	29A	3,166.71	3,166.71
Other equity	29B	60,857.61	59,223.82
Equity attributable to owners of the Company		**64,024.32**	**62,390.53**
Non-controlling interests	18	3,909.16	6,126.82
Total equity		**67,933.48**	**68,517.35**

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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED BALANCE SHEET AS AT 31 March 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	30	90,433.75	70,954.92
Other financial liabilities	32	1,144.99	6,639.89
Provisions	33	1,816.65	2,419.78
Deferred tax liabilities (net)	14	10,575.31	8,444.86
Other non current liabilities	34	1,914.38	442.47
Total non-current liabilities		**1,05,885.08**	**88,901.92**
Current liabilities			
Financial Liabilities			
Borrowings	30	52,811.67	37,879.28
Trade payables	31	99,180.94	1,03,341.07
Other financial liabilities	32	26,873.15	19,002.03
Provisions	33	2,929.84	2,125.39
Current tax liabilities (net)		520.12	1,628.42
Other current liabilities	35	11,203.19	11,775.95
Liabilities directly associated with assets classified as held for sale	45	5,788.65	-
Total current liabilities		**1,99,307.56**	**1,75,752.14**
Total liabilities		**3,05,192.64**	**2,64,654.06**
Total equity and liabilities		**3,73,126.12**	**3,33,171.41**

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 30 September 2019

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN: 00363300

S Ravichandran
Deputy Managing Director
DIN: 01485845

Ravi Prakash Bhagavathula
Group Chief Financial Officer

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 12 September 2019

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Continuing Operations			
Revenue from operations	5	6,77,991.41	5,34,176.82
Other income	6	4,915.45	4,830.45
Total income		**6,82,906.86**	**5,39,007.27**
Expenses			
Cost of materials consumed	7	946.24	661.09
Purchase of stock-in-trade	8	93,871.84	87,662.30
Changes in inventory of stock-in-trade	9	(5,451.36)	202.31
Employee benefits expense	10	1,60,971.74	1,21,187.39
Finance costs	11	7,765.58	5,064.13
Depreciation and amortisation expense	12	12,427.84	8,776.35
Other expenses	13	4,11,063.62	3,05,388.76
Total expenses		**6,81,595.50**	**5,28,942.32**
Profit / (loss) before exceptional items, share of profit of equity accounted investees and income tax from continuing operations		**1,311.36**	**10,064.94**
Exceptional items (refer note 39)		690.86	-
Share of profit/(loss) of equity accounted investees (net of income tax)	17	225.01	211.62
Profit / (loss) before tax from continuing operations		**2,227.23**	**10,276.56**
Tax expenses			
Current tax		3,312.24	4,829.73
Deferred tax		872.86	492.08
Total tax expenses	14	**4,185.10**	**5,321.81**
Profit / (loss) for the year from continuing operations		**(1,957.87)**	**4,954.75**
Discontinued operations			
Profit / (loss) from discontinued operations before tax expenses		(1,686.68)	432.27
Tax expense of discontinued operations			
Current tax		-	30.88
Adjustments of tax relating to prior years		25.70	-
Profit / (loss) after tax from discontinued operations		**(1,712.38)**	**401.39**
Profit / (loss) for the year		**(3,670.25)**	**5,356.14**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gain / (loss) on defined benefit plans		(174.43)	10.63
Income tax relating to above		58.63	(3.28)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(115.80)**	**7.35**
Items that will be reclassified subsequently to profit or loss			
Exchange gain / (loss) in translating financial statements of foreign operations		(281.86)	1,551.29
Income tax relating to above		-	-
		(281.86)	**1,551.29**
Effective portion of cash flow hedge		(537.32)	-
Income tax relating to above		96.90	-
		(440.42)	**-**
Net other comprehensive income to be reclassified subsequently to profit or loss		**(722.28)**	**1,551.29**
Other comprehensive income for the year, net of tax		**(838.08)**	**1,558.64**
Total comprehensive income for the year		**(4,508.33)**	**6,914.78**

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Chennai
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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Profit / (loss) attributable to:			
Owners of the Company		(1,689.94)	5,024.18
Non-controlling interests	18	(1,980.31)	331.96
Profit/(loss) for the year		**(3,670.25)**	**5,356.14**
Other comprehensive income attributable to :			
Owners of the Company		(817.57)	920.12
Non-controlling interests	18	(20.51)	638.52
Other comprehensive income for the year		**(838.08)**	**1,558.64**
Total comprehensive income attributable to :			
Owners of the Company		(2,507.51)	5,944.30
Non-controlling interests	18	(2,000.82)	970.48
Total comprehensive income for the year		**(4,508.33)**	**6,914.79**
Earnings / (loss) per share (INR) for continuing operations			
Basic	29E	0.07	14.61
Diluted		0.07	14.61
Earnings / (loss) per share (INR) for discontinued operations			
Basic	29E	(5.39)	1.27
Diluted		(5.39)	1.27
Earnings / (loss) per share (INR) for continuing and discontinued operations			
Basic	29E	(5.32)	15.88
Diluted		(5.32)	15.88

The notes from 1 to 48 form an integral part of the consolidated financial statements

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN: 00363300

S Ravichandran
Deputy Managing Director
DIN: 01485845

Ravi Prakash Bhagavathula
Group Chief Financial Officer

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 30 September 2019

Place : Chennai
Date : 12 September 2019

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A Equity Share Capital	Note	Amount
Balance as at 31 March 2017		3,166.71
Changes in equity share capital during the year 2017-18	29A	-
Balance as at 31 March 2018		3,166.71
Changes in equity share capital during the year 2018-19	29A	-
Balance as at 31 March 2019		3,166.71

B Other equity	Attributable to owners of the Company													Attributable to Non-controlling interest	Total
	Reserves and surplus									Items of OCI			Total attributable to owners of the Company		
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings	Reserves of a disposal group held for sale	Share warrants	CCPS	Share options	Exchange differences on translation of foreign operations	Effective portion of cash flow hedge	Other items of OCI			
Balance at 01 April 2017	69,276.34	0.82	-	259.09	(16,856.06)	-	-	-	-	(862.42)	-	(4.58)	52,613.19	7,394.30	60,007.49
Effect of adoption of new accounting standards (refer note 40)	-	-	-	-	(426.01)	-	-	-	-	-	-	-	(426.01)	(3.52)	(429.53)
Total comprehensive income for the year ended 31 March 2018															
Profit/(loss) for the year from continuing operations (refer note 40)	-	-	-	-	4,622.79	-	-	-	-	-	-	-	4,622.79	331.96	4,954.75
Profit/(loss) for the year from discontinued operations	-	-	-	-	401.39	-	-	-	-	-	-	-	401.39	-	401.39
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	912.77	-	7.35	920.12	638.52	1,558.64
Total comprehensive income	-	-	-	-	4,598.17	-	-	-	-	912.77	-	7.35	5,518.29	966.96	6,485.25
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(350.75)	(350.75)
Amount transferred between the reserves	-	-	-	-	693.86	-	-	-	-	-	-	-	693.86	-	693.86
Expenses incurred in connection with issue of shares	(0.46)	-	0.46	-	-	-	-	-	-	-	-	-	-	-	-
Expiration of put option held by non-controlling interests	-	-	-	-	1,317.67	-	-	-	-	-	-	-	1,317.67	-	1,317.67
Issue of shares to non-controlling interests	-	-	-	-	805.36	-	-	-	-	-	-	-	805.36	(550.88)	254.48
Acquisition of non-controlling interests	-	-	-	-	(1,724.55)	-	-	-	-	-	-	-	(1,724.55)	(1,380.66)	(3,105.21)
Acquisition of Peter Thomas & Co. (Refurbishing) Limited, UK	-	-	-	-	-	-	-	-	-	-	-	-	-	47.85	47.85
Balance at 31 March 2018	69,275.88	0.82	0.46	259.09	(10,365.55)	-	-	-	-	50.35	-	2.77	59,223.82	6,126.82	65,350.64

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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

B Other equity (continued)

	Attributable to owners of the Company													Attributable to Non-controlling interest	Total
	Reserves and surplus									Items of OCI			Total attributable to owners of the Company		
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings	Reserves of a disposal group held for sale	Share warrants	Compulsorily convertible preference shares	Share options	Exchange differences on translation of foreign operations	Effective portion of cash flow hedge	Other items of OCI			
Balance at 01 April 2018	69,275.88	0.82	0.46	259.09	(10,365.55)	-	-	-	-	50.35	-	2.77	59,223.82	6,126.82	65,350.64
Total comprehensive income for the year ended															
Profit / (loss) for the year from continuing operations	-	-	-	-	22.44	-	-	-	-	-	-	-	22.44	(1,980.31)	(1,957.87)
Profit / (loss) for the year from discontinued operations	-	-	-	-	(1,712.38)	-	-	-	-	-	-	-	(1,712.38)	-	(1,712.38)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	(261.35)	(440.42)	(115.80)	(817.57)	(20.51)	(838.08)
Total comprehensive income	-	-	-	-	(1,689.94)	-	-	-	-	(261.35)	(440.42)	(115.80)	(2,507.51)	(2,000.82)	(4,508.33)
Distribution of dividends to owners of equity	-	-	-	-	(398.60)	-	-	-	-	-	-	-	(398.60)	-	(398.60)
Dividend distribution tax	-	-	-	-	(81.93)	-	-	-	-	-	-	-	(81.93)	-	(81.93)
Exercise of share options in subsidiary	-	-	-	-	1,315.54	-	-	-	-	-	-	-	1,315.54	(1,315.54)	-
Share based payments	-	-	-	-	-	-	-	-	276.41	-	-	-	276.41	-	276.41
Issue of share warrants during the year	-	-	-	-	-	-	225.63	-	-	-	-	-	225.63	-	225.63
Issue of compulsorily convertible preference shares during the year	366.60	-	-	-	-	-	-	3.90	-	-	-	-	370.50	-	370.50
Bonus issue of compulsorily convertible preference shares during the year	(15.10)	-	-	-	-	-	-	15.10	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-		-	-	2,433.75	-	-	-	-	-	-	-	2,433.75	(1,951.30)	482.45
Reclassified as held for sale	-	-	-	-	(2,146.60)	2,146.60	-	-	-	-	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	3,050.00	3,050.00
Balance at 31 March 2019	69,627.38	0.82	0.46	259.09	(10,933.32)	2,146.60	225.63	19.00	276.41	(211.00)	(440.42)	(113.03)	60,857.61	3,909.14	64,766.77

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 30 September 2019

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN: 00363300

Ravi Prakash Bhagavatheeswaran
Group Chief Financial Officer

Place : Chennai
Date : 12 September 2019

S Ravichandran
Deputy Managing Director
DIN: 01485845

P D Krishna Prasad
Company Secretary

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from / (used in) operating activities		
Profit / (loss) before tax from continuing operations	**2,227.23**	**10,276.56**
Profit / (loss) before tax from discontinued operations	**(1,686.68)**	**432.27**
Adjustments for:		
Interest income under the effective interest method	(1,192.21)	(691.57)
Provision no longer required written back	(1,930.20)	(1,040.35)
Income from mutual funds and net gain on sale of investments	(142.25)	(62.94)
Exceptional item	(690.86)	-
Finance costs	7,736.63	5,162.37
Depreciation and amortisation	12,431.48	8,780.07
Unrealised foreign exchange differences (Gain)/Loss	(358.84)	(438.91)
Bad debts written off	236.36	161.94
Provision for doubtful debts, loans and advances	3,222.25	1,867.54
Insurance claims	-	(77.57)
Share of profit of equity accounted investees	(225.01)	(211.62)
Share based payment expenses	276.41	948.34
Other non-operating income	(16.18)	-
Change in fair value of forward purchase obligation	1,664.13	-
(Profit)/loss on sale of property plant and equipment, net	(34.23)	13.92
Operating profit / (loss) before changes in operating assets and liabilities	**21,518.03**	**25,120.06**
Change in operating assets and liabilities		
(Increase) / decrease in inventories	(3,339.10)	(1,241.31)
(Increase) / decrease in trade receivables	14,754.29	(17,773.24)
(Increase) / decrease in other current and non-current, financial and non-financial assets	(16,823.16)	1,069.54
Increase / (decrease) in trade payables	(7,056.18)	(2,671.74)
Increase / (decrease) in provisions	128.91	109.38
Increase / (decrease) in other current and non-current financial and non-financial liabilities	942.35	5,405.63
Cash generated from operations	**10,125.14**	**10,018.31**
Income taxes paid, net of refunds	(5,610.77)	(3,051.93)
Net cash from/(used in) operating activities	**4,514.37**	**6,966.38**
Cash flows from / (used in) investing activities		
Investment in bank deposits having an original maturity of more than three months	67.81	(1,356.69)
Redemption / (investments) in restricted bank deposits	-	971.86
Payments for property, plant and equipment and other intangible assets	(14,178.14)	(7,152.12)
Proceeds from sale of property, plant and equipment	332.11	240.97
Investment in mutual funds	(1,167.50)	(1,250.00)
Proceeds from sale of investments	-	1,267.05
Acquisition of subsidiaries, net of cash and cash equivalents	(3,611.61)	(948.11)
Redemption of debentures carried at amortised cost	348.11	518.44
Payment of consideration payable and deferred consideration	(5,947.42)	(1,042.50)
Interest income received	586.77	775.42
Dividend income	-	90.12
Income from mutual funds	25.19	62.11
Net cash from / (used in) investing activities	**(23,544.68)**	**(7,823.45)**

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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from / (used in) financing activities		
Finance lease payments	(20.61)	(209.89)
Proceeds from compulsorily convertible preference shares,	370.50	-
Proceeds from issue of share warrants	225.63	-
Dividends paid to non-controlling interests by subsidiaries including Dividend Distribution Tax	-	(392.28)
Dividends paid by the Company to its shareholders	(480.53)	-
Repayment of redeemable preference shares	-	(2,470.56)
(Repayment of) / proceeds from short term borrowings, net	14,932.38	(23,955.40)
Proceeds from long term borrowings, net	23,719.39	28,390.80
Interest paid	(7,727.33)	(5,980.62)
Acquisition of non-controlling interest	-	(3,093.48)
Net cash from / (used in) financing activities	**31,019.43**	**(7,711.43)**
Net increase / (decrease) in cash and cash equivalents	**11,989.12**	**(8,568.50)**
Cash and cash equivalents at the beginning of the financial	35,981.50	42,681.08
Effects of exchange rate changes on cash and cash equivalents	(33.81)	1,868.92
Cash and cash equivalents at the end of the financial year	**47,936.80**	**35,981.50**
Less: Cash and cash equivalents of discontinued operations	451.63	-
Cash and cash equivalents at the end of the financial year	**47,485.17**	**35,981.50**

The notes from 1 to 48 form an integral part of the consolidated financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

Bharath N S
Partner
Membership No. 210934

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

R Dinesh
Managing Director
DIN: 00363300

S Ravichandran
Deputy Managing Director
DIN: 01485845

Ravi Prakash Bhagavathula
Group Chief Financial Officer

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 30 September 2019

Place : Chennai
Date : 12 September 2019

1 Reporting entity

TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited) ("the Company") is a Company domiciled in India and was incorporated on 16 November 2004. These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint ventures. Refer note 46 for the list of subsidiaries and note 17 for the list of associates and joint ventures. The Group is primarily involved in providing the entire basket of logistics services including outsourced supply chain management services, lastmile fulfilment delivery services, intercontinental movement and other related services.

2 Basis of preparation

A Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 12 September 2019.
Details of the Group's accounting policies are included in Note 3.

B Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

C Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 3 (K) & 5 - Recognition of revenue
- Note 3 (D), (E) & (G), 15 and 16 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (C), 24 & 43 - Allowances for credit losses for trade receivables
- Note 3 (H), 36 - Assets and obligations relating to employee benefits
- Note 3 (L), 38 - Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2019 is included in the following notes:

- Note 14 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 36 – measurement of defined benefit obligations. key actuarial assumptions;
- Note 39A – Business combinations; fair value of consideration transferred and fair value of assets acquired and liabilities assumed; and
- Note 43 – impairment of financial assets

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 39A - Business combinations
- Note 43 – financial instruments

F Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind AS and amendments to Ind AS which the Company has not applied in these consolidated financial statements as they are effective for annual periods beginning on or after April 1, 2019. The Company plans to apply these standards from their respective applicable dates.

Ind AS 116 - Leases

Ind AS 116 "Leases" supersedes Ind AS 17 "Leases" in respect of accounting periods commencing on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Company is in the process of assessing the impact of Ind AS 116 on its consolidated financial statements.

3 Significant accounting policies

A Basis of consolidation

i. Business combinations

Business combinations (other than common control business combinations) on or after 1 January 2011

The Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, retrospectively to those business combinations that occurred on or after 01 January 2011. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

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3 **Significant accounting policies (continued)**

A **Basis of consolidation (continued)**

Business combinations prior to 1 January 2011

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Indian GAAP.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets. In respect of business combinations effected so far, the Group has elected one of the two approaches on a combination by combination basis.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and Other Comprehensive Income (OCI) of equity- accounted investees until the date on which significant influence or joint control ceases.

vi. Obtaining control over existing investment

The difference between the fair value of the initial interest as the date of obtaining control and its book value has been recognised in the statement of profit and loss.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B **Foreign currency**

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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3 Significant accounting policies (continued)

C Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, interest rate/cross currency swaps etc to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

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3 Significant accounting policies (continued)

C Financial instruments (continued)

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

(iii) Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedge

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognized immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of profit and loss.

The Group also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, such amount is recognised in OCI and accumulated as a separate component of equity under cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss or when the hedged item is a non-financial asset or non-financial liability, the amounts recognised in cost of hedging reserve are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

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3 Significant accounting policies (continued)

D Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Buildings	30 to 60
Plant and Machinery	02 to 30
Furniture and fixtures	01 to 10
Vehicles	03 to 10
Office equipment	03 to 10
Computer equipment	03 to 10
Leasehold improvements	*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

E Goodwill and other intangibles

i. Goodwill

For measurement of goodwill that arises on a business combination see note 39A. Subsequent measurement is at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to 1 January 2011, goodwill is included on the basis of its deemed cost, which represents the amounts recorded under previous GAAP.

ii. Other intangible assets

Other intangible assets including those acquired by the Group in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Patents and trademarks	03 to 10
Customer relationship and others	03 to 10
Brands	05 to 10
Computer software	03 to 10

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

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3 Significant accounting policies (continued)

F Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

G Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on

- financial assets measured at amortised cost

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default,
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses' are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward - looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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3 Significant accounting policies (continued)

G Impairment (continued)

ii. Impairment of non-financial assets (continued)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a seperate entity and will have no legal or constructive obligation to pay further amounts. The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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3 Significant accounting policies (continued)

H Employee benefits (continued)

(v) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

I Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

i. Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Group discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

a) Transportation:

The Company's transportation segment generates revenue from providing freight and other transportation services for its customers. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The transaction price is based on the consideration specified in the customer's contract. A performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred. Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis, and remit payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.

b) Supply chain management

The Company's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

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3 **Significant accounting policies (continued)**

K **Revenue (continued)**

c) Telecommunication:

Telecommunication contract revenue arises from construction/ erection of towers for some of the Company's customers in the Telecommunications segment. These towers are constructed based on specifically negotiated contracts with customers by outsourcing the activities to sub-contractors. Transaction price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. If the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss over the period in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed (output method). Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

d) Integrated logistics:

In respect of contracts where the Company provides a significant service of integrating two or more goods or services into a combined output (that is the specified good or service for which the customer contracted) and the inputs to the combined output is controlled by the Company, the Company controls that specified good or service before it is transferred to the customer. Revenues from such contracts are recognised upon substantial fulfilment of obligations under the contract.

e) Commission:

When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of revenue earned by the Company.

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the reverse contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

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3 Significant accounting policies (continued)

L Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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3 Significant accounting policies (continued)

O Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

P Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insigarficant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances

Q Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated.

R Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Group, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

S Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

T Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner

U Changes in accounting policies and disclosures

New and amended standards and interpretations:

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers:

Ind AS 115 supersedes Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group adopted Ind AS 115 using the full retrospective method of adoption with the date of initial application of 1st April 2017. The adoption of this standard will change the timing of revenue recognition for the supply chain solutions business from at delivery to over the transit period as our performance obligation is completed. The management has identified certain customer contracts that has changed from a principal to an agent relationship under the new standard. This has caused the revenue associated with these contracts to be recognized at the net amount we charge our customers. (Refer note 40 for accounting impact)

Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard only to contracts that are not completed at the date of initial application.

In addition to the above expedient, the Group has used the following expedients while applying Ind AS 115 retrospectively.
(a) for completed contracts, an entity need not restate contracts that begin and end within the same annual reporting period.
(b) for completed contracts that have variable consideration, an entity may use the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting periods; and
(c) for all reporting periods presented before the beginning of the first Ind AS reporting period, an entity need not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

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4 **Segment information**

A. Basis for segmentation

The Group is primarily involved in providing the entire basket of logistics services. The information relating to this operating segment is reviewed regularly by the Group's Key managerial personnel ('KMP') (Chief Operating Decision Maker) to make decisions about resources to be allocated and to assess its performance. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in the segment, and are as set out in the significant accounting policies.

The Group has four reportable segments (identified on the geographical basis), as described below. These business units offer different services, and are managed separately. For each of the reportable segments, the Group's KMP reviews internal management reports on a periodic basis.

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's KMP. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Year ended 31 March 2019	Reportable segments						
	India	Europe #	USA	Asia*	Total reportable segments	Eliminations	Total
Segment revenue							
- External revenue	1,50,409.28	2,70,459.21	54,641.47	2,02,481.45	6,77,991.41	-	6,77,991.41
- Inter-segment revenue	435.02	69.33	446.69	673.12	1,624.16	(1,624.16)	-
Total segment revenue	**1,50,844.30**	**2,70,528.54**	**55,088.16**	**2,03,154.57**	**6,79,615.57**	**(1,624.16)**	**6,77,991.41**
Segment profit/ (loss) before income tax	570.64	7,103.10	1,094.03	(6,982.00)	1,785.77	441.45	2,227.22
Segment profit/ (loss) before income tax includes:							
Interest income**	1,335.32	1,839.40	52.31	66.30	3,293.33	(2,101.12)	1,192.21
Interest expenses	(1,645.10)	(4,676.82)	(1,133.74)	(4,162.10)	(11,617.76)	3,852.18	(7,765.58)
Depreciation and amortisation	(3,341.54)	(3,784.06)	(2,496.55)	(2,710.09)	(12,332.24)	(95.60)	(12,427.84)
Share of profit (loss) of equity accounted investees	225.01	-	-	-	225.01		225.01
Segment assets	**1,43,757.94**	**1,72,619.78**	**27,539.17**	**89,957.95**	**4,33,874.84**	**(60,737.64)**	**3,73,137.20**
Segment assets include							
Discontinued operations	8,148.97	-	-	-	8,148.97	-	8,148.97
Investments accounted for using equity method	3,491.07	-	-	-	3,491.07	-	3,491.07
Capital expenditure during the year	4,037.58	5,312.75	1,438.10	1,841.36	12,629.79	-	12,629.79
Segment liabilities	**71,054.51**	**1,41,701.74**	**26,404.07**	**1,01,021.16**	**3,40,181.48**	**(34,977.75)**	**3,05,203.73**
Segment liabilities include							
Discontinued operations	5,788.65	-	-	-	5,788.65	-	5,788.65

Year ended 31 March 2018	Reportable segments						
	India	Europe #	USA	Asia*	Total reportable segments	Eliminations	Total
Segment revenue							
- External revenue	1,23,806.52	2,41,890.12	50,146.43	1,18,333.75	5,34,176.82	-	5,34,176.82
- Inter-segment revenue	332.07	91.69	335.32	280.78	1,039.86	(1,039.86)	-
Total segment revenue	**1,24,138.59**	**2,41,981.81**	**50,481.75**	**1,18,614.53**	**5,35,216.68**	**(1,039.86)**	**5,34,176.82**
Segment profit/ (loss) before income tax	3,894.31	7,629.61	(38.16)	(3,219.37)	8,266.39	2,010.17	10,276.56
Segment profit/ (loss) before income tax includes:							
Interest income**	905.32	690.55	67.47	40.42	1,703.76	(1,026.53)	677.23
Interest expenses	(1,592.14)	(2,924.89)	(791.21)	(1,076.33)	(6,384.57)	1,320.44	(5,064.13)
Depreciation and amortisation	(2,731.26)	(2,378.15)	(2,220.93)	(1,363.79)	(8,694.13)	(82.22)	(8,776.35)
Share of profit (loss) of equity accounted investees	211.62	-	-	-	211.62	-	211.62
Segment assets	**1,36,858.12**	**1,49,265.75**	**22,670.73**	**86,457.18**	**3,95,251.78**	**(61,292.06)**	**3,33,959.72**
Segment assets include							
Investments accounted for using equity method	3,647.04	-	-	-	3,647.04	-	3,647.04
Capital expenditure during the year	4,829.22	2,679.21	1,008.69	406.68	8,923.71	-	8,923.71
Segment liabilities	**64,128.67**	**1,23,862.38**	**22,315.32**	**85,553.44**	**2,95,859.81**	**(29,936.27)**	**2,65,923.54**

* Includes results of TVS Dynamic Global Freight Solutions Limited, India which is considered as part of Asia in the results reviewed by the CODM.

\# Includes results of SPC International India Private Limited, India, SPC International Inc., USA, Linfox TVS Solutions Pty Ltd and Rico Logistics Limited, Australia which is considered as part of Europe in the results reviewed by the CODM.

** Interest income includes all interest income recorded under effective interest rate method.

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4 **Segment information (continued)**

C. Geographical information

The geographical information analyses the Group's revenues and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets have been based on the geographical location of the assets.

Revenue	31 March 2019	31 March 2018
India	1,77,097.99	1,46,290.08
UK	2,04,800.51	1,79,675.78
USA	58,955.96	50,146.42
Thailand	10,422.22	2,432.98
Australia	40,831.71	48,097.31
China	16,836.83	10,818.32
Spain	62,997.34	9,342.36
Singapore	25,260.34	8,886.74
New Zealand	6,415.87	5,270.87
Rest of world	74,372.64	73,215.96
	6,77,991.41	5,34,176.82

Non-current assets	31 March 2019	31 March 2018
India	30,685.85	26,537.74
UK	31,221.72	28,977.43
USA	10,396.02	10,622.07
Singapore	22,326.18	21,533.38
Australia	6,144.44	6,975.00
Spain	8,618.61	258.79
Thailand	5,514.75	3.13
Rest of world	785.66	746.43
	1,15,691.24	95,654.02

Non-current assets exclude financial instruments, deferred tax assets, non-current tax assets and post-employment benefit assets.

D. Information about services rendered by the Group

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	31 March 2019	31 March 2018
Lastmile fulfilment	1,45,792.19	1,21,230.61
Outsourced supply chain management	3,29,718.10	2,88,592.46
Inter-continental movement	2,00,286.34	1,15,189.05
Others	2,194.78	9,164.70
	6,77,991.41	5,34,176.82

Lastmile fulfilment: Relates to time bound last mile delivery including technology spare parts logistics, express delivery, etc.

Outsourced supply chain management: Relates to integrated supply chain solutions including transportation, management, warehousing and material management.

Inter-continental movement: Relates to integrated ocean/ air freight services.

Others: Relates to services rendered other than those mentioned above.

E. Major customer

The Group does not have any customer that individually accounted for more than 10% of the revenues in the year ended March 31, 2019 and March 31, 2018.

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5 Revenue from operations

	Year ended 31 March 2019	Year ended 31 March 2018
Sale of products	**91,458.15**	**85,906.06**
Sale of services (refer note 40)		
Income from logistics services	5,38,066.21	4,12,011.94
Income from clearing and forwarding services	26,750.48	20,930.73
Income from telecom services	13,931.67	7,650.03
Others*	7,005.80	4,509.43
	5,85,754.16	**4,45,102.13**
Other operating revenue		
Scrap sales	112.01	104.08
Others	667.09	64.55
	779.10	**168.63**
	6,77,991.41	**5,34,176.82**

* Net of related cost in respect of which the Group acts as an agent in the transaction rather than as the principal.

6 Other income

	Year ended 31 March 2019	Year ended 31 March 2018
Interest income under the effective interest method on:		
Cash and cash equivalents	231.76	265.65
Security deposits carried at amortised cost	293.21	245.42
Investments in debentures carried at amortised cost	667.24	166.18
Income from finance lease	16.18	26.02
Interest income on income tax refund	36.77	158.64
Gain on sale of property, plant and equipments, net	43.53	1.72
Net gain on sale of investments	117.06	17.05
Income from mutual funds	25.19	45.89
Provision no longer required written back	1,915.20	989.93
Exchange difference gain net	309.61	2,027.69
Other non operating income	1,259.70	886.28
	4,915.45	**4,830.45**

7 Cost of materials consumed

	Year ended 31 March 2019	Year ended 31 March 2018
Inventory of packing materials at the beginning of the year	61.59	77.33
Add : Purchases	926.11	645.35
Less : Inventory of packing materials at the end of the year	(41.46)	(61.59)
	946.24	**661.09**

8 Purchase of stock-in-trade

	Year ended 31 March 2019	Year ended 31 March 2018
Purchase of stock-in-trade	93,871.84	87,662.30
	93,871.84	**87,662.30**

9 Changes in inventory of stock-in-trade

	Year ended 31 March 2019	#Year ended 31 March 2018
Inventories at the beginning of the year		
Stock-in-trade	10,917.46	9,822.98
Inventories at the end of the year		
Stock-in-trade	(16,118.18)	(10,917.48)
Exchange differences on translation of foreign operations	(250.64)	1,296.81
	(5,451.36)	**202.31**

Inventory excludes ₹ 2,046.46 lakhs in closing inventory and ₹ 620.89 lakhs in opening inventory, being balance pertaining to discontinued operations

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10 Employee benefits expense

	Year ended 31 March 2019	Year ended 31 March 2018
Salaries, wages and bonus	1,36,421.66	1,02,714.24
Contribution to provident and other funds	16,354.01	11,572.17
Expenses related to post-employment defined benefit plans	474.76	376.98
Expenses related to compensated absences	301.02	298.53
Share based payments * (refer note 36)	276.41	948.34
Staff welfare expense	7,143.87	5,277.13
	1,60,971.73	**1,21,187.39**

* Expenses of year ended March 31, 2018 represents shares issued in lieu of incentive payable to certain employees of TVS Asianics

11 Finance costs

	Year ended 31 March 2019	Year ended 31 March 2018
Interest expenses	7,705.73	4,944.55
Finance cost relating to finance lease obligations	4.88	10.70
Other borrowing costs	54.97	108.88
	7,765.58	**5,064.13**

12 Depreciation and amortisation expense

	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation of property, plant and equipment	9,059.10	6,888.50
Amortisation of intangible assets	3,368.74	1,887.85
	12,427.84	**8,776.35**

13 Other expenses

	Year ended 31 March 2019	Year ended 31 March 2018
Freight, clearing, forwarding and handling charges	2,11,712.33	1,48,772.21
Sub-contracting costs^	72,488.61	58,943.57
Material handling charges	1,448.42	1,040.18
Casual labour charges	23,122.03	21,837.78
Consumption of stores and spares	2,457.62	1,928.38
Staff transportation charges	1,778.33	1,447.06
Power and fuel	7,353.49	6,020.01
Rent, leasing and hiring charges	40,970.95	27,386.81
Rates and taxes	3,472.40	3,111.62
Insurance	4,453.11	3,469.78
Repairs and maintenance	9,673.70	7,498.81
Advertisement and business promotion	820.53	319.09
Travelling and conveyance	4,140.14	3,568.10
Communication costs	2,355.79	2,117.69
Printing & stationery	1,479.35	1,204.61
Bank charges	587.48	438.81
Factoring charges	569.83	117.57
Payment to auditors #	160.55	210.32
Legal and professional fees	10,901.56	9,741.42
Security expenses	3,616.73	3,084.78
Sales commission expenses	195.36	-
Loss on foreign currency transactions and translations	1,804.37	149.54
Bad debts written off (net of adjustment against provision for doubtful debts ₹ lakhs (31 March 2018: ₹ 248.09 lakhs))	236.36	161.94
Provision for doubtful debts and advances	1,354.91	1,066.20
Loss on sale of property, plant and equipments, net	9.30	15.64
Miscellaneous expenses	3,920.37	1,736.84
	4,11,063.62	**3,05,388.76**

^ Includes cost of sub-contracting in respect of services relating to installation and commissioning of telecom towers.

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13 Other expenses (continued)

Details of payment to auditors

	Year ended 31 March 2019	Year ended 31 March 2018
As auditor		
Audit of standalone & subsidiaries' financial statements	51.50	34.00
Audit of consolidated financial statements	81.00	81.00
Tax audit	5.75	2.00
Review of interim periods	15.00	-
Other audit services (including certifications etc.)	1.00	43.04
Re-imbursement of expenses	18.79	13.64
In other capacities		
Other services	27.50	36.64
Re-imbursement of expenses	0.05	-
	200.59	**210.32**

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14 Income tax expense

A. Amounts recognised in profit or loss	Year ended 31 March 2019	Year ended 31 March 2018
Current tax (a)		
Current tax on profits for the year from continuing operations	3,312.24	4,829.73
	3,312.24	**4,829.73**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	382.65	(272.25)
MAT credit utilisation/ (entitlement)	490.21	764.33
	872.86	**492.08**
Tax expense (a+b)	**4,185.10**	**5,321.81**
Note:		
Current tax on profits from discontinued operations	-	30.88

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2019			Year ended 31 March 2018		
	Before tax	Tax expense / (benefit)	Net of tax	Before tax	Tax expense / (benefit)	Net of tax
Remeasurement of defined benefit liability / (asset)	174.43	(58.63)	115.80	10.63	(3.28)	7.35
Effective portion of cash flow hedge	537.32	(96.90)	440.42	-	-	-
	711.75	**(155.53)**	**556.22**	**10.63**	**(3.28)**	**7.35**

C. Reconciliation of effective tax rate

	Year ended 31 March 2019	Year ended 31 March 2018
Profit / (loss) before exceptional items, share of profit of equity accounted investee and income tax	1,311.32	10,064.94
Income tax expense at tax rates applicable to individual entities	501.04	2,262.76
Effect of :		
Impact of change in tax rates	14.50	(97.36)
Permanent disallowances	60.83	37.49
Income not subject to tax/ taxable at different rates	(67.22)	(80.32)
Change in previously unrecognised tax losses / temporary differences	389.79	(140.06)
Items / current year losses for which no deferred tax asset was recognised	1,474.03	1,800.58
Expenses not deductible for tax purposes	405.67	453.55
Tax incentive	(167.45)	(81.51)
Deferred tax on undistributed reserves	934.79	1,165.94
Others	639.12	0.74
Income tax expense as per statement of profit and loss	**4,185.10**	**5,321.81**

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14 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

Deferred tax liabilities (net)	31 March 2019	31 March 2018
Provision for employee benefits	150.79	110.57
Provision for doubtful trade receivables / advances	7.60	3.25
Provision - others	544.72	-
Intangible asset	1.38	3.90
Deferred revenue	35.30	44.23
Deferred rent	84.39	105.38
Other timing differences	-	47.48
Deferred tax assets	**824.18**	**314.81**
Property, plant and equipment	586.08	977.97
Prepaid expenses	114.61	37.73
Intangibles	4,419.71	2,784.43
Undistributed profits of subsidiaries and joint ventures	6,279.09	4,959.54
Deferred tax liabilities	**11,399.49**	**8,759.67**
Net Deferred tax liabilities	**10,575.31**	**8,444.86**

Deferred tax assets (net)	31 March 2019	31 March 2018
Property, plant and equipment	599.75	431.30
Provision for employee benefits	1,414.25	1,285.00
Provision for diminution in financial assets	2,603.12	2,714.35
Provision for others	-	568.47
Carried forward tax losses	98.52	36.13
MAT credit	11.85	503.69
Tax incentives	5.10	81.51
Deferred revenue	220.63	224.42
Others	668.53	-
Deferred tax assets	**5,621.75**	**5,844.87**
Deferred tax liabilities	-	-
Net Deferred tax assets	**5,621.75**	**5,844.87**

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14 Income tax expense (continued)

E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

Particulars	31 March 2019		31 March 2018	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences*	7,394.05	1,903.97	8,882.69	2,952.58
Tax losses	9,439.51	1,581.57	14,186.71	2,726.94
Tax credit	-	-	-	-
	16,833.56	**3,485.54**	**23,069.40**	**5,679.52**

* Deductible temporary differences for FY 18-19 entirely pertains to the discontinued operations.

F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	31 March 2019	31 March 2018
Expiry within 5 years	779.34	681.90
Expiry within 5-10 years	881.93	5,115.50
Never expire	7,778.24	8,389.31
	9,439.51	**14,186.71**

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14 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities (continued)

b. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2017	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Acquired in business combination	Balance as at 31 March 2018	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Acquired in business combination	Balance as at 31 March 2019
Deferred tax liabilities (net)											
Provision for employee benefits	75.86	34.16	-	0.55	-	110.57	33.55	-	6.67	-	150.79
Provision for doubtful trade receivables / advances	5.19	(1.94)	-	-	-	3.25	4.19	-	0.16	-	7.60
Provision others	-	-	-	-	-	-	555.77	-	(11.05)	-	544.72
Intangible asset	19.45	(15.47)	-	(0.08)	-	3.90	(2.80)	-	0.28	-	1.38
Deferred revenue	92.72	(48.33)	-	(0.16)	-	44.23	(17.47)	-	8.54	-	35.30
Deferred rent	172.47	(67.02)	-	(0.07)	-	105.38	(27.96)	-	6.97	-	84.39
Other timing differences	-	47.05	-	0.43	-	47.48	(51.02)	-	3.54	-	-
Deferred tax assets	365.69	(51.55)	-	0.67	-	314.81	494.26	-	15.11	-	824.18
Property, plant and equipment	1,505.76	(584.43)	-	53.09	3.55	977.97	(321.21)	-	29.22	(99.90)	586.08
Prepaid expenses	116.80	(82.76)	-	3.69	-	37.73	76.88	-	-	-	114.61
Intangibles	1,331.63	(204.26)	-	174.47	1,482.59	2,784.43	(226.91)	-	28.37	1,833.82	4,419.71
Undistributed profits of subsidiaries and joint ventures	3,352.62	1,165.94	-	440.98	-	4,959.54	901.72	-	417.83	-	6,279.09
Deferred tax liabilities	6,306.81	294.49	-	672.23	1,486.14	8,759.67	430.48	-	475.42	1,733.92	11,399.49
Net Deferred tax liabilities	**5,941.12**	**346.04**	**-**	**671.56**	**1,486.14**	**8,444.86**	**(63.78)**	**-**	**460.31**	**1,733.92**	**10,575.31**
Deferred tax assets (net)											
Property, plant and equipment	252.62	174.75	-	-	3.93	431.30	168.34	-	0.11	-	599.75
Provision for employee benefits	804.21	352.14	(3.28)	15.77	116.21	1,285.00	55.62	58.63	-	15.00	1,414.25
Provision for diminution in financial assets	2,032.93	250.57	-	(45.98)	476.83	2,714.35	(111.23)	-	-	-	2,603.12
Provision for others	431.90	70.09	-	66.48	-	568.47	(568.47)	-	-	-	-
Carried forward tax losses	277.67	(241.54)	-	-	-	36.13	62.39	-	-	-	98.52
MAT Credit	1,268.03	(764.34)	-	-	-	503.69	(491.84)	-	-	-	11.85
Tax incentives	-	81.51	-	-	-	81.51	(76.41)	-	-	-	5.10
Deferred revenue	-	(69.80)	-	94.95	199.27	224.42	(3.79)	-	-	-	220.63
Others	-	-	-	-	-	-	28.85	96.90	519.15	23.63	668.53
Deferred tax assets	5,067.36	(146.62)	(3.28)	131.17	796.24	5,844.87	(936.54)	155.53	519.26	38.63	5,621.75
Property, plant and equipment	0.58	(0.58)	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	0.58	(0.58)	-	-	-	-	-	-	-	-	-
Net Deferred tax assets	**5,066.78**	**(146.04)**	**(3.28)**	**131.17**	**796.24**	**5,844.87**	**(936.54)**	**155.53**	**519.26**	**38.63**	**5,621.75**
Net amount recognised in statement of profit and loss / other comprehensive income		**492.08**	**3.28**				**872.76**	**(155.53)**			

15 Property, plant and equipment

A Reconciliation of carrying amount

	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Leasehold improvements	Total
Gross carrying amount									
Balance as at 01 April 2017	4,778.45	10,625.18	9,262.50	10,316.19	634.22	705.56	1,883.93	1,245.43	39,451.46
Additions on account of business combinations *	-	-	5,047.66	282.01	70.97	3.86	282.29	473.94	6,160.73
Other additions	415.74	446.17	2,290.82	3,880.43	71.14	174.95	711.46	447.22	8,437.93
Disposals	-	-	(205.95)	(152.56)	(54.42)	(52.64)	(16.21)	(80.73)	(562.49)
Exchange differences on translation of foreign operations	412.11	1,179.97	333.10	1,047.21	4.62	4.11	35.99	66.82	3,083.93
Balance at 31 March 2018	**5,606.30**	**12,251.32**	**16,728.15**	**15,373.28**	**726.53**	**835.84**	**2,897.46**	**2,152.68**	**56,571.56**
Balance as at 01 April 2018	5,606.30	12,251.32	16,728.15	15,373.28	726.53	835.84	2,897.46	2,152.68	56,571.56
Additions on account of business combinations *	-	-	190.28	36.70	27.85	19.36	214.94	404.54	833.67
Other additions	-	39.81	3,265.97	1,675.66	1,917.80	276.71	1,089.76	991.40	9,257.11
Reclassifications to assets held for sale	-	-	-	(0.10)	-	-	(12.11)	-	(12.21)
Disposals/adjustment**	-	(28.41)	(781.67)	(2,142.36)	(99.18)	(130.90)	(83.98)	(184.93)	(3,451.43)
Exchange differences on translation of foreign operations	(68.99)	(185.17)	381.53	(178.02)	(32.25)	7.50	60.92	72.73	58.25
Balance at 31 March 2019	**5,537.31**	**12,077.55**	**19,724.26**	**14,765.16**	**2,540.75**	**1,008.51**	**4,166.99**	**3,436.42**	**63,256.95**
Accumulated depreciation									
Balance at 01 April 2017	-	428.49	2,135.35	1,890.60	118.64	204.65	587.79	266.93	5,632.45
Depreciation for the year^	-	489.06	2,401.50	2,344.92	139.77	175.65	757.82	583.46	6,892.18
Disposals	-	-	(97.13)	(74.02)	(16.62)	(25.17)	(12.57)	(77.59)	(303.10)
Exchange differences on translation of foreign operations	-	88.73	47.04	266.62	0.47	1.75	19.64	16.79	441.04
Balance at 31 March 2018	**-**	**1,006.28**	**4,486.76**	**4,428.12**	**242.26**	**356.88**	**1,352.68**	**789.59**	**12,662.57**
Balance at 01 April 2018	-	1,006.28	4,486.76	4,428.12	242.26	356.88	1,352.68	789.59	12,662.57
Depreciation for the year	-	495.83	4,442.77	1,469.43	258.67	188.13	1,414.98	789.30	9,059.11
Reclassifications to assets held for sale	-	-	-	(0.10)	-	-	(9.01)	-	(9.11)
Disposals/adjustment**	-	(28.41)	(457.60)	(831.92)	(48.88)	(84.15)	(66.23)	(181.06)	(1,698.25)
Exchange differences on translation of foreign operations	-	(23.49)	67.90	(62.10)	(59.67)	6.49	24.47	84.03	37.63
Balance at 31 March 2019	**-**	**1,450.21**	**8,539.83**	**5,003.43**	**392.38**	**467.35**	**2,716.89**	**1,481.86**	**20,051.95**
Carrying amounts (net)									
At 31 March 2018	**5,606.30**	**11,245.04**	**12,241.39**	**10,945.16**	**484.27**	**478.96**	**1,544.78**	**1,363.09**	**43,908.99**
At 31 March 2019	**5,537.31**	**10,627.34**	**11,184.43**	**9,761.73**	**2,148.37**	**541.16**	**1,450.10**	**1,954.56**	**43,205.00**

* Refer note 39 for further details.

** Includes certain assets procured exclusively for customers (net carrying amount of ₹ 1,481.69 lakhs), which have been assessed to be finance lease in which the company is a lessor and accordingly reclassified.

^ Depreciation for the previous year includes depreciation of discontinued operations amounting to ₹ 3.68 lakhs

15 Property, plant and equipment (continued)

B Plant and equipment and vehicles held under finance lease

The Group has acquired certain plant and equipment and vehicles under finance lease arrangements. The gross and net carrying amounts of such assets acquired under leases included in the above reconciliation are as follows:

	31 March 2019	31 March 2018
Cost/ deemed cost	188.99	353.61
Accumulated depreciation	(150.39)	(101.43)
Net carrying amount	**38.60**	**252.18**

C Security

For details of property, plant and equipment pledged as security against borrowings, refer note 30.

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16 Intangible assets

A Reconciliation of carrying amount

	Goodwill	Patents and trademarks	Customer relationship & Others	Brand	Computer software	Total (excluding goodwill)
Gross carrying amount						
Balance at 01 April 2017	18,290.50	5.83	6,521.10	3,278.53	1,873.73	11,679.19
Additions on account of business combinations *	11,212.91	-	5,511.91	-	13.64	5,525.55
Other additions	-	-	72.78	45.30	367.70	485.78
Disposals	-	-	-	-	-	-
Exchange differences on translation of foreign operations	1,119.83	0.04	847.30	370.51	15.38	1,233.23
Balance at 31 March 2018	**30,623.24**	**5.87**	**12,953.09**	**3,694.34**	**2,270.45**	**18,923.75**
Balance at 01 April 2018	30,623.24	5.87	12,953.09	3,694.34	2,270.45	18,923.75
Additions on account of business combinations *	10,095.54	-	6,298.83	955.45	1,047.93	8,302.21
Other additions	1,875.59	-	1,062.46	-	2,310.23	3,372.68
Reclassifications to assets held for sale	-	-	(431.31)	-	-	(431.31)
Disposals	-	-	-	-	(3.83)	(3.83)
Exchange differences on translation of foreign operations	359.29	(0.34)	70.60	(72.31)	126.13	124.08
Balance at 31 March 2019	**42,953.66**	**5.53**	**19,953.66**	**4,577.48**	**5,750.91**	**30,287.58**
Accumulated amortisation						
Balance at 01 April 2017	-	-	473.80	133.20	642.60	1,269.60
Amortisation for the year^	-	-	1,135.89	189.95	562.06	1,887.90
Disposals	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	99.79	2.93	5.30	108.02
Balance at 31 March 2018	-	-	**1,709.48**	**346.08**	**1,209.96**	**3,265.52**
Balance at 01 April 2018	-	-	1,709.48	346.08	1,209.96	3,265.52
Amortisation for the year	-	-	2,018.88	234.42	1,115.43	3,368.74
Reclassifications to assets held for sale	-	-	(212.39)	-	-	(212.39)
Disposals	-	-	-	-	(11.74)	(11.74)
Exchange differences on translation of foreign operations	-	-	139.70	(1.90)	43.36	181.16
Balance at 31 March 2019	-	-	**3,655.67**	**578.60**	**2,357.01**	**6,591.29**
Carrying amounts (net)						
At 31 March 2018	**30,623.24**	**5.87**	**11,243.61**	**3,348.26**	**1,060.49**	**15,658.23**
At 31 March 2019	**42,953.66**	**5.53**	**16,297.99**	**3,998.88**	**3,393.89**	**23,696.29**

* Refer note 39 for further details.

^ Amortisation for the previous year includes amortisation of discontinued operations amounting to ₹ 0.05 L.

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17 Equity accounted investees

The Group's interest in equity accounted investees comprises of the following,

	Note	31 March 2019	31 March 2018
Interest in joint ventures*	A	3,347.99	3,499.76
Interest in associate #		143.08	147.28
		3,491.07	**3,647.04**

The Group's share of profit / (loss) in equity accounted investees are as follows,

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Share of profit / (loss) in joint ventures/associate*	A	225.01	211.62
		225.01	**211.62**

* Upto previous year ended 31 March 2018, TVS Toyoto Tsusho India Private Limited ("TVSTT") was consolidated under equity method. From 1 April 2018, TVSTT is consolidated as a subsidiary due to acquisition of managment control. (also refer note 39A (i)).

The investment in Montara Verpacken mit System GmbH is not material and hence the disclosures with respect to summarised financial information has not been disclosed in the financial statements

A. Joint ventures

The financial information of the joint ventures and the carrying amount of the Group's interest in joint ventures is as follows :

31 March 2019	TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Private Limited)	Total
	50%	
Non-current assets	38,858.49	38,858.49
Current assets	2,568.95	2,568.95
Non-current liabilities	(28,381.85)	(28,381.85)
Current liabilities	(6,519.42)	(6,519.42)
Net assets	6,526.17	6,526.17
Group's share of net assets	**3,263.09**	**3,263.09**
Add : Assumed goodwill	84.90	84.90
Carrying amount of interest in joint ventures as at 31 March 2019	**3,347.99**	**3,347.99**
For the year ended 31 March 2019		
Revenue	4,256.20	4,256.20
Profit	450.46	450.46
Other comprehensive income	(0.44)	(0.44)
Total comprehensive income	**450.02**	**450.02**
Group's share of Profit	225.23	225.23
Group's share of OCI	(0.22)	(0.22)
Group's share of total comprehensive income	**225.01**	**225.01**

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31 March 2018	TVS Industrial & Logistics Park Pvt. Limited	TVS Toyota Tsusho Supply Chain Solutions Limited	Total
	50%	60%	
Non-current assets	24,613.00	120.20	24,733.20
Current assets	226.83	1,006.06	1,232.89
Non-current liabilities	(15,699.51)	(2.20)	(15,701.71)
Current liabilities	(3,064.18)	(496.08)	(3,560.26)
Net assets	6,076.14	627.98	6,704.12
Group's share of net assets	**3,038.07**	**376.79**	**3,414.86**
Add : Assumed goodwill	84.90	-	84.90
Carrying amount of interest in joint venture as at 31 March 2018	**3,122.97**	**376.79**	**3,499.76**

A. Joint ventures (continued)	TVS Industrial & Logistics Park Pvt. Limited	TVS Toyota Tsusho Supply Chain Solutions Limited	Total
For the year ended 31 March 2018			
Revenue	2,075.87	3,194.22	5,070.09
Profit	251.60	237.33	488.93
Other comprehensive income	(0.15)	1.79	1.64
Total comprehensive income	**251.45**	**239.12**	**490.57**
Group's share of Profit	125.80	142.40	268.20
Group's share of OCI	(0.08)	1.07	1.00
Group's share of total comprehensive income	**125.73**	**143.47**	**269.20**

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18 A. Non-controlling interests

	31 March 2019	31 March 2018
TVS Dynamic Global Freight Services Limited	567.11	436.69
FLEXOL Packaging (India) Limited	249.44	247.40
White Data Systems India Pvt. Ltd.	2,329.56	-
TVS Toyota Tsusho Supply Chain Solutions Ltd.	772.05	-
TVS-Asianics Supply Chain Solutions Limited	(4,920.53)	(1,247.05)
T.I.F Holdings Pty. Ltd.	-	1,951.29
Rico Logistics Limited	708.50	709.62
SPC International Limited	2,602.76	2,464.95
TVS Supply Chain Solutions North America Inc., USA and its subsidiaries	-	(0.44)
Other NCI in subsidiaries of TVS Logistics Investment UK Limited	1,600.26	1,564.30
	3,909.15	**6,126.82**

B. Profit attributable to non-controlling interests

	Year ended 31 March 2019	Year ended 31 March 2018
TVS Dynamic Global Freight Services Limited	130.98	106.48
FLEXOL Packaging (India) Limited	2.50	61.69
White Data Systems India Pvt. Ltd.	(33.93)	-
TVS Toyota Tsusho Supply Chain Solutions Ltd.	61.40	-
TVS-Asianics Supply Chain Solutions Limited	(2,429.77)	(575.05)
T.I.F Holdings Pty. Ltd.	-	253.51
Rico Logistics Limited	2.35	87.63
SPC International Limited	188.73	372.86
TVS Supply Chain Solutions North America Inc., USA and its subsidiaries	-	12.66
Other subsidiaries of TVS Logistics Investment UK Limited	97.45	12.18
	(1,980.31)	**331.96**

C. Other comprehensive income attributable to non-controlling interests

TVS Dynamic Global Freight Services Limited	(0.57)	0.58
FLEXOL Packaging (India) Limited	(0.52)	(0.25)
White Data Systems India Pvt. Ltd.	(1.67)	-
TVS-Asianics Supply Chain Solutions Limited	(24.25)	181.82
T.I.F Holdings Pty. Ltd.	-	(34.85)
Rico Logistics Limited	(3.47)	459.59
SPC International Limited	(50.92)	
TVS Supply Chain Solutions North America Inc., USA and its subsidiaries	-	(9.34)
Other subsidiaries of TVS Logistics Investment UK Limited	60.89	40.97
	(20.51)	**638.52**

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18 Non-controlling interests (continued)

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations:

31 March 2019	White Data Systems India Pvt. Ltd.	TVS Toyota Tsusho Supply Chain Solutions Ltd.	TVS Dynamic Global Freight Services Limited	FLEXOL Packaging (India) Limited	TVS-Asianics Supply Chain Solutions Limited	T.I.F Holdings Pty Ltd	Rico Logistics Limited	SPC International Limited
NCI %	49.00%	40.00%	15.00%	32.50%	33.56%	0.00%	2.50%	37.00%
Non-current assets	1,441.66	1,555.20	228.20	644.46	35,841.82	-	25,268.19	2,956.64
Current assets	4,507.68	1,152.44	5,185.46	755.73	47,949.06	-	51,430.74	6,328.22
Non-current liabilities	(27.74)	(14.23)	(281.51)	(17.42)	(55,653.21)	-	(4,867.23)	-
Current liabilities	(1,167.40)	(763.28)	(1,351.46)	(615.30)	(42,800.97)	-	(41,491.61)	(2,250.37)
Net assets	**4,754.20**	**1,930.13**	**3,780.69**	**767.47**	**(14,663.30)**	**-**	**28,340.09**	**7,034.49**
Net assets attributable to NCI	**2,329.56**	**772.05**	**567.10**	**249.44**	**(4,920.53)**	**-**	**708.50**	**2,602.76**
Revenue	1,793.98	4,391.53	27,060.04	2,112.89	1,73,899.42	-	1,43,045.81	15,953.10
Profit	(69.25)	153.49	873.22	7.69	(8,899.01)	-	93.80	510.07
Other comprehensive income	(3.40)	-	(3.80)	(1.61)	266.65	-	317.79	-
Total comprehensive income	**(72.65)**	**153.49**	**869.42**	**6.08**	**(8,632.36)**	**-**	**411.59**	**510.07**
Profit allocated to NCI	(33.93)	61.40	130.98	2.50	(2,429.77)	-	2.35	188.73
OCI allocated to NCI	(1.67)	-	(0.57)	(0.52)	72.81	-	7.94	-
Exchange differences on translation of foreign operations	-	-	-	-	(97.06)	-	(11.41)	(50.92)
Total comprehensive income allocated to NCI	**(35.60)**	**61.40**	**130.41**	**1.98**	**(2,454.02)**	**-**	**(1.12)**	**137.81**

31 March 2018	TVS Dynamic Global Freight Services Limited	FLEXOL Packaging (India) Limited	TVS-Asianics Supply Chain Solutions Limited	T.I.F Holdings Pty Ltd	Rico Logistics Limited	SPC International Limited
NCI %	15.00%	32.50%	17.37%	45.00%	2.50%	37.00%
Non-current assets	217.60	525.44	30,103.53	2,451.08	12,869.09	3,071.23
Current assets	5,061.73	778.80	41,886.24	14,920.48	48,608.14	5,801.01
Non-current liabilities	(277.38)	(9.53)	(41,205.52)	(104.67)	(3,980.23)	(350.68)
Current liabilities	(2,090.68)	(533.34)	(37,963.81)	(12,930.68)	(29,112.10)	(1,859.53)
Net assets	**2,911.27**	**761.37**	**(7,179.56)**	**4,336.21**	**28,384.90**	**6,662.03**
Net assets attributable to NCI	**436.69**	**247.46**	**(1,247.06)**	**1,951.29**	**709.62**	**2,464.95**
Revenue	21,207.75	1,679.31	1,25,748.17	98,272.32	1,23,937.83	15,994.60
Profit	709.90	189.81	(5,094.27)	563.35	3,505.26	1,007.73
Other comprehensive income	3.89	(0.78)	401.26	(77.44)	(583.78)	-
Total comprehensive income	**713.79**	**189.03**	**(4,693.01)**	**485.91**	**2,921.48**	**1,007.73**
Profit allocated to NCI	106.49	61.69	(575.05)	253.51	87.63	372.86
OCI allocated to NCI	0.58	(0.25)	45.29	(34.85)	(14.59)	-
Exchange differences on translation of foreign operations	-	-	135.61	-	474.18	-
Total comprehensive income allocated to NCI	**107.07**	**61.44**	**(394.15)**	**218.66**	**547.22**	**372.86**

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19 Investments

A. Non-current investments	31 March 2019	31 March 2018
Unquoted investment in debentures carried at amortised cost		
Prasanna Purple Mobility Solutions Private Limited***	100.72	208.08
11,900 (31 March 2018: 25,400) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited***	153.06	228.05
20,700 (31 March 2018: 30,690) Series II NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited^^^	800.00	-
80,000 (31 March 2018: Nil) Optionally Convertible Debentures of ₹ 1000 each		
	1,053.78	436.13
Unquoted investment in preference shares carried at amortised cost		
Cargowings Logistics Limited	2,500.00	2,500.00
25,000,000 (31 March 2018 : 25,000,000) redeemable preference shares ("RPS") of ₹ 10 each fully paid up		
	2,500.00	2,500.00
Provision for decline in fair value of investments		
Unquoted investments in preference shares		
Cargowings Logistics Limited	(2,500.00)	(2,500.00)
	(2,500.00)	(2,500.00)
Total non-current investments	1,053.78	436.13
Aggregate amount of unquoted investments	3,553.78	2,936.13
Aggregate amount of impairment in the value of investments	2,500.00	2,500.00

B. Current investments	31 March 2019	31 March 2018
Quoted investment in mutual funds at fair value through profit and loss (FVTPL)		
17,034.78 units of Axis Liquid Direct Growth Fund	355.22	-
10,596.3 units of Tata Direct Growth Plan Fund	316.79	-
50,00,000 units of Tata Ultra TATA Ultra Short Term Direct Growth Plan Fund	500.31	-
Others at fair value through profit and loss (FVTPL)	3.02	5.84
	1,175.34	5.84
Unquoted investment in debentures carried at amortised cost		
Prasanna Purple Mobility Solutions Private Limited***	135.00	205.00
13,500 (31 March 2018: 20,500) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited***	99.90	195.66
9,990 (31 March 2018: 19,566) Series I NCD, 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each		
Prasanna Purple Mobility Solutions Private Limited^^^	-	800.00
Nil (31 March 2018: 80,000) Optionally Convertible Debentures of ₹ 1000 each		
	234.90	1,200.66
Unquoted debt securities at FVTPL	-	-
	-	-
Total current investments	1,410.24	1,206.50
Aggregate value of quoted investments & market value	1,175.34	5.84
Aggregate value of unquoted investments	234.90	1,200.66

*** Series I NCD, 0.1% Unsecured Non-Convertible Debentures and Series II NCD, 0.1% Unsecured Non-Convertible Debentures carries Interest at 0.1% p.a and redeemable over a period commencing from July 31, 2016 as stated below:

Series I NCD	Amount	Series II NCD	Amount
31 July 2019	135.00	30 November 2019	99.90
31 July 2020	96.00	30 November 2020	162.00
31 July 2021	23.00	30 November 2021	45.00
	254.00		306.90

^^^ The Optionally Convertible Debentures ("OCD") which carries minimum 20% IRR, is either redeemable or convertible into equity shares of Prasanna Purple Mobility Solutions Private Limited as per the terms and conditions set out in the shareholder's agreement between TVS Connectivity Solutions Limited and Prasanna Purple Mobility Solutions Private Limited. The redemption/ conversion shall be done in two years from 01 March 2016 (date of issuance). In the previous year, this was extended by a period of one year. In the current year, this has been further extended till April 2020. The company expects these OCDs to be redeemed in cash at the end of the maturity period. During the current year, the company has recognised interest income of ₹ 605.84 lakhs on the same.

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20 Deposits and other receivables

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Security deposits				
Unsecured, considered good	2,355.49	1,873.85	2,582.58	2,504.33
Unsecured, considered doubtful	-	-	117.00	117.00
Provision for doubtful security deposits	-	-	(117.00)	(117.00)
	2,355.49	1,873.85	2,582.58	2,504.33
Security deposit to related parties				
Unsecured, considered good	305.76	410.60	136.38	0.85
	305.76	410.60	136.38	0.85
Other receivables				
Loans and advances to employees	-	-	365.64	317.73
Finance lease receivables (refer note 15)	1,078.09	206.00	609.60	38.38
Receivable from others				
Unsecured, considered good	-	506.38	1,383.44	1,403.66
Unsecured, considered doubtful	-	-	180.74	180.74
Provision for doubtful receivables	-	-	(180.74)	(180.74)
	1,078.09	712.38	2,358.68	1,759.77
	3,739.34	2,996.83	5,077.64	4,264.95

21 Other financial assets

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Advances recoverable in cash or kind				
Unsecured, considered doubtful	-	4,417.56	-	-
Provision for unsecured doubtful	-	(4,417.56)	-	-
	-	-	-	-
Unbilled revenue	-	-	23,071.84	13,728.78
Margin money deposited with banks	123.69	141.60	-	114.60
Cross currency interest rate swap	-	-	174.72	-
Interest accrued on investments	605.44	-	-	-
Contractually reimbursable advances	-	-	-	662.12
Insurance claims receivables	-	-	-	77.57
Others	23.04	0.90	75.83	265.64
	752.17	142.60	23,292.39	14,848.71

22 Other non current assets

	31 March 2019	31 March 2018
Prepaid expenses	781.70	599.16
Balances with statutory and government authorities		
Unsecured, considered good	-	518.93
Unsecured, considered doubtful	-	914.11
Provision for doubtful receivables	-	(914.11)
	-	518.93
Advance for supply of goods and services		
Unsecured, considered good	175.00	195.00
	175.00	195.00
Capital advances		
Unsecured, considered good	112.22	228.71
Unsecured, considered doubtful	-	1.75
Provision for doubtful receivables	-	(1.75)
	112.22	228.71
	1,068.92	1,541.80

23 Inventories

(valued at lower of cost or net realisable value)	31 March 2019	31 March 2018
Packing materials	41.46	61.59
Stock-in-trade	16,118.14	12,963.94
Stores and spares	456.62	335.67
	16,616.22	13,361.20

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24 Trade receivables

	31 March 2019	31 March 2018
Gross trade receivables		
Unsecured, considered good	1,20,850.53	1,37,299.88
Doubtful	9,605.46	10,669.70
	1,30,455.99	1,47,969.58
Loss allowance		
Unsecured, considered good		-
Doubtful	(9,605.46)	(10,669.70)
	(9,605.46)	(10,669.70)
Net trade receivables	1,20,850.53	1,37,299.88

25 Cash and cash equivalents

	31 March 2019	31 March 2018
Cash on hand	102.09	60.87
Cheques on hand	1.27	50.15
	103.36	111.02
Balance with banks		
On current accounts	46,376.61	34,798.73
Deposits with original maturity of less than three months	1,005.20	1,071.75
	47,381.81	35,870.48
	47,485.17	35,981.50

26 Other bank balances

	31 March 2019	31 March 2018
Deposits with original maturity of more than 3 months less than 12 months	2,410.27	2,342.46
	2,410.27	2,342.46

27 Loans

	Current	
	31 March 2019	31 March 2018
Loan to others		
Unsecured, considered good		-
Unsecured, considered doubtful	1,004.63	1,004.63
Provision for doubtful loans	(1,004.63)	(1,004.63)
	-	-

28 Other current assets

	31 March 2019	31 March 2018
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	2,736.29	4,845.45
Unsecured, considered doubtful	1,684.68	1,746.39
Provision for doubtful receivables	(1,684.68)	(1,746.39)
	2,736.29	4,845.45
Balances with statutory authorities		
Unsecured, considered good	3,281.37	2,420.66
	3,281.37	2,420.66
Other current assets		
Loans and advances to employees	4.93	-
Prepaid expenses	8,255.10	7,072.78
Fixed assets held for sale	4.88	18.91
Others	36.05	108.88
	14,318.62	14,466.66

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29A Share capital

	31 March 2019	31 March 2018
Authorised share capital		
33,800,000 (31 March 2018: 33,800,000) equity shares of ₹ 10 each	3,380.00	3,380.00
1,200,000 (31 March 2018: 1,200,000) preference shares of ₹ 10 each #	120.00	120.00
Issued		
Equity shares		
13,810,401 (31 March 2018: 13,810,401) equity shares of ₹ 10 each at par	1,381.04	1,381.04
5,066,800 (31 March 2018: 5,066,800) equity shares of ₹ 10 each at a premium of ₹ 185.72 per share	506.68	506.68
3,223,194 (31 March 2018: 3,223,194) equity shares of ₹ 10 each at a premium of ₹ 185 per share	322.32	322.32
275,800 (31 March 2018: 275,800) equity shares of ₹ 10 each at a premium of ₹ 65 per share	27.58	27.58
4,456,816 (31 March 2018: 4,456,816) equity shares of ₹ 10 each at a premium of ₹ 424.92 per share	445.68	445.68
1,798,607 (31 March 2018 : 1,798,607) equity shares of ₹10 each at a premium of ₹ 685 per share	179.86	179.86
3,163,515 (31 March 2018 : 3,163,515) equity shares of ₹10 each at a premium of ₹ 940 per share	316.35	316.35
Total issued capital	3,179.51	3,179.51
Called, Subscribed and Paid up		
Equity shares		
31,635,133 (31 March 2018: 31,635,133) equity shares of ₹ 10 each	3,163.51	3,163.51
Add: Amount paid up on 160,000 (31 March 2018: 160,000) equity shares forfeited at ₹ 2 each	3.20	3.20
	3,166.71	3,166.71

15,351 (31 March 2018: 15,351) 0.0001% cumulative, redeemable, non-convertible, participating preference shares have been classified as a financial liability (see note 30)

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2019		31 March 2018	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Equity shares				
At the beginning of the year	3,16,35,133	3,166.71	3,16,35,133	3,166.71
Movement during the year	-	-	-	-
Outstanding at the end of the year	3,16,35,133	3,166.71	3,16,35,133	3,166.71

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting ("AGM").

c. Terms/rights attached to preference shares#

The preference shares shall be cumulative, redeemable, non-convertible, participating preference shares ('preference shares'). The preference shares shall carry a preferential right to dividends over the Equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. In addition to the fixed rate of dividend, the preference shareholders shall, at their discretion, be entitled to additional preferential dividend and carry a preferential right to dividends over the equity shares . The preference shares shall be redeemed, from time to time as may be required by the preference shareholders at face value plus the redemption premium payable thereon no later than 20 years from the date of allotment or longer period as may be prescribed by law

The holder of preference shares have a right to vote only on resolutions placed before the company which directly affect the rights attached to preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and voting right on a poll shall be in proportion to the share in the paid-up preference share capital of the company. On winding up or repayment of capital, the preference shareholders shall carry a preferential right of repayment.

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29A Share capital (continued)

d. Details of shareholders holding more than 5% shares of a class of shares

	31 March 2019		31 March 2018	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each, fully paid up				
T V Sundram Iyengar & Sons Private Limited	1,07,27,343	33.91%	1,07,27,343	33.91%
CDPQ Private Equity Asia Pte Ltd	1,21,36,892	38.37%	1,21,36,892	38.37%
Dimrm Logistics Services LLP	29,82,464	9.43%	29,82,464	9.43%
Omega Tc Holdings Pte Ltd. Singapore	23,68,865	7.49%	23,68,865	7.49%
0.0001% Cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each, fully paid up				
Tata International Limited	7,677	50.01%	7,677	50.01%
Tata Industries Limited	7,674	49.99%	7,674	49.99%
0.0001% Non- Cumulative, Non-Participating, Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid up				
David Robbins	39,998	21.05%	-	0.00%
MS Krishnan	9,992	5.26%	-	0.00%
Sushow Pty Ltd	12,004	6.32%	-	0.00%
R Dinesh	2,990	1.58%	-	0.00%
Sanjive Sharma	40,002	21.05%	-	0.00%
Tarun Khanna	45,006	23.69%	-	0.00%
Andrew Jones	40,002	21.05%	-	0.00%

29B Other equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions for the Companies Act, 2013.

Capital reserve

During prior years, the Company had reissued the shares forfeited. The profit on reissue of such forfeited shares has been transferred to capital reserve.

Capital redemption reserve

The Company has redeemed preference shares issued to Tata International Limited and Tata Industries Limited, out of profits of the Company. A sum equivalent to the nominal amount of the shares redeemed has been transferred to capital redemption reserve in accordance with the provisions of the Companies Act, 2013.

Share warrants

On June 8, 2018 and August 22, 2018, the Company issued 30,000 and 65,000 share warrants respectively, at a price of Rs. 950 per share warrant to identified persons on a preferential basis for a aggregate consideration of Rs. 902.50 lakhs with a right to apply and get allotment of equity shares of the Company ranking pari-passu with the existing equity shares, in the ratio of 1:1 within a period of 18 months from the date of issue of share warrants or earlier at the option of the Board. The Company has received Rs. 225.63 lakhs (25% of the issue price as at balance sheet date).

Share options

The Company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

Compulsorily convertible preference shares

On June 8, 2018 and August 22, 2018, the Company has allotted 13,340 and 25,660 Non- Cumulative, Non-Participating, Compulsorily Convertible Preference Shares ("CCPS") of Rs.10 each respectively, at a premium of Rs.940 each to identified persons on a preferential basis for a consideration of Rs.126.73 lakhs and Rs.243.77 lakhs respectively. CCPS carry a dividend of 0.0001% per annum and the dividend rights are non- cumulative. On November 28, 2018, the Company has issued bonus shares of 151,000 to the shareholders of CCPS in the ratio of 1:3.87 and the securities premium account was utilised to the extent of Rs.15.10 lakhs for the issue of said bonus shares. The preference shares to be converted into equal number of equity shares ranking pari-passu with the existing equity shares, after the end of four years from the date of issue or earlier at the option of the Board. In the event of liquidation of the Company before conversion of preference shares, the holders of preference shares will have priority over equity shares in the repayment of capital.

Dividends

After the reporting date the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting, the dividends have not been recognised as liabilities. Dividends would attract dividend distribution tax when declared or paid.

	31 March 2019	31 March 2018
₹ Nil per equity share (31 March 2018: ₹ 1.26 per equity share)	-	398.60

29C Other items of OCI

Remeasurements of defined benefit liability/(asset)	31 March 2019	31 March 2018
Opening balance	2.77	(4.58)
Remeasurements of defined benefit liability/(asset) (net of taxes)	(115.80)	7.35
Closing balance	(113.03)	2.77

Remeasurements of defined benefit liability/(asset)

Remeasurements of defined benefit liability/(asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

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29D Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.

The Group monitors capital using a ratio of 'debt' to 'equity'. For this purpose, debt is defined as total debt comprising interest-bearing loans and borrowings and obligations under finance leases. Equity comprises all components of equity.

The Group's debt to equity ratio is as follows:

	31 March 2019	31 March 2018
Total current and non-current borrowings	1,43,245.42	1,08,834.20
Current maturities of long-term borrowings	8,430.18	1,239.02
Debt	**1,51,675.60**	**1,10,073.22**
Total equity	**67,933.48**	**68,517.35**
Debt to equity ratio	**2.23**	**1.61**

29E Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit (loss) attributable to equity shareholders

	31 March 2019	31 March 2018
Profit (loss) for the year, attributable to the equity holders from continuing operations	22.45	4,622.79
Profit (loss) for the year, attributable to the equity holders from discontinuing operations	(1,712.38)	401.39

(ii) Weighted average number of equity shares

	31 March 2019	31 March 2018
Weighted average number of equity shares outstanding during the year	3,16,35,133	3,16,35,133
Add - Number of shares relating to compulsorily convertible preference shares	1,28,395	-
Weighted average number of equity shares used in the calculation of basic earnings per share	3,17,63,528	3,16,35,133
Adjustments for dilutive effect		
- Number of shares relating to Management Incentive Plan	10,996	
- Number of shares relating to share warrants	925	
Weighted average number of equity shares used in the calculation of diluted earnings per share	3,17,75,449	3,16,35,133

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30 Borrowings

	31 March 2019	31 March 2018
(a) Non-current borrowings		
Secured term loans from banks	85,878.13	66,624.71
Unsecured term loans from banks	2,100.00	2,100.00
Secured term loans from financial institutions	636.59	1,507.23
Secured long term obligations under finance leases	1,819.03	722.98
Total non-current borrowings	**90,433.75**	**70,954.92**
(b) Current borrowings		
Term loan from financial institution		
Secured	4,220.00	-
Cash credit from banks		
Secured	5,400.90	5,991.08
Unsecured	1,771.27	354.71
Revolving credit facility		
Secured	30,474.90	23,601.02
Loans repayable on demand		
Secured	2,915.55	-
Unsecured	6,750.00	5,104.55
Commercial Paper		
Unsecured	47.45	78.00
Redeemable preference shares (unsecured)	891.60	1,805.86
Other short term loans		
Secured	-	943.16
Unsecured, related party	340.00	-
	52,811.67	**37,879.28**
Current portion of long term borrowings		
Secured term loans from banks	6,632.90	301.32
Secured term loans from financial institutions	863.53	877.27
Secured finance lease obligations	933.75	60.03
	8,430.18	**1,239.02**
	61,241.85	**39,118.30**
Less: Amount included under 'Other financial liabilities'	(8,430.18)	(1,239.02)
Total current borrowings	**52,811.67**	**37,879.28**

Information about Group's exposure to interest rate and liquidity risks is included in note 43

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

In lakhs of INR	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at 31 March 2019	Carrying amount as at 31 March 2018
Secured term loan from banks					
Consortium loan arrangement*	USD / GBP	2.15% + 3 months LIBOR	2021	92,427.76	66,275.82
NatWest	GBP	LIBOR+3.25%	2021	-	650.61
HDFC Bank	INR	8.80%	Nov 2021	15.99	-
HDFC Bank	INR	8.50% - 9.35% p.a.	2023	67.30	-
				92,511.05	**66,926.43**

30 Borrowings (continued)

A. Term and repayment schedule (continued)

In lakhs of INR	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at 31 March 2019	Carrying amount as at 31 March 2018
Unsecured term loan from banks					
Axis Bank Limited	INR	8.60%	2021	2,100.00	2,100.00
				2,100.00	**2,100.00**
Secured term loan from financial institutions					
Tata Capital Financial Services Limited	INR	10.25%	2021	1,458.33	2,291.68
Tata Capital Financial Services Limited	INR	9.80%	2019	4,220.00	-
Sundaram Finance Limited	INR	9.75% - 10.66%	2021	41.78	92.82
				5,720.11	**2,384.50**
Secured finance lease obligations					
L&T Finance Limited	INR	12.25% - 13.80%	2017	-	0.91
Sundaram Finance Limited	INR	15.5% - 15.85%	2019	-	16.08
Sundaram Finance Limited	INR	10.20%	2021	8.37	11.99
Wells Fargo Financial Services & Toyota Financial Services	USD	3.99% to 10.19%	2021	-	21.83
Asset Alliance Limited	GBP	6.6% to 14%	2021	2,484.75	659.83
Other banks				259.65	72.37
				2,752.77	**783.01**
Secured cash credit facilities from banks					
ANZ Loan	AUD	4.04%		5,400.90	5,991.08
				5,400.90	**5,991.08**
Unsecured cash credit facilities from banks					
Axis Bank Limited	INR	3 months MCLR + 0.50%		-	140.47
Sabadell	EURO	0.40%		1,058.23	200.65
BBVA	EURO	0.29%		247.96	-
B.Popular	EURO	0.25%		206.85	-
Indian Overseas Bank	THB			-	13.59
HDFC Bank	INR	9.90% - 9.25%		202.78	-
Other bank	THB			55.45	-
				1,771.27	**354.71**
Secured revolving credit facility					
Consortium loan arrangement*	USD / GBP	2% + 3 month LIBOR		30,474.90	-
Consortium loan arrangement*	USD / GBP	1.90% + 1 month LIBOR		-	23,601.92
				30,474.90	**23,601.92**
Secured loans repayable on demand					
IDFC First Bank Limited	INR	10.50%		100.00	-
Banklu	EUR	3.10%		1,188.79	-
Others	GBP			1,626.76	-
				2,915.55	**-**
Unsecured loans repayable on demand					
Axis Bank Limited	INR	7.85% - 8.50%		6,750.00	5,000.00
Other banks				-	104.55
				6,750.00	**5,104.55**
Unsecured commercial paper	EURO			47.45	78.00
				47.45	**78.00**

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30 Borrowings (continued)

A. Terms and repayment schedule (continued)

In lakhs of INR	Currency	Nominal interest rate	Year of maturity	Carrying amount as at 31 March 2019	Carrying amount as at 31 March 2018
Redeemable preference shares					
Unsecured	INR			891.60	1,805.86
				891.60	1,805.86
Other short term loans (Unsecured)					
Cholamandalam Investment and Finance Company Limited	INR	8.00%		340.00	-
				340.00	-
Other short term loans from banks (secured)					
Other banks	GBP	2.50%		-	943.16
				-	943.16
				1,51,675.60	1,10,073.22

* Under facility arrangement ("FA") as amended on June 29, 2018 arranged by DBS Bank Ltd and Standard Chartered Bank, the subsidiaries outside India have borrowed term loans / revolving credit (working capital) facilities from consortium of banks/financial institutions.

B. Secured loans

Secured term loan from banks

USD / GBP term loan from the consortium loan arrangement availed by TVS-Asianics Supply Chain Solutions Pte. Limited and its subsidiaries is secured by guarantee provided by TVS Supply Chain Solutions Limited.

USD / GBP term loan from the consortium loan arrangement availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on the property and its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited.

Term loans from HDFC Bank Limited are secured by hypothecation of vehicles acquired out of the loan.

Secured term loan from financial institutions

1. Term Loan at 10.25% interest rate from Tata Capital Financial Services Limited is secured by an exclusive mortgage of immovable property located at Mumbai and first and exclusive charge by way of hypothecation on identified movable fixed assets.
2. Term loan at 9.80% from Tata Capital Financial Services Limited is secured by an exclusive charge on specific movable fixed assets and hypothecation of receivables arising out of redemption amount of NCD of Prasanna Purple Mobility Solutions Private Limited
3. Term loans from Sundaram Finance Limited are secured by hypothecation of vehicles and equipments acquired out of the loan.

B. Secured loans (continued)

Finance lease obligations

Finance lease obligations are secured against the respective assets taken on finance lease.

Cash credit facility from banks

Cash credit from ANZ bank availed by TVS Asianics Australia Pty. Limited is secured by fixed and floating charges over all present and future assets, undertaking (including goodwill) and unpaid or uncalled capital of T.I.F Holdings Pty. Limited, corporate guarantee and indemnity unlimited by TVS Asianics Australia Pty. Limited.

Revolving credit facility

USD / GBP revolving credit facility from the consortium loan arrangement availed by TVS Asianics Australia Pty. Limited and its subsidiaries is secured by a guarantee provided by the TVS Supply Chain Solutions Limited.

USD / GBP revolving credit facility from the consortium loan arrangement availed by LIUK and its subsidiaries is secured by a charge on the property and other assets of LIUK and is also secured by guarantee provided by TVS Supply Chain Solutions Limited.

Revolving credit facility from DBS Bank availed by Rico Logistics Limited is secured by a charge over its assets.

Loans repayable on demand from banks

The term loan from IDFC First Bank Limited is secured by hypothecation charge on entire current assets of TVS Toyota Tsusho Supply Chains Solution Pvt Ltd.

The overdraft facility from Baskia is availed by Eltec IT Services S.L.U and is secured by the letter of comfort provided by RICO Logistics Limited, UK.

*There have been certain breaches of the consortium arrangement which in the opinion of the management do not constitute a major breach, accordingly have no impact on the classification and presentation of such loans on March 31, 2019.

C. Redeemable Preference Shares

The Company has cumulative, redeemable, non-convertible, participating preference shares. These preference shares have been classified as a liability. For rights, preferences and restrictions attached to preference shares attached to these preference shares refer note 29.

D. Finance lease obligations

The total future minimum lease payments at the balance sheet date, element of interest included in such payments, and present value of these minimum lease payments are as follows:

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
(a) Total future minimum lease payments	1,820.58	764.38	936.00	64.80
(b) Future interest included in (a) above	1.55	41.40	2.25	4.77
(c) Present value of future minimum lease payments [(a)-(b)]	1,819.03	722.98	933.75	60.03

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31 Trade payables

	31 March 2019	31 March 2018
Trade payables to related parties	310.13	379.84
Other trade payables	98,870.81	1,02,961.23
	99,180.94	1,03,341.07

Note:
Trade payables includes bill discounting from Axis Bank Limited amounting to ₹ 7,995.33 lakhs (31 March 2018: ₹ 6,136.90 lakhs) and is generally payable within 90 days.

32 Other financial liabilities

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Interest rate/Cross currency interest rate swap	1,123.27	-	-	-
Written put option/ forward obligation liability	-	4,894.78	3,137.60	3,134.84
Amount due to employees	-	-	5,293.78	4,378.21
Current maturities of long term borrowings	-	-	7,496.43	1,178.99
Current maturities of finance lease obligations	-	-	333.75	69.03
Interest accrued and due on borrowings	-	21.72	84.86	84.74
Payable to dealer	-	-	995.51	798.16
Security deposits payable	-	-	1,179.91	1,123.26
Deferred consideration*		1,723.39	6,743.45	6,295.61
Contingent consideration**	-	-	-	891.10
Capital creditors	-	-	248.66	922.96
Contractually reimbursable liability	-	-	-	62.46
Others	21.72	-	739.40	73.67
	1,144.99	6,639.89	26,873.15	19,002.03

* Deferred consideration includes payable towards acquisition of shares in Triago Holdings Limited amounting to ₹ 452.38 lakhs, in TLM Logistics Management Co. Ltd. Amounting to ₹ 495.57 lakhs, in Pan Asia Logistics Singapore Pte. Ltd. amounting to ₹ 4,009.14 lakhs (31 March 2018: ₹ 4,371.16) and Nadal Forwarding S.L, Spain amounting to ₹ 1,726.36 lakhs (31 March 2018: ₹ 3,647.84).

** Payable towards acquisition of telecom division from T V Sundram Iyengar & Sons Private Limited.

33 Provisions (refer note 37)

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provisions for employee benefits				
Liability for retirement benefit obligations	561.07	637.83	895.85	275.57
Liability for compensated absences	487.57	472.22	1,104.21	1,226.15
Other provisions				
Provision for dilapidation	536.88	650.61	-	-
Provision for onerous contracts	-	426.99	446.42	575.30
Provision for litigations	231.13	231.13	483.36	48.37
	1,816.65	2,419.78	2,929.84	2,125.39

Movement in other provisions	Dilapidation	Onerous contracts	Others	Total
Balance as at 31 March 2017	427.04	-	238.29	665.33
Assumed in a business combination	17.09	1,101.13	-	1,118.22
Provisions made during the period	134.19	-	62.02	196.21
Provisions utilised during the period	-	(141.93)	(20.81)	(162.74)
Foreign exchange adjustments	72.29	43.09	-	115.38
Balance as at 31 March 2018	650.61	1,002.29	279.50	1,932.40
Assumed in a business combination	0.54	-	-	0.54
Provisions made during the period	1.77	-	445.67	447.44
Provisions utilised during the period	(122.88)	(583.08)	(10.68)	(716.64)
Foreign exchange adjustments	6.84	27.21	-	34.05
Balance as at 31 March 2019	536.88	446.42	714.49	1,697.79

34 Other non-current liabilities

	31 March 2019	31 March 2018
Deferred rent	1,914.38	331.43
Deferred revenue	-	111.04
	1,914.38	442.47

35 Other current liabilities

	31 March 2019	31 March 2018
Deferred revenue	2,778.75	3,337.43
Statutory dues	6,018.26	6,242.28
Advances from customers	786.77	1,125.65
Others	1,619.41	1,070.59
	11,203.19	11,775.95

36 Employee benefits

Defined contribution plans

The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective country which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards such defined contribution plans for the year aggregated to ₹ 16,354.01 lakhs (31 March 2018: ₹ 11,572.17 lakhs)

Defined benefit plans	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provisions for retirement benefit obligations	561.07	637.83	895.85	275.57

For details about the related employee benefit expenses, see note 10.

Details of retirement benefit obligations

The Company and its subsidiaries in India have a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles employees who have rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Further, certain entities of the Group in Korea, Thailand and Indonesia have retirement benefit plans in accordance with the requirements of their respective local laws.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plans of the Company and certain subsidiaries in India is a funded plan with the Company making periodic contributions to a fund managed by certain insurance companies. The retirement benefit plans of the overseas subsidiaries noted above are unfunded.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components

Reconciliation of present value of defined benefit obligation	31 March 2019	31 March 2018
Balance at the beginning of the year	2,146.38	1,421.25
Acquired in business combination	-	434.57
Benefits paid	(164.58)	(191.13)
Current service cost	449.75	346.19
Interest cost	110.54	98.62
Past service cost		17.47
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	37.67	(0.41)
- changes in financial assumptions	114.79	(28.15)
- experience adjustments	48.48	36.34
Exchange differences	(3.87)	17.63
Balance at the end of the year	**2,739.16**	**2,146.38**

Reconciliation of the fair value of plan assets	31 March 2019	31 March 2018
Balance at the beginning of the year	1,232.98	1,028.74
Contributions paid	101.80	308.24
Benefits paid	(164.58)	(191.13)
Interest income	85.52	74.72
Actuarial gains / (losses) recognised in other comprehensive income	26.52	20.41
Balance at the end of the year	**1,282.24**	**1,232.98**
Net defined benefit (asset) / liability	**1,456.92**	**913.40**

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36 Employee benefits (continued)
Defined benefit plans (continued)

C. Expense recognised in profit or loss	**31 March 2019**	**31 March 2018**
Current service cost	449.75	346.19
Interest cost	110.54	99.62
Past service cost	-	17.47
Interest income	(85.52)	(74.73)
	474.77	**379.55**
Expenses relating to discontinued operations	-	**2.57**
Expenses relating to continuing operations	**474.77**	**376.98**

D. Remeasurements recognised in other comprehensive income		
Actuarial gain / (loss) on defined benefit obligation	200.95	9.78
Actuarial (gain) / loss on plan assets	(26.52)	(20.41)
	174.43	**(10.63)**

E. Plan assets	**31 March 2019**	**31 March 2018**
Plan assets comprise of the following:		
Insurer managed funds	1,282.24	1,232.98
	1,282.24	**1,232.98**

F. Defined benefit obligation

i. Actuarial assumptions	**31 March 2019**	**31 March 2018**
Principal actuarial assumptions at the reporting date were:		
Discount rate	2.55% - 7.79%	2.55% - 8%
Future salary growth	7% - 10%	2% - 11%
Attrition rate	5% - 53%	5% - 46%
Expected return on plan assets	6.5% to 6.7%	6% - 7%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 March 2019		**31 March 2018**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(87.03)	103.55	(105.39)	116.41
Future salary growth (1% movement)	91.19	(77.42)	107.07	(97.30)
Attrition rate (1% movement)	(48.88)	18.81	(4.55)	4.66

Although the analysis does not take account of the full distribution of cashflows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Share based payments

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

The following share based payment arrangements were in existence during the current year:

Option series (Refer note below)	**Number**	**Grant date**	**Exercise price**	**Fair value at grant date**
MIP I	11,69,791	20-Nov-18	950.00	964.00
MIP II - Pool A & Pool B	9,39,838	20-Nov-18	950.00	964.00

Note:
Under MIP I, the vesting of options granted is linked to time.
Under MIP II - Pool A & Pool B, shares vest on varying dates with an option life of 5 years after vesting.

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Fair value of share options granted during the year

The weighted average fair value of the stock options granted during the financial year is ₹ 80.2 (MIP I) & ₹ 107.36 (MIP II). Options were priced using a Black Scholes option valuation model & Monte Carlo simulation model for MIP I and II respectively. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility of guideline companies in developed and developing countries.

Inputs in to the model:

	MIP I	MIP II - Pool A & Pool B
Grant date share price *	964.00	964.00
Exercise price	950.00	950.00
Expected volatility	32%	31.96%
Option life	2.36 years	3.61 years
Dividend yield	0.13%	0.15%
Risk free interest rate	7.30%	7.46%

* Before adjustment for lack of marketability

Movements in share options during the year

MIP I	Year ended March 31, 2019 Number of options	Weighted average exercise price	Year ended March 31, 2018 Number of options	Weighted average exercise price
Opening at the beginning of the year	-	-	-	-
Granted during the year	11,69,791	950.00	-	-
Exercised during the year	-	-	-	-
Balance at the end of the year	**11,69,791**	**950.00**	-	-

MIP II	Year ended March 31, 2019 Number of options	Weighted average exercise price	Year ended March 31, 2018 Number of options	Weighted average exercise price
Opening at the beginning of the year	-	-	-	-
Granted during the year	9,39,838	950.00	-	-
Exercised during the year	-	-	-	-
Balance at the end of the year	**9,39,838**	**950.00**	-	-

Share options vested but not exercised during the year - Nil

Share options outstanding at the end of the year - MIP I - 11,69,791 & MIP II - 9,39,838

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 950 and a weighted average remaining contractual life of 2 years.

37 Capital commitments and contingent liabilities

	31 March 2019			31 March 2018
	Continuing operations	Discontinued operations	Total	
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	1,045.04	-	1,045.04	1,559.62
Contingent liabilities:				
Employee related matters (refer note (ii) below)	2,183.59	17.58	2,201.17	2,201.17
Income tax related matters	0.14	-	0.14	356.34
Bank guarantees issued	248.48	357.64	606.12	456.83
Service tax related matters	1,618.06	10,160.87	11,778.93	10,991.17
Sales tax related matters	1.95	2,588.83	2,590.78	2,762.72
Claims not acknowledged as debt *	323.39	13.62	337.01	364.37

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37 Capital commitments and contingent liabilities (continued)

Note:

From time to time, the Group is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Group.

(i) In respect of certain contingent liabilities of Drive India Enterprise Solutions Limited (discontinuing operations), DIESL is entitled to be compensated by its erstwhile shareholders in the event of an unfavourable outcome as per the terms of the share purchase agreement.

(ii) The Company has challenged the demand orders from Provident Fund authorities amounting to Rs 2,183.59 Lakhs for the periods April 2011 to February 2015 on the grounds that provident fund on certain allowances need not be included for calculation of the Provident Fund contribution, as the same is not universally paid to all the employees of the Company.
The Hon'ble Supreme Court of India by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion for the purposes of computation of the Provident Fund contribution. Consequently, the Company has filed a review petition to Regional Provident Fund Commissioner to review the demand order in the light of the Supreme Court decision. The Company has also obtained an interim injunction from Honourable High Court of Madras pending disposal of the Company's petition. Based on legal advice obtained, the Company is of the view that no provision is required for the dispute in the financials as at March 31, 2019.

(iii) Disputes with minority share holders

(a) Arbitration with erstwhile Chief Executive officer and minority shareholder of TVS Asianics Supply Chain Solutions Pte Limited
TVS Asianics Supply Chain Solutions Pte Limited ("TVS Asianics") and the Company are part of an ongoing litigation at Singapore International Arbitration Centre (SIAC) with certain former and current management personnel of TVS Asianics who are also minority shareholders in relation to amounts payable and other benefits due under their respective employment contracts. The Company has terminated the services of the CEO and one other employee and has accrued for appropriate costs till the date of termination based on review of respective employment contracts and legal advice. Based on management assessment no further adjustments are considered necessary to these financial statements pending resolution of these proceedings.

(b) T.I.F Holdings Pty. Limited ("Transtar group")
TVS Asianics Group is part of an ongoing litigation with the erstwhile shareholders of the Transtar group with respect to amounts payable for the acquisition of the balance minority shareholding (45%) computed as per the terms of the share purchase agreement (second completion amounts). The Company believes that the amounts paid together with the liability accrued in the books fairly represents the amounts payable to the erstwhile shareholders under the terms of the shareholders' agreement and no further material adjustments to those amounts would be required. The dispute is pending with the Supreme Court of Victaria.

(c) Pan Asia Logistics Singapore Pte Limited ("Pan Asia Logistics group")
TVS Asianics Group is part of an ongoing litigation with the erstwhile shareholders of the Pan Asia Logistics group with respect to amounts payable for the acquisition completion settlement computed as per the terms of the share purchase agreement (completion amounts). The Company believes that the amounts paid together with the balance liability accrued in the books fairly represents the amounts payable to the erstwhile shareholders under the terms of the shareholders' agreement and no further material adjustments to these amounts would be required. The dispute is in arbitration at the SIAC.

*** Claims against TVS Industrial & Logistics Park Pvt. Limited not acknowledged as debts (refer note 17):**

(i) Maharashtra Industrial Development Corporation (MIDC) has served a notice of claim dated 06.11.2006 for development charges of ₹ 94.08 lacs against 6.40 hectares land belonging to the company. The Company has contested the claim as the said land does not fall in purview of MIDC and has filed a suit no. RCS 26/2007 in the City Civil & Sessions Court at Khed in Pune against MIDC. The Hon'ble court has granted a stay against the said claim vide its order dated 11.06.2007. Final Disposal of the case is pending. The company has received letter dated 06.07.2010 from MIDC increasing the claim amount to ₹ 117.44 lacs. The company has filed appropriate reply to the said letter and is in the process of modifying the suit already filed to this extent (Claims against the Company not acknowledged as debt in P.Y. ₹ 117.44 lacs).

(ii) A demand of ₹ 368.50 lacs is raised by the Income Tax Department u/s 143 (3) for the AY 2014-15 against which Company had preferred an appeal with CIT (Appeals). CIT (Appeals) in its order has reduced the tax liability to ₹ 218.51 lacs which was further reduced by way of rectification to ₹ 209.14 lac. The Company has paid Income Tax of ₹ 46 lacs against this demand hence, demand as on date is ₹ 163.14 lacs. Further refund in A.Y 2017-18 of ₹ 13.31 lacs has been determined by CPC as per Intimation u/s 143 (1). Therefore net demand stands ₹ 149.83 lacs. The Company has preferred appeals in Income Tax Appellate Tribunal (ITAT), Chennai.

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38 Leases

A. Operating leases as lessee

The Group has taken on lease a number of offices and warehouses under operating leases. As at 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows:

i. Future minimum lease payments	**31 March 2019**	**31 March 2018**
Payable within one year	32,415.93	19,597.25
Payable between one and five years	64,992.45	46,004.95
Payable later than five years	22,042.78	21,088.78
	1,19,451.16	**86,690.98**

ii. Amounts recognised in profit and loss	**31 March 2019**	**31 March 2018**
Lease expense minimum lease payments	40,970.95	27,399.92
Less: Discontinued operations	-	(13.12)
	40,970.95	**27,386.81**

B. Operating leases as lessor

i. Future minimum lease payments

At 31 March, the future minimum lease payments receivable under non-cancellable operating lesser are as follows:

	31 March 2019	**31 March 2018**
Receivable within one year	3,059.79	2,755.51
Receivable between one and five years	9,997.75	11,180.36
Receivable after five years	-	818.55
Total	**13,057.54**	**14,754.42**

	31 March 2019	**31 March 2018**
ii. Amounts recognised in profit and loss	4,609.66	686.27

C. Finance leases as lessor

The reconciliation between the gross investment in the lease at the end of the reporting period, and the present value of minimum lease payments receivable at the end of the reporting period are as follows: (also refer note 15)

	31 March 2019	**31 March 2018**
Gross investment in the lease	1,732.07	304.93
Unearned finance income	(44.37)	(60.55)
Net investment in the lease	**1,687.70**	**244.38**

As at 31 March, the gross investment in the lease and the present value of the minimum lease payments receivables under non-cancellable finance leases are as follows:

	31 March 2019	**31 March 2018**
Gross investment in the lease		
Receivable within one year	623.49	54.56
Receivable between one and five years	990.65	227.61
Receivable after five years	117.92	22.76
Total	**1,732.06**	**304.93**
Present value of minimum lease payments receivable		
Receivable within one year	609.60	38.38
Receivable between one and five years	960.64	183.71
Receivable after five years	117.45	22.29
Total	**1,687.69**	**244.38**

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39A Business combinations

A. Business combinations during the year ended March 31, 2019

i. Acquisition of TVS Toyota Tsusho Supply Chain Solutions Limited ("TVSTT")

On 1 April 2018, the Company gained control in TVSTT. TVSTT was a joint venture between the Company (60%) and Toyota Tsusho India Private Limited (TTIPL) (40%). the Company through change in shareholders agreement took over the management control in TVSTT. Accordingly, the change in control has been classified as business combination.

The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of TVSTT being allocated to identifiable assets and liabilities at fair value.

The excess of fair value over the carrying value of the investments in TVS Toyota Tsusho Supply Chain Solutions Private Limited as on 1 April 2018 amounting to ₹ 690.86 lakhs has been recognised as income under exceptional items being significant and non-routine in nature, in the consolidated financial statements.

A. Consideration transferred

Considering there is no actual purchase consideration in the transaction, the Company estimated the fair value of previous held equity interest (60%) and the fair value of non-controlling interest to estimate the total allocable value.

In lakhs of INR	**Amount**
Value of 60% stake held by the Company	1,065.00
Value of 40% non-controlling stake held by TTIPL	711.00
Total consideration for business combination	**1,776.00**

B. Identifiable assets acquired and liabilities assumed

The following table summarizes the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	**Amount**
Property, plant and equipment	29.00
Intangible assets - Customer relationship	440.00
Inventories	46.45
Trade receivables	698.38
Other current & non-current assets	227.63
Trade payable	(308.07)
Other current & non-current liabilities	(197.39)
Cash and cash equivalents	109.00
Other net assets/(liabilities)	23.00
Deferred tax liability on intangibles identified	(152.27)
Less: Fair value of non-controlling interests	(711.00)
Total net identifiable assets acquired	**204.73**

C. Goodwill

In lakhs of INR	**Amount**
Consideration transferred	1,065.00
Fair value of net identifiable assets	(204.73)
Goodwill	**860.27**

ii. Acquisition of White Data Systems India Private Limited ("WDS")

On 20 September 2018, the Company entered into an Investment Agreement to subscribe to fresh issue of 21,07,810 shares of WDS. The cash infusion in WDS in the form of subscription to shares resulted in the Company holding 51% stake in WDS. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of WDS being allocated to identifiable assets and liabilities at fair value. WDS is engaged in the business of providing freight data solutions encompassing technology, certification and financial offering. The date of acquisition is 01 October 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarizes the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	**Amount**
Cash infusion in the form of subscription of shares	4,219.85
Total consideration for business combination	**4,219.85**

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B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Net Property, plant & equipment	120.00
Intangible assets - Client relationship	53.00
Intangible assets - iLoads software platform	845.00
Intangible assets - Non-compete agreement	22.00
Cash infused by the Company	4,219.85
Trade receivable	1,510.22
Inventories	4.92
Other non-current & current assets	229.91
Trade payable	(1,992.20)
Other current liabilities	(85.86)
Cash & cash equivalents	76.00
Borrowing	(228.00)
Deferred tax liabilities	(318.39)
Less: Proportionate share of non-controlling interests	(2,339.00)
Total net identifiable assets acquired	**2,117.45**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	4,219.85
Fair value of net identifiable assets	(2,117.45)
Goodwill	**2,102.40**

iii. Acquisition of Eltec

On 8th November 2018, the Group, through its step-down subsidiary Ricochet Spain SL, Spain acquired 100% interest in the equity share capital of Eltec IT Services SLU, for a consideration of GBP 1. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of Eltec IT Services SLU being allocated to identifiable assets and liabilities at fair value. Eltec IT Services SLU is engaged in the business of delivery of technological services for the management, installation, deployment, support, and maintenance of ICT infrastructure and hardware. The date of acquisition is 08 November 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	0.00
Deferred Consideration	0.00
Total consideration for business combination	**0.00**

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Net Property, plant & equipment	149.44
Intangible assets - Others	121.42
Intangible assets - Client relationship	3,593.65
Intangible assets - Trade name	793.92
Inventories	113.64
Trade receivables	2,527.31
Cash and cash equivalents	241.29
Borrowings	(3,967.26)
Trade payables	(4,749.50)
Deferred tax liabilities	(1,096.70)
Other current liabilities	(156.45)
Total net identifiable assets acquired	**(2,429.24)**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	0.00
Fair value of net identifiable assets	2,429.24
Goodwill	**2,429.24**

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iv. Acquisition of Triage

On 09 April 2018, the Group, through its step-down subsidiary RICO Logistics Limited, UK acquired 100% interest in share capital of Triage Holdings Limited. The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the fair value of Triage Holdings Limited being allocated to identifiable assets and liabilities at fair value. Triage Holdings Limited is engaged in the business of providing IT/ATM equipment life-cycle solutions to OEMs, IT service organisations and end-users comprising repairs, inventory management, logistics, outsourcing, brokerage and implementation services. The date of acquisition is 09 April 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	2,408.46
Deferred Consideration	452.38
Total consideration for business combination	**2,860.84**

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Net Property, plant & equipment	18.10
Intangible assets - Client relationship	998.85
Intangible assets - Trade name	148.38
Other non-current assets	462.33
Inventories	123.95
Trade receivables	517.52
Cash and cash equivalents	19.00
Other current assets	659.57
Trade payables	(283.19)
Deferred tax liabilities	(294.95)
Other current liabilities	(403.52)
Total net identifiable assets acquired	**1,966.04**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	2,860.84
Fair value of net identifiable assets	(1,966.04)
Goodwill	**894.80**

v. Acquisition of TLM Logistics Management Co. Ltd.

On 8 May 2018, the Group through its step-down subsidiary TVS Asianics (Thailand) Limited, Thailand acquired 100% of the voting shares of TLM Logistics Management Co Ltd, a warehousing and distribution solutions provider. The transaction was accounted under Ind AS 103 'Business Combinations' as a business combination with the fair value of TLM Logistics Management Co. Ltd being allocated to identifiable assets and liabilities at fair value. TLM Logistics Management Co. Ltd are engaged in the business of provision of logistics management services, which include, amongst others land transport, goods storage etc. The date of acquisition is 08 May 2018 based on the effective date of transfer of control ("Valuation date").

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	1,764.92
Deferred Consideration	495.30
Total consideration for business combination	**2,260.20**

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Net Property, plant & equipment	517.13
Intangible assets - Others	1,285.98
Other non-current assets	9.18
Trade receivables	1,089.69
Cash and cash equivalents	116.47
Other current assets	375.70
Borrowings	(2,472.91)
Trade payables	(1,154.86)
Deferred tax liabilities	(187.45)
Other non-current liabilities	(90.61)
Other current liabilities	(1,036.96)
Total net identifiable assets acquired	**(1,548.63)**

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C. Goodwill

In lakhs of INR	Amount
Consideration transferred	2,260.20
Fair value of net identifiable assets	1,548.63
Goodwill	**3,808.83**

B. Business combinations during the previous year ended 31 March 2018

i. Acquisition of Telecom business ("Undertaking")

On 20 June 2017, the Company acquired the Telecom business from T V Sundram Iyengar & Sons Private Limited under a slump sale agreement dated 29 May 2017. The undertaking is primarily engaged in the business of installation and commissioning of telecom towers including managed services for telecom networks and associated supply chain management of the logistics activities for telecom service providers and OEMs.

The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the purchase price being allocated to identifiable assets and liabilities at fair value.

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	1,120.00
Contingent consideration	831.50
Total consideration for business combination	**1,951.50**

The contingent consideration was payable within a period of 45 days from the date of completion of management certified financial statements of the undertaking for the year ended March 31, 2018. The fair value of the contingent consideration is determined by discounting the estimated amount payable to the sellers on achievement of certain financial targets. At the acquisition date, the key inputs used in determination of fair value of contingent consideration are the discount rate of 9% and the probabilities of achievement of the financial targets. As at March 31, 2018, the fair value of the contingent consideration was INR 891.10 lakhs and was classified as other financial liability. During the current year, it was settled fully.

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Property, plant and equipment	16.27
Customer relationship - Intangible assets	609.35
Trade receivables	2,937.60
Deposits and other receivables	30.81
Other financial assets	535.68
Other current assets	26.97
Non-current borrowings	(1.53)
Provisions	(10.19)
Trade payables	(2,408.27)
Total net identifiable assets acquired	**1,736.69**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	1,951.50
Fair value of net identifiable assets	(1,736.69)
Goodwill	**214.81**

ii. Acquisition of Peter Thomas & Co (Refurbishing) Limited

On 22 November 2017, the Group, through its step-down subsidiary TVS Supply Chain Solutions Limited, UK, acquired 75% interest in Peter Thomas & Co (Refurbishing) Limited.

The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the purchase price being allocated to identifiable assets and liabilities at fair value.

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	370.10
Total consideration for business combination	**370.10**

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39A Business combinations (continued)

A. Business combinations during the previous year (continued)

ii. Acquisition of Peter Thomas & Co (Refurbishing) Limited (continued)

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Property, plant and equipment	32.52
Trade receivables	118.77
Inventories	64.96
Cash and cash equivalents	54.70
Trade payables	(78.65)
Less: Fair value of non-controlling interests	(47.85)
Total net identifiable assets acquired	**144.45**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	370.10
Fair value of net identifiable assets	(144.45)
Goodwill	**225.65**

On the date of acquisition, the Group entered into a contract with the non-controlling interest shareholders in Peter Thomas & Co (Refurbishing) Limited which will oblige the Group to acquire all of the shares held by the non-controlling interest shareholders equally in two tranches. The Group has not recorded a financial liability in respect of this contract as they consider it to be not material.

iii. Acquisition of Nadal Forwarding S.L

On 01 December 2017, the Group, through its subsidiary TVS Asianics Supply Chain Solutions Pte. Ltd, acquired 100% interest in Nadal Forwarding S.L., Spain, a freight forwarding company.

The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the purchase price being allocated to identifiable assets and liabilities at fair value.

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	6,329.58
Deferred Consideration*	3,446.11
Total consideration for business combination	**9,775.69**

During the FY 18-19, the Group has paid ₹ 1,921.48 lakhs towards deferred consideration out of the above ₹ 3,446.11 lakhs.

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Property, plant and equipment	139.40
Intangible assets- Customer relationship	4,211.23
Intangible assets- Computer software	13.79
Deferred tax assets	36.18
Trade receivables	8,432.99
Cash and cash equivalents	3,931.80
Other current asset	173.98
Borrowings	(964.35)
Deferred tax liabilities	(1,056.40)
Contingent liabilities	37.18
Trade payables	(5,917.45)
Other current liabilities	(1,677.61)
Total net identifiable assets acquired	**7,360.74**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	9,775.69
Fair value of net identifiable assets	(7,360.74)
Goodwill	**2,414.95**

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39A Business combinations (continued)

A. Business combinations during the previous year (continued)

iv. Acquisition of Pan Asia International Pte. Ltd, Pan Asia Logistics Singapore Pte. Ltd and its subsidiaries

On 9 January 2018, the the Group, through its subsidiary TVS Asianics Supply Chain Solutions Pte. Ltd, acquired 100% interest in Pan Asia International Pte. Ltd, Pan Asia Logistics Singapore Pte. Ltd and its subsidiaries (PAL Group). The PAL group is in the business of international freight forwarding services and contract logistics services.

The transaction was accounted under Ind AS 103 "Business Combinations" as a business combination with the purchase price being allocated to identifiable assets and liabilities at fair value.

A. Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

In lakhs of INR	Amount
Cash	17,028.13
Deferred Consideration	4,183.23
Total consideration for business combination	**21,211.36**

B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

In lakhs of INR	Amount
Property, plant and equipment	5,972.54
Intangible assets - Customer relationship and others	691.18
Deferred tax assets	760.06
Trade receivables	11,511.42
Cash and cash equivalents	5,015.53
Other current assets	3,112.50
Borrowings	(36.86)
Provision	(434.57)
Trade payables	(5,458.35)
Deferred tax liabilities	(429.74)
Tax liability	(212.80)
Other non current liabilities	(1,087.50)
Other current liabilities	(6,550.56)
Total net identifiable assets acquired	**12,855.85**

C. Goodwill

In lakhs of INR	Amount
Consideration transferred	21,211.36
Fair value of net identifiable assets	(12,855.85)
Goodwill	**8,355.51**

39B Acquisition of non-controlling interests ('NCI')

(i) TVS Logistics SIAM Limited

In May 2017, the Group acquired an additional 45% interest in TVS Logistics SIAM Limited ('SIAM') for INR 128.30 lakhs in cash, increasing its ownership interest from 55% to 100%. The carrying amount of SIAM's net liabilities in the Group's consolidated financial statements on the date of acquisition was INR 37.31 lakhs. The Group consequently derecognised NCI of INR (16.79) lakhs. The difference of INR 145.09 lakhs has been adjusted in retained earnings.

In lakhs of INR	Amount
Carrying amount of NCI acquired/ derecognised	(16.79)
Consideration paid to NCI	128.30
Decrease in equity attributable to owners of the Company	**(145.09)**

(ii) TVS Supply Chain Solutions North America Inc.

In 3 October 2017, the Group, through its subsidiary - TVS Supply Chain Solutions North America Inc. acquired an additional 7.17% percent interest in TVS Supply Chain Solutions North America Inc for INR 3,089.92 lakhs in cash, increasing its ownership interest from 92.83% to 100%. The carrying amount of TVS Supply Chain Solutions North America Inc's net assets in the Group's consolidated financial statements on the date of acquisition was INR 10,490.24 lakhs. The Group consequently derecognised NCI of INR 1,397.45 lakhs. The difference of INR 1,696.03 lakhs has been adjusted in retained earnings.

In lakhs of INR	Amount
Carrying amount of NCI acquired/ derecognised	1,397.45
Consideration paid to NCI	(3,093.48)
Decrease in equity attributable to owners of the Company	**(1,696.03)**

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40 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

A. Disaggregated revenue information

Segment	31 March 2019			31 March 2018		
	India	Outside India	Total	India	Outside India	Total
Type of goods or service						
Revenue from supply chain management services	1,50,409.28	5,27,582.13	6,77,991.41	1,23,806.52	4,10,370.30	5,34,176.82
Total revenue from contracts with customers	**1,50,409.28**	**5,27,582.13**	**6,77,991.41**	**1,23,806.52**	**4,10,370.30**	**5,34,176.82**

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	31 March 2019	31 March 2018
Lastmile fulfilment	1,45,792.19	1,21,230.61
Outsourced supply chain management	3,29,718.10	2,88,592.46
Inter-continental movement	2,00,286.34	1,15,189.05
Others	2,194.78	9,164.70
	6,77,991.41	**5,34,176.82**

B. Under Ind AS 115, the revenues were recognised over time.

Particulars	01-Apr-17
Opening unbilled revenue recognised/ (reversed) (Note A)	(426.01)
Impact to opening reserves (including prior year cumulative impact) (refer Statement of Changes in Equity)	(426.01)

Particulars	For the year ended 31 March 2018
Revenue as per financial statements for the year ended March 31, 2018	5,34,399.67
Less: Impact of revenue recognised over time for services rendered	(55.71)
Less: Impact of variable consideration	(515.64)
Less: Impact of principal vs agency evaluation (Note B)	(30,970.79)
Less: Impact of discontinued operations (refer note 45)	(8,680.71)
Revenues for the year ended March 31, 2018 as per Ind AS 115	5,34,176.82

Note A- In general, the Company recognises revenue over time for all services provided to its customers. Consequently revenue in relation to of open contracts as at April 1, 2017, has been recognised on a pro-rata basis and necessary adjustments have been made to opening reserves

Note B- Primarily on account of certain contracts in Inter-continental movement, the company has assessed that it was acting as a agent of the customer rather than as a principal and has accordingly recognised net revenue in relation to these contracts based on a management assessment.

C. Summary of contract balances

Particulars	31-Mar-19	31-Mar-18
Trade Receivables	1,30,455.99	1,47,969.58
Contract assets (Refer note (a) below)	23,031.84	13,720.78
Advance from Customers	786.77	1125.65

Note:

a. Contract assets are initially recognised for revenue earned from supply chain management services as receipt of consideration is conditional on successful completion. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

D. Reconciliation of Revenue from sale of products/services with the contracted price

Particulars	31-Mar-19	31-Mar-18
Revenue as per contracted price	6,78,971.82	5,34,692.46
Less: Trade discounts, volume rebates etc.	980.41	515.64
Revenue as per statement of profit and loss	6,77,991.41	5,34,176.82

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41 Transfer pricing

The Company and its subsidiaries each have international and domestic transactions with related parties. The management confirms that it maintains documents as prescribed by the respective laws and regulations of the various jurisdictions in which the Group operates to prove that the international and domestic transactions are at arm's length and the aforesaid laws and regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

42 Related party disclosures

A. Enterprise having significant influence	T V Sundram Iyengar & Sons Private Limited CDPQ Private Equity Asia PTE. LTD.
B. Subsidiaries of T V Sundram Iyengar & Sons Private Limited	TVS Motor Company Limited Sundaram Clayton Limited Lucas-TVS Limited Sundaram Industries Private Limited Lucas Indian Service Limited Sundaram Auto Components Limited TVS Automobile Solutions Private Limited (Subsidiary till 01 April 2018) Sundram Fasteners Limited TVS Electronics Limited Sundram Precision Components Limited TVS Training and Services Limited TVS Distribution & Services Middle East FZE
C. Joint Ventures	TVS Infrastructure Private Limited TVS Toyota Tsusho Supply Chain Solutions Limited (upto 31 March 2018) (Subsidiary from 1 April 2018) T&T One Asia Limited (T&T), Hong Kong (upto 30 June 2017) *Subsidiaries of T&T One Asia Limited* China Network Logistics Limited, China Shanghai Hurrytop Warehouse and Delivery Co., Ltd. Shanghai Feipeng Logistics Co., Ltd., China Shanghai Hurrytop E-commerce Delivery Co. Limited. Shanghai Hurrytop Supply Chain Management Co. Limited. LinTox TVS Solutions Pty Limited, Australia (from 26 May 2017)
D. Associates	MontaraVerpacken mit System GmbH,Germany *Subsidiaries of MontaraVerpacken mitSystem GmbH,Germany* Montara North America Corporation, USA Montara India Private Limited (upto 16 December 2017)

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42. Related party disclosures (continued)

E. Joint ventures of A	Firestone TVS Private Limited
F. Key management personnel (KMP)	Mr. R. Dinesh, Managing director Mr. S. Ravichandran, Deputy managing director
G. Entities controlled by KMP / relatives of KMP of the Company	Dinren Logistics Services LLP DRSR Advisory Services LLP TVS Srichakra Limited

Transactions during the year	Year ended 31 March 2019	Year ended 31 March 2018
Income from logistics services		
Lucas-TVS Limited	1,847.04	1,766.69
Sundaram Auto Components Limited	2.25	13.96
Sundaram Clayton Limited	433.45	452.70
Sundaram Industries Private Limited	150.96	92.58
Sundram Fasteners Limited	117.62	202.61
Sundram Precision Components Limited	-	5.48
T V Sundram Iyengar & Sons Private Limited	56.39	7.66
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	16.50
TVS Motor Company Limited	9,485.34	9,194.11
TVS Srichakra Limited	2,009.15	1,138.08
TVS Toyota Tsusho Supply Chain Solutions Limited	-	108.48
TVS Training And Services Limited	42.54	43.40
SI Airsprings Private Limited (formerly known as Firestone TVS Private Limited)	102.97	23.54
Lucas Indian Service Limited	47.54	-
Sale of Goods		
TVS Motor Company Limited	325.42	-
Other income		
TVS Training and Services Limited	0.55	-
TVS Srichakra Limited	25.00	-
Lucas TVS Limited	14.46	-
TVS Toyota Tsusho Supply Chain Solutions Limited	-	83.42
Sundaram Industries Private Limited	0.35	0.29
Dividend income		
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	82.50
Reimbursement of expenses from		
T V Sundram Iyengar & Sons Private Limited	26.48	175.94
Sundaram Industries Private Limited	0.12	-
Purchase of spares, fuel, others		
T V Sundram Iyengar & Sons Private Limited	37.58	2.50
Sundaram Industries Private Limited	50.65	64.84
Lucas Indian Service Limited	6.35	9.08
Sundram Fasteners Limited	7.83	2.99
TVS Automobile Solutions Private Limited	-	0.71
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	20.38	-
Freight, parking and forwarding expenses		
TVS Motor Company Limited	6.51	-
T V Sundram Iyengar & Sons Private Limited	-	1.58
TVS Electronics Limited	1.74	0.04

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42 Related party disclosures (continued)

Transactions during the year (continued)

	Year ended 31 March 2019	Year ended 31 March 2018
Rent		
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	701.17	327.86
T V Sundram Iyengar & Sons Private Limited	150.53	142.51
Lucas-TVS Limited	1.80	1.35
Repairs and maintenance		
T V Sundram Iyengar & Sons Private Limited	1.50	1.36
SI Airsprings Private Limited (formerly known as Firestone TVS Private Limited)	-	0.30
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	9.70	-
Expenses incurred by and reimbursed to		
T V Sundram Iyengar & Sons Private Limited	16.60	152.57
TVS Toyota Tsusho Supply Chain Solutions Limited	-	4.52
Other expenses		
Lucas-TVS Limited	-	0.01
Mentare India Private Limited	8.36	1.15
Sundaram Industries Private Limited	-	0.22
Sundram Fasteners Limited	-	0.08
T V Sundram Iyengar & Sons Private Limited	231.00	9.82
TVS Distribution & Services Middle East FZE	-	24.33
TVS Electronics Limited	-	1.30
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	2.51
TVS Srichakra Limited	-	0.47
Purchase of fixed assets		
Sundaram Industries Private Limited	-	8.13
T V Sundram Iyengar & Sons Private Limited	297.34	8.34
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	4.03
TVS Motor Company Limited	12.09	139.98
Mentare India Private Limited	-	107.37
Purchase of Leasehold Improvement		
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	169.92	-
Acquisition of Telecom business		
T V Sundram Iyengar & Sons Private Limited	-	2,011.18
Remuneration to Key Managerial Personnel		
Salaries, wages and bonus to deputy managing director (including contribution to provident fund and other funds)	481.40	258.00
Remuneration to managing director	426.13	125.00

As the future liabilities of gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the KMP is not ascertainable separately and therefore not included above.

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42 Related party disclosures (continued)

Year end balances:	31 March 2019	31 March 2018
Receivables		
Lucas Indian Service Limited	10.86	-
Lucas-TVS Limited	384.99	415.80
Sundaram Auto Components Limited	-	1.56
Sundaram Clayton Limited	63.11	107.69
Sundaram Industries Private Limited	90.56	9.74
Sundram Fasteners Limited	91.48	105.41
T V Sundram Iyengar & Sons Private Limited	33.27	560.27
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	42.79	789.16
TVS Motor Company Limited	621.99	1,334.45
TVS Toyota Tsusho Supply Chain Solutions Limited	17.77	137.82
TVS Srichakra Limited	606.97	58.09
TVS Training And Services Limited	33.19	25.56
Sundram Precision Components Limited	-	0.81
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	30.72	-
Other receivables - Unbilled revenue		
Lucas TVS Limited	5.86	1.40
Lucas Indian Service Limited	4.51	-
Sundaram Clayton Limited	5.17	-
Sundaram Fasteners Limited	2.23	2.55
Sundaram Industries Limited	-	0.18
T V Sundaram Iyengar & Sons Private Limited	34.22	-
TVS Motor Company Limited	416.36	377.59
TVS Srichakra Limited	733.48	1.27
Payables		
Lucas Indian Service Limited	-	2.65
Lucas-TVS Limited	0.34	0.16
Montara India Pvt Limited	-	11.21
Sundaram Industries Private Limited	0.77	10.99
Sundram Fasteners Limited	1.11	0.24
T V Sundram Iyengar & Sons Private Limited	281.24	188.55
TVS Automobile Solutions Limited	-	0.86
TVS Motor Company Limited	7.68	165.18
TVS Industrial & Logistics Park Pvt. Limited (Formerly known as TVS Infrastructure Pvt Ltd)	19.00	-
Contingent consideration payable		
T V Sundram Iyengar & Sons Private Limited	-	891.10
Payable to Key Managerial Personnel		
Salaries, wages and bonus to Deputy managing director	250.00	150.00
Commission to Managing director	200.00	-

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43 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

	Note	Carrying amount					
		31 March 2019			31 March 2018		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets measured at fair value							
Quoted debt securities	19	1,173.34	-	-	5.84	-	-
Other financial assets	21	174.72	-	-	-	-	-
Total		**1,348.06**	-	-	**5.84**	-	-
Financial assets not measured at fair value							
Investments	19	-	-	1,288.68	-	-	1,636.79
Deposits and other receivables	20	-	-	8,816.98	-	-	7,261.78
Trade receivables	24	-	-	1,20,850.53	-	-	1,37,299.88
Cash and cash equivalents	25	-	-	47,485.17	-	-	35,981.50
Other bank balances	26	-	-	2,410.27	-	-	2,342.46
Other financial assets	21	-	-	23,859.84	-	-	14,983.21
Total		-	-	**2,04,711.47**	-	-	**1,99,505.62**
Financial liabilities measured at fair value							
Derivatives - Forward contract payables	32	1,123.27	-	-	-	-	-
Contingent consideration	32	-	-	-	891.10	-	-
Written put option/ forward obligation liability	32	3,157.60	-	-	8,029.62	-	-
Total		**4,280.87**	-	-	**8,920.72**	-	-
Financial liabilities not measured at fair value							
Borrowings	30	-	-	1,43,245.42	-	-	1,08,834.20
Trade payables	31	-	-	99,180.94	-	-	1,03,341.07
Other financial liabilities	32	-	-	23,737.27	-	-	16,721.20
Total		-	-	**2,66,163.63**	-	-	**2,28,896.47**

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43 Financial instruments - Fair values and risk management (continued)

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value:

(a) Financial assets and liabilities valued at fair value

Particulars	As at 31 March 2019			As at 31 March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:						
Investments - Quoted debt securities	1,173.34	-	-	5.84	-	-
Other financial assets	-	174.72	-	-	-	-
Liabilities:						
Derivatives - Forward contract payables	-	1,123.27	-	-	-	-
Contingent consideration	-	-	-	-	-	891.10
Written put option/ forward obligation liability	-	-	3,157.60	-	-	8,029.62

The Group has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Group has also not disclosed fair values of investments carried at cost.

C. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. The contingent consideration has been settled in the current year ended 31 March 2019 and hence doesn't pose any sensitivity risk in the equity.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivatives - Forward contract payables	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies	Not applicable	Not applicable
Contingent consideration	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast EBITDA, the amount to be paid under each scenario and the probability of each scenario.	- Forecast EBIDTA - 31 March 2018 - 353.00 lakhs. - Risk adjusted interest rate - 9%	The estimated fair value would increase (decrease) if: - the forecast EBIDTA were higher (lower); - the risk adjusted interest rate were lower (higher).
Written put option/ forward obligation liability	Discounted cash flows: The written put option/ forward obligation liability is calculated at fair value using a level 3 (unobservable input). This reflects the best estimate of the fair value of this contract at the balance sheet date.	Forecast EBITDA; Risk adjusted interest rate	The estimated fair value would increase (decrease) if: - the forecast EBIDTA were higher (lower); - the risk adjusted interest rate were lower (higher).

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43 Financial instruments - Fair values and risk management (Continued)

Sensitivity analysis

For the fair values of contingent consideration and written put option/ forward obligation liability, reasonable possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

Contingent consideration

	31 March 2019		31 March 2018	
	Profit or (loss)		Profit or (loss)	
	Increase	Decrease	Increase	Decrease
EBITDA (1% movement)	-	-	-	-
Risk adjusted interest rate (1% movement)	-	-	(6.90)	6.90

Written put option/ forward obligation liability

	31 March 2019		31 March 2018	
	Profit or (loss)		Profit or (loss)	
	Increase	Decrease	Increase	Decrease
EBITDA (1% movement)	(31.58)	31.58	(50.98)	50.98
Risk adjusted interest rate (1% movement)	-	-	(77.03)	77.78

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43 Financial instruments - Fair values and risk management (continued)

D. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2019	31 March 2018
Trade receivables	1,20,850.53	1,37,299.88
Investments	2,462.02	1,642.63
Cash and cash equivalents	47,485.17	35,981.50
Other bank balances	2,410.27	2,342.46
Deposits and other receivables	8,816.98	7,261.78
Other financial assets	24,034.56	14,983.21
Total	**2,06,059.53**	**1,99,511.46**

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the respective entities of the Group to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full except to the extent already provided, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The respective entities of the Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

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43 Financial instruments - Fair values and risk management (continued)

D. Financial risk management (continued)

Cash and cash equivalents and other bank balances

The Group holds cash and bank balances of INR 49,895.43 lakhs as at 31 March 2019 (31 March 2018: INR 38,323.96 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets

The Group holds deposits and other receivables, investments and other financial assets of INR 35,334.43 lakhs as at 31 March 2019 (31 March 2018: INR 23,887.62 lakhs). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

D. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
31 March 2019					
Non derivative financial liabilities					
Current and non-current borrowings					
Secured term loans from banks	92,511.05	92,511.05	6,632.90	85,878.15	-
Unsecured term loans from banks	2,100.00	2,100.00	-	2,100.00	-
Secured term loans from financial institutions	5,720.11	5,720.11	5,083.53	636.58	-
Secured long term obligations under finance leases	2,752.77	2,752.77	933.75	1,819.02	-
Secured cash credit from banks	5,400.90	5,400.90	5,400.90	-	-
Unsecured cash credit from banks	1,771.27	1,771.27	1,771.27	-	-
Secured revolving credit facility	30,474.90	30,474.90	30,474.90	-	-
Secured loans repayable on demand	2,915.55	2,915.55	2,915.55	-	-
Unsecured bills discounting	-	-	-	-	-
Unsecured loans repayable on demand	6,750.00	6,750.00	6,750.00	-	-
Unsecured commercial paper	47.45	47.45	47.45	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-
Unsecured other short term loans	340.00	340.00	340.00	-	-
Others					
Trade payables	99,180.94	99,180.94	99,180.94	-	-
Other financial liabilities	19,587.96	19,587.96	18,442.97	1,144.99	-
	2,70,444.50	**2,70,444.50**	**1,78,865.76**	**91,578.74**	**-**

D. Financial risk management (continued)

iii. Liquidity risk (continued)

		Contractual cash flows			
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
31 March 2018					
Non derivative financial liabilities					
Current and non-current borrowings					
Secured term loans from banks	66,926.43	66,926.23	301.73	66,624.50	-
Unsecured term loans from banks	2,100.00	2,643.28	177.63	2,465.65	-
Secured term loans from financial institutions	2,384.50	2,747.23	1,089.24	1,657.99	-
Secured long term obligations under finance leases	783.01	786.19	62.27	723.92	-
Secured cash credit from banks	5,991.08	5,991.08	5,991.08	-	-
Unsecured cash credit from banks	13.59	13.59	13.59	-	-
Secured revolving credit facility	23,601.92	23,601.92	23,601.92	-	-
Unsecured bills discounting	341.12	342.18	342.18	-	-
Unsecured loans repayable on demand	5,104.55	5,113.37	5,113.37	-	-
Unsecured commercial paper	78.00	78.00	78.00	-	-
Redeemable preference shares	1,805.86	1,805.86	1,805.86	-	-
Secured other short term loans	943.16	943.16	943.16	-	-
Others					
Trade payables	1,03,341.07	1,03,341.07	1,03,341.07	-	
Other financial liabilities	24,402.90	29,300.78	22,660.89	6,639.89	
	2,37,817.19	**2,43,633.94**	**1,65,521.99**	**78,111.95**	**-**

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43 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Group's income or the value of it's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, payables, receivables, etc. are denominated in a currency other than the respective functional currency of each of the entities in the Group. The Group does not hedge its foreign currency risk in general except in case of certain payables and receivables denominated in foreign currency which are hedged through the use of foreign currency swaps and forwards. Refer note 43 (v) for further details on hedging activities and derivatives.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the ₹ against the respective currencies noted below at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Weakening	Strengthening
31 March 2019				
United States Dollar (1% movement)	(432.10)	432.10	-	-
Euro (1% movement)	128.26	(128.26)	-	-
Great Britain Pounds (1% movement)	149.15	(149.15)	-	-
Australian Dollar (1% movement)	4.52	(4.52)	-	-
Singapore Dollar (1% movement)	9.82	(9.82)	-	-
Thailand Bhat (1% movement)	13.50	(13.50)	-	-
Others (1% movement)*	45.08	(45.08)	-	-
31 March 2018				
United States Dollar (1% movement)	(270.97)	270.97	-	-
Euro (1% movement)	102.30	(102.30)	-	-
Great Britain Pounds (1% movement)	85.49	(85.49)	-	-
Australian Dollar (1% movement)	10.27	(10.27)	-	-
Chinese Yuan (1% movement)	8.72	(8.72)	-	-
Japanese Yen (1% movement)	(0.44)	0.44	-	-
Singapore Dollar (1% movement)	9.12	(9.12)	-	-
Thailand Bhat (1% movement)	6.84	(6.84)	-	-
Others (1% movement)*	41.36	(41.36)	-	-

The above table also includes sensitivity analysis on inter group receivables/ payables which are denominated in a foreign currency. Such inter-group receivables and payables, though eliminated on consolidation give rise to currency risk and hence, the same has been disclosed.

*Others mainly include currencies such as Malaysian ringgit, Hong Kong dollar, Indonesian rupiah, South Korean won, New Taiwan dollar, Canadian dollar and New Zealand dollar.

Interest rate risk

The Group has only two types of variable rate instrument i.e. cash credit facility being used for cash management purposes and certain working capital demand loans.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	31 March 2019	31 March 2018
Variable rate instruments		
Financial liabilities		
- Term loans from banks	92,443.74	66,926.43
- Cash credit from banks	5,456.35	5,991.08
- Revolving credit facility	30,474.90	23,601.92

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43 Financial instruments - Fair values and risk management (continued)

Fixed rate instruments		
Financial assets		
- Deposits with banks	3,539.15	3,670.41
Financial liabilities		
- Term loans from banks	2,167.30	2,100.00
- Term loans from financial institutions	5,720.11	2,384.50
- Finance lease obligations	2,752.77	783.01
- Cash credit from banks	1,715.82	13.59
- Loans repayable on demand	9,665.55	5,104.55
- Commercial Paper	47.45	78.00
- Bills discounting	-	341.12
- Redeemable preference shares	891.60	1,805.86
- Other short term loans	340.00	943.16

iv. Market risk (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	(Profit) or loss		Equity	
	100 bp decrease	100 bp increase	100 bp decrease	100 bp increase
31 March 2019				
Financial liabilities				
- Term loans from banks	(924.44)	924.44	-	-
- Cash credit from banks	(54.56)	54.56	-	-
- Revolving credit facility	(304.75)	304.75	-	-
Cash flow sensitivity (net)	**(1,283.75)**	**1,283.75**	-	-
31 March 2018				
Financial liabilities				
- Term loans from banks	(669.26)	669.26	-	-
- Cash credit from banks	(59.91)	59.91	-	-
- Revolving credit facility	(236.02)	236.02	-	-
Cash flow sensitivity (net)	**(965.19)**	**965.19**	-	-

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43 Financial instruments - Fair values and risk management (continued)

v. Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

Derivatives designated as hedging instruments

Cash flow hedges

The group is exposed to interest rate risks and foreign currency risks for its certain borrowing arrangement at LIBOR plus margin rates in foreign currencies.

Interest rate risk:
Variability in interest paid on the loan attributable to movements in floating interest rate. To hedge changes in the LIBOR interest rate while making interest payments on quarterly basis, the Group has entered into Interest rate swaps (IRS)/Cross currency Interest rate swaps (CCIRS). The hedge results in fixed interest cash flows.

Foreign currency risk:
Variability in interest and principal paid on the loan attributable to movements in foreign currency exchange rate. To hedge changes in the foreign currency exchange rate while making interest on quarterly basis and principal repayments, the Company has entered into CCIRS. The hedge results in fixed cash flows.

There is an economic relationship between the hedged items and the hedging instruments as the critical terms of the hedged item are closely aligned with the hedging instrument from the inception of the hedge till termination. The Group has assessed hedge effectiveness and established an economic relationship at the inception of the hedge and across the tenor of the hedging relationship

The Group is holding the following foreign exchange forward contracts as at 31 March 2019 :

	1 to 6 Months	6 to 12 Months	More than 12 Months	Total
Interest rate swap				
Notional principal amount (In INR Lakhs)	-	1,428.39	18,977.15	20,405.53
Cross currency interest rate swap				
Notional principal amount (In INR Lakhs)	-	1,563.48	20,771.93	22,335.41
Average Forward Rate (SGD/USD)	-	1.38	1.38	1.38

The impact of hedging instruments on the balance sheet as at 31 March, 2019 is as follows:

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Interest rate swap	20,405.53	387.51	Other financial liabilities	387.51
Cross currency interest rate swap	22,335.41	735.75	Other financial liabilities	735.75

The impact of hedged item & cash flow hedge reserve on the balance sheet as at 31 March 2019 is as follows:

	Change in fair value used for measuring ineffectiveness	Cash flow hedge reserve
Interest rate swap	283.56	387.51
Cross currency interest rate swap	735.75	735.75

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Year ended 31 March 2019					
Interest rate swap	(421.10)	104.66	-	138.25	Finance costs
Cross currency interest rate swap	(664.19)	306.57	-	235.01	Finance costs

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43 Financial instruments - Fair values and risk management (continued)

Hedge of net investments in foreign operations

The Group has obtained a floating-rate USD loan which has been used for acquiring 100% of Nadal Forwarding SLU ('Nadal'), which has a functional currency of EUR. In the consolidated financials of the Group, the net assets of Nadal will be translated from EUR to SGD and the translation difference will be accumulated in FCTR. This creates a foreign currency exposure for the Group. Also, due to the USD floating rate loan, the Group has an exposure to both interest risk and foreign currency risk (USD to SGD). In order to hedge these exposures together, the Group has taken Cross Currency Interest Rate Swaps ('CCIRS') which will convert i) floating interest to fixed interest and ii) USD to EUR.

There is an economic relationship between the hedged item and the hedging instrument as the CCIRSs and the loan together create a synthetic borrowing in EUR which is used to hedge against the net investment.

The impact of hedging instruments on the balance sheet as at 31 March 2019 is as follows:

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Cross currency interest rate swap	7,728.05	174.72	Other financial assets	243.57

The impact of hedged item on the balance sheet as at 31 March 2019 is as follows:

	Change in value used for calculating hedge ineffectiveness for 2019	Foreign currency translation reserve
Investment in Nadal Forwarding S.L	(377.41)	(59.53)

The impact of hedged item on equity:

	Cash flow hedge reserve	Foreign currency translation reserve
As at 01 April 2018		
Effective portion of changes in fair value arising from swap arrangements	(910.57)	(59.53)
Amount re-classified to profit or loss	373.25	-
Tax effect	96.90	-
As at 31 March 2019	(440.42)	(59.53)

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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
Notes to the consolidated financial statements for the year ended 31 March 2019 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

44 Additional information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries/ associates/ joint ventures

31 March 2019	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Logistics Services Limited	99.15%	67,256.80	-1.01%	37.10	12.90%	(105.48)	1.52%	(68.38)
Domestic Subsidiaries - (parent's share)								
Drive India Enterprise Solutions Limited	1.25%	846.36	46.73%	(1,715.17)	-0.34%	2.79	38.16%	(1,712.38)
TVS Dynamic Global Freight Services Limited	5.57%	3,780.75	-23.79%	873.27	0.46%	(3.80)	-19.37%	869.47
FLEXOL Packaging (India) Limited	1.13%	767.92	-0.21%	7.69	0.15%	(1.19)	-0.14%	6.49
TVS Aviation Logistics Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
SPC International (India) Private Limited	1.29%	873.13	-1.36%	49.88	0.00%	-	-1.11%	49.88
TVS Toyota Tsusho Supply Chain Solutions Ltd.	1.20%	814.11	-5.11%	187.38	0.23%	(1.92)	-4.13%	185.46
White Data Systems India Pvt. Ltd.	5.70%	3,864.70	1.06%	(38.74)	0.42%	(3.40)	0.94%	(42.14)
Foreign Subsidiaries - (parent's share)								
TVS Logistics SIAM Limited	-0.27%	(180.61)	2.52%	(92.50)	0.54%	(4.38)	2.16%	(96.88)
TVS Logistics Investment USA Inc., USA and its subsidiaries	1.67%	1,135.00	-20.23%	742.66	-6.82%	55.74	-17.79%	798.40
TVS Logistics Investment UK Limited and its subsidiaries	36.84%	24,990.30	-85.64%	3,143.33	41.23%	(337.04)	-62.53%	2,806.29
TVS-Asianics Supply Chain Solutions Limited, Singapore and its subsidiaries	-21.62%	(14,663.30)	242.46%	(8,899.01)	46.20%	(377.71)	206.71%	(9,276.72)
Non-controlling interests in all subsidiaries	5.76%	3,909.16	53.96%	(1,980.31)	2.51%	(20.51)	44.58%	(2,000.82)
Associates								
Montara Verpacken mit System GmbH	0.21%	143.08	0.00%	-	0.00%	-	0.00%	-
Joint venture								
TVS Infrastructure Private Limited	4.94%	3,347.99	-6.14%	225.23	0.03%	(0.22)	-5.01%	225.01
TVS Toyota Tsusho Supply Chain Solutions Limited	0.00%		0.00%	-	0.00%	-	0.00%	-
Eliminations	-42.82%	(29,048.85)	-103.23%	3,788.90	2.50%	(20.44)	-83.97%	3,768.46
As at 31 March 2019	**100%**	**67,836.54**	**100%**	**(3,670.34)**	**100%**	**(817.56)**	**100%**	**(4,487.86)**

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44 Additional information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries/ associates/ joint ventures (continued)

31 March 2018	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Logistics Services Limited	97.06%	66,815.56	38.45%	2,017.07	0.24%	3.67	29.70%	2,020.74
Domestic Subsidiaries - (parent's share)								
Drive India Enterprise Solutions Limited	2.19%	1,505.48	3.86%	202.31	0.04%	0.57	2.98%	202.88
TVS Dynamic Global Freight Services Limited	4.28%	2,945.08	13.73%	720.22	0.25%	3.89	10.64%	724.11
FLEXOL Packaging (India) Limited	1.11%	761.37	3.62%	189.81	-0.05%	(0.78)	2.78%	189.03
TVS Aviation Logistics Limited	0.00%	0.00	-0.03%	(1.45)	0.00%	-	-0.02%	(1.45)
SPC International (India) Private Limited	1.20%	823.26	1.16%	61.01	0.00%	-	0.90%	61.01
Foreign Subsidiaries - (parent's share)								
TVS Logistics SIAM Limited	-0.12%	(83.73)	-0.76%	(39.61)	-0.44%	(6.84)	-0.68%	(46.45)
TVS Logistics Investment USA Inc., USA and its subsidiaries	0.94%	648.70	1.29%	67.75	10.98%	171.17	3.51%	238.92
TVS Logistics Investment UK Limited and its subsidiaries	22.98%	15,819.07	89.79%	4,709.72	182.29%	2,841.31	110.98%	7,551.03
TVS-Asianics Supply Chain Solutions Limited, Singapore and its subsidiaries	-10.43%	(7,179.59)	-94.56%	(4,960.09)	31.52%	491.22	-65.68%	(4,468.87)
Non-controlling interests in all subsidiaries	8.91%	6,131.89	6.36%	333.51	40.97%	638.52	14.29%	972.03
Associates								
Montara Verpacken mit System GmbH	0.21%	147.28	-1.10%	(57.58)	0.00%	-	-0.85%	(57.58)
Joint venture								
TVS Infrastructure Private Limited	4.54%	3,122.97	2.40%	125.80	0.00%	(0.08)	1.85%	125.73
TVS Toyota Tsusho Supply Chain Solutions Limited	0.55%	376.79	2.71%	142.40	0.07%	1.07	2.11%	143.47
Eliminations	-33.41%	(22,997.93)	33.07%	1,734.58	-165.86%	(2,585.10)	-12.50%	(850.52)
As at 31 March 2018	**100%**	**68,836.18**	**100%**	**5,245.45**	**100%**	**1,558.64**	**100%**	**6,804.08**

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45 Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

A. The group has following non-current assets/disposal group recognised as held for sale as on 31 March 2019

Asset/Disposal group	Reportable segment
Drive India Enterprise Solutions Limited	India

B. The proposed sale is expected to be completed within 1 year from the respective reporting dates

C. Financial performance and cash flow information

The results of Drive India Enterprise Solutions Limited for the year are presented below:

	31 March 2019	31 March 2018
Total Revenues (includes other income)	3,086.30	9,153.82
Expense	4,772.98	8,721.55
Profit/(loss) before tax from a discontinued operation	(1,686.68)	432.27
Tax (expenses)/income:		
Tax relating to earlier periods	25.70	30.88
Profit/(loss) for the year from a discontinued operation	(1,712.38)	401.40
Earnings per share:		
Basic	(5.97)	8.18
Diluted	(5.97)	8.18
The net cash flows incurred by Drive India Enterprise Solutions Limited are, as follows:		
Net cash inflow/(outflow) from operating activities	759.27	3,286.88
Net cash inflow/(outflow) from investing activities	194.92	107.71
Net cash inflow/(outflow) from financing activities	(592.75)	-3,454.71
Net increase/(decrease) in cash generated from discontinued operation	**361.44**	**-60.12**

D. The major classes of assets and liabilities of Drive India Enterprises Solutions Limited classified as held for sale as at 31 March 2019 are, as follows:

	31 March 2019	31 March 2018
Group(s) of assets classified as held for sale:		
Property, plant and equipment	3.10	6.67
Other intangible assets	218.92	0.18
Other financial assets - Non-current	25.59	24.94
Non-current tax assets (net)	293.96	459.54
Other non-current assets	538.95	518.93
Inventories	124.27	2,046.47
Trade receivables	3,881.87	6,292.62
Cash and cash equivalents	451.63	90.19
Other bank balances	3.99	13.33
Other financial assets - Current	838.77	1,117.33
Other current assets	1,767.92	2,426.62
	8,148.97	**12,996.82**
Liabilities associated with group(s) of assets classified as held for sale:		
Provisions - Non-current	4.71	6.80
Borrowings - Current	492.87	3,255.24
Trade payables	4,389.41	7,848.56
Other financial liabilities - Current	243.09	107.41
Provisions - current	1.72	1.86
Current tax liabilities (net)	-	11.66
Deferred tax liabilities	65.69	
Other current liabilities	591.16	281.93
	5,788.65	**11,513.48**

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46 List of subsidiaries

	Country of incorporation	Ownership interest	
		31 March 2019	31 March 2018
Name of direct subsidiaries of the Company			
TVS Dynamic Global Freight Services Limited	India	85.00%	85.00%
TVS Aviation Logistics Limited (Removed from Registrar of Companies)	India	0.00%	99.99%
Drive India Enterprises Solutions Limited	India	100.00%	100.00%
FLEXOL Packaging (India) Limited	India	67.55%	67.55%
TVS Packaging Solutions Private Limited (from 28 April 2017)	India	100.00%	100.00%
SPC International India Private Limited (from 04 December 2017)	India	100.00%	100.00%
TVS Logistics SIAM Limited	Thailand	100.00%	100.00%
TVS Logistics Investment UK Limited	United Kingdom	100.00%	100.00%
TVS Logistics Investments USA Inc.	USA	100.00%	100.00%
TVS-Asaniza Supply Chain Solutions Pte. Limited, Singapore	Singapore	66.44%	82.63%
TVS Toyota Tsusho Supply Chain Solutions Limited (from 01 April 2018)	India	60.00%	0.00%
White Data Systems India Pvt. Ltd (from 01 October 2018)	India	51.00%	0.00%
Name of step-down subsidiaries			
Subsidiaries of TVS Logistics Investment UK Limited			
TVS Supply Chain Solutions Limited, UK	United Kingdom	100.00%	100.00%
Subsidiaries of TVS Supply Chain Solutions Limited, UK			
MSys Software Solutions Limited, UK	United Kingdom	100.00%	100.00%
Multipart Limited, UK	United Kingdom	100.00%	100.00%
Linfox TVS Solutions Pty Limited	United Kingdom	100.00%	100.00%
Peter Thomas & Co (Refurbishing) Limited, UK (from 22 November 2017)	United Kingdom	100.00%	100.00%
TVS Logistics Iberia S.L., Spain	Spain	100.00%	100.00%
TVS Autoserv GmbH, Germany	Germany	51.00%	51.00%
TVS Supply Chain Solutions GmbH, Germany	Germany	100.00%	100.00%
Rico Logistics Limited, UK	United Kingdom	97.47%	97.47%
Subsidiaries of Rico Logistics Limited, UK			
Ricochet Spain S.L, Spain	Spain	100.00%	100.00%
Subsidiaries of Ricochet Spain S.L, Spain			
Eltec II Services S.L.U		100.00%	0.00%
Rico Logistique, France	France	100.00%	100.00%
Rico Logistics Limited, Australia	Australia	100.00%	100.00%
Circle Express Limited, UK	United Kingdom	85.00%	85.00%
Tri - Tec Computer Support Limited, Northern Ireland	Northern Ireland	100.00%	100.00%
Tri - Tec Support Limited, Ireland	Ireland	100.00%	100.00%
TVS SCS Rico Italia SRL	Italy	100.00%	0.00%
Triage Holdings Limited	United Kingdom	80.00%	0.00%
Subsidiaries of Triage Holdings Limited			
Triage Service Limited	United Kingdom	100.00%	0.00%
OrderLogic Limited	United Kingdom	100.00%	0.00%
SPC International Limited, UK (from 20 February 2017)	United Kingdom	63.06%	63.06%
Subsidiaries of SPC International Limited, UK			
SPCENT Limited, UK	United Kingdom	100.00%	100.00%
SPC International (Engineering) Limited, UK	United Kingdom	100.00%	100.00%
Pitcomp 171 Limited, UK	United Kingdom	100.00%	100.00%
SPC EBT Trustees Limited, UK	United Kingdom	100.00%	100.00%
SPC International Inc., USA	USA	100.00%	100.00%
SPC International s.a.s, France	France	100.00%	100.00%
SPC International s.r.o., Slovakia	Slovakia	100.00%	100.00%
Subsidiaries of TVS Logistics Investments USA Inc.			
TVS America Inc., USA	USA	100.00%	100.00%
TVS Supply Chain Solutions North America Inc., USA (formerly known as Wainwright Industries Inc. USA)	USA	100.00%	100.00%
Subsidiaries of TVS Supply Chain Solutions North America Inc., USA			
Waintrans LLC, USA	USA	100.00%	100.00%
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	Mexico	99.00%	99.00%
TVS Packaging Solutions Inc. US	USA	100.00%	100.00%

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46 List of subsidiaries (continued)

Subsidiaries of TVS Asianics Supply Chain Solutions Pte. Ltd			
Nadal Forwarding S.L, Spain (from 14 December 2017)	Spain	100.00%	100.00%
Subsidiaries of Nadal Forwarding S.L, Spain			
Liteus Regulares XXI, S.L	Spain	99.75%	99.75%
Pan Asia Logistics International Pte. Ltd (from 24 November 2017)	Singapore	100.00%	100.00%
Pan Asia Logistics Singapore Pte. Ltd (from 24 November 2017)	Singapore	100.00%	100.00%
Subsidiaries of Pan Asia Logistics Singapore Pte. Ltd			
Pan Asia Logistics Limited, Shanghai	China	100.00%	100.00%
Pan Asia Logistics International (Korea) Ltd	Korea	100.00%	100.00%
Pan Asia Logistics (Thailand) Ltd	Thailand	49.00%	49.00%
Pan Asia Freight-Forwarding & Logistics Hong Kong Ltd	Hong Kong	100.00%	100.00%
Pan Asia Container Line Pte Ltd, Hong Kong	Hong Kong	100.00%	100.00%
Pan Asia Logistics Deutschland GmbH	Germany	100.00%	100.00%
Pan Asia Logistics Malaysia Sdn Bhd	Malaysia	100.00%	100.00%
Pan Asia Logistics Vietnam Company Ltd	Vietnam	95.00%	95.00%
PT Pan Asia Logistics Indonesia	Indonesia	90.00%	90.00%
Pan Asia Logistics Taiwan Ltd	Taiwan	100.00%	100.00%
Pan Asia Freight-Forwarding & Logistics India Pvt Ltd	India	99.99%	99.99%
TVS Asianics, Thailand (from April 2018)	Thailand	100.00%	0.00%
Subsidiaries of TVS Asianics, Thailand			
TLM Logistics Management Co., Ltd	Thailand	100.00%	100.00%
TVS-Asianics Australia Holdings Pty Ltd	Australia	100.00%	100.00%
Subsidiaries of TVS-Asianics Australia Holdings Pty Ltd			
T.I.F Holdings Pty. Ltd., Australia	Australia	100.00%	55.00%
Subsidiaries of T.I.F Holdings Pty. Ltd., Australia			
Transtar International Freight (Aust) Pty Ltd, Australia	Australia	100.00%	100.00%
Transtar International Freight Limited, New Zealand	New Zealand	100.00%	100.00%
KAHN Nominees Pty Ltd, Australia	Australia	100.00%	100.00%
Transtar International Freight Limited, Hong Kong	Hong Kong	100.00%	100.00%
Transtar International Freight (Singapore) Pte. Limited, Singapore	Singapore	100.00%	100.00%
Transtar International Freight (Shanghai) Limited, China	China	100.00%	100.00%
Transtar International Freight (Thailand) Limited, Thailand	Thailand	100.00%	100.00%
Transtar International Freight (Malaysia) SD Bhd, Malaysia	Malaysia	100.00%	100.00%
Transtar International Freight (USA) LLC, USA	USA	NA	NA
TIF Holdings (USA) LLC, USA	USA	NA	NA

47 Subsequent events

After the reporting date, the Group had certain disputes with its minority share holders of its step down subsidiaries as disclosed in note 37. There are no other significant subsequent events that have occurred after the reporting period till the date of these consolidated financial statements.

48 Prior year comparatives

To conform to this year's classification, certain previous year figures have been reclassified/regrouped wherever necessary. The figures of the previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Associates LLP

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place: Chennai
Date : 30 September 2019

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN: 00361300

S Ravichandran
Deputy Managing Director
DIN: 01485845

Ravi Francis Bhagavathula
Group Chief Financial Officer

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 12 September 2019

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly Known as TVS Logistics Services Limited)
STANDALONE BALANCE SHEET AS AT 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	12	12,283.33	13,080.05
Capital work-in-progress		143.77	137.80
Goodwill	13A	5,287.90	5,287.90
Other intangible assets	13B	1,085.55	1,445.21
Financial assets			
Investments	14	26,854.11	21,782.99
Deposits and other receivables	16	7,213.06	5,588.59
Other financial assets	17	605.44	-
Deferred tax assets (net)	11	4,065.12	4,014.96
Non-current tax assets (net)		5,335.60	5,441.71
Other non-current assets	18	949.95	1,011.95
Total non-current assets		**63,823.63**	**55,790.77**
Current assets			
Inventories	19	139.51	145.33
Financial assets			
Investments	14	239.90	1,205.65
Trade receivables	20	27,771.38	27,915.54
Cash and cash equivalents	21	7,847.47	11,769.21
Other bank balances	22	266.70	202.45
Loans	15	5,188.16	5,981.18
Deposits and other receivables	16	15,205.56	9,723.55
Other financial assets	17	8,980.52	4,340.20
Other current assets	23	4,271.77	2,876.29
Assets held for sale	24A	-	-
Total current assets		**71,896.00**	**64,154.39**
Total assets		**135,719.63**	**119,945.16**
EQUITY AND LIABILITIES			
Equity			
Share capital	24A	5,166.71	3,166.71
Other equity	24B	64,103.33	63,779.77
Total equity		**69,270.04**	**66,946.48**

TVS Supply Chain Solutions Limited
Chennai
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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
STANDALONE BALANCE SHEET AS AT 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	25	2,784.68	3,607.23
Other financial liabilities	27	4,064.72	3,338.63
Provisions	28	620.41	509.26
Total non-current liabilities		**7,469.81**	**7,455.12**
Current liabilities			
Financial liabilities			
Borrowings	25	12,878.20	6,811.50
Trade payables	26		
Dues to micro, small and medium enterprises		908.17	214.90
Dues to creditors other than micro, small and medium enterprises		56,302.72	27,364.54
Other financial liabilities	27	6,955.21	7,279.66
Provisions	28	1,205.61	634.97
Other current liabilities	29	3,333.85	3,037.99
Total current liabilities		**60,979.78**	**45,543.56**
Total liabilities		**68,449.59**	**52,998.68**
Total equity and liabilities		**1,35,719.63**	**1,19,945.16**

The notes from 1 to 39 form an integral part of the standalone financial statements

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

Bharath N S
Partner
Membership No. 210954

R Dinesh
Managing Director
DIN: 00363300

S Ravichandran
Deputy Managing Director
DIN: 01485845

Ravi Prakash Bhagavatula
Group Chief Financial Officer
Place : Chennai
Date : 12 September 2019

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 12 September 2019

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from operations	5	1,42,546.24	1,22,655.69
Other income	6	7,917.74	7,492.35
Total income		**1,50,463.98**	**1,30,148.04**
Expenses			
Employee benefits expense	7	37,809.93	31,347.98
Finance costs	8	1,616.93	1,542.52
Depreciation and amortisation expense	9	3,150.31	2,612.61
Other expenses	10	1,07,772.47	90,840.44
Total expenses		**1,50,349.64**	**1,26,344.55**
Profit before tax		**114.34**	**3,803.49**
Income tax expense	11		
Current tax		70.75	1,385.67
Deferred tax		6.53	279.12
Income tax expense		**77.28**	**1,664.79**
Profit for the year		**37.06**	**2,138.70**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(162.14)	5.62
Income tax relating to these items		56.66	(1.95)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(105.48)**	**3.67**
Other comprehensive income for the year, net of tax		**(105.48)**	**3.67**
Total comprehensive income for the year		**(68.42)**	**2,142.37**
Earnings per share (INR)	24E		
Basic		0.12	6.76
Diluted		0.12	6.76

The notes from 1 to 39 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

Bharath N S
Partner
Membership No. 210934

R Dinesh
Managing Director
DIN. 00063300

S Ravichandran
Deputy Managing Director
DIN 01485845

Ravi Prakash Bhagavathula
Group Chief Financial Officer

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 12 September 2019

Place : Chennai
Date : 12 September 2019

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and where otherwise stated)

A. Equity Share Capital	Note	Amount
Balance as at 31 March 2017		3,166.71
Changes in equity share capital during the year 2017-18	24A	-
Balance as at 31 March 2018		3,166.71
Changes in equity share capital during the year 2018-19	24A	-
Balance as at 31 March 2019		3,166.71

B. Other equity	Reserves and surplus							Items of OCI	Total
	Securities premium	Capital reserve	Capital redemption reserve	Share warrants	Share options	Compulsorily convertible preference shares	Retained earnings		
Balance at 01 April 2017	69,276.34	0.82	-			-	(7,052.63)	3.99	61,623.11
Effect of adoption of new accounting standards							9.29		9.29
Total comprehensive income for the year ended 31 March 2018									
Profit for the year	-		-			-	2,138.70	-	2,138.70
Other comprehensive income (net of tax)	-	-	-		-	-	-	3.67	3.67
Ind AS 115 transition adjustment in opening reserves	-	-	-		-	-			-
Total comprehensive income	-	-	-		-	-	2,147.99	3.67	2,151.66
Transactions with owners recorded directly in equity									
Contributions by and distributions to owners									
Amount transferred between the reserves	(0.46)	-	0.46	-	-	-	-	-	-
Total contributions by and distributions to owners	(0.46)	-	0.46	-	-	-	-	-	-
Balance at 31 March 2018	69,275.88	0.82	0.46	-	-	-	(5,504.64)	7.25	63,779.77

TVS Supply Chain Solutions Limited
Chennai
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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

B. Other equity (continued)

	Reserves and surplus							Items of OCI	Total
	Securities premium	Capital reserve	Capital redemption reserve	Share warrants	Share options	Compulsorily convertible preference shares	Retained earnings		
Balance as at 01 April 2018	69,275.88	0.82	0.44	-	-	-	(5,504.64)	7.25	63,779.75
Total comprehensive income for the year ended 31 March 2019									
Profit for the year	-	-	-	-	-	-	37.06	-	37.06
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(102.48)	(102.48)
Total comprehensive income	-	-	-	-	-	-	37.06	(102.48)	(65.42)
Transactions with owners recorded directly in equity									
Contributions by and distribution to owners									
Distribution of dividends to owners of equity	-	-	-	-	-	-	(398.60)	-	(398.60)
Dividend distribution tax	-	-	-	-	-	-	(81.95)	-	(81.95)
Recognition of share based payments	-	-	-	-	276.41	-	-	-	276.41
Issue of share warrants during the year	-	-	-	225.63	-	-	-	-	225.63
Issue of compulsorily convertible preference shares during the year	366.50	-	-	-	-	3.90	-	-	370.50
Bonus issue of compulsorily convertible preference shares during the year	(15.10)	-	-	-	-	15.10	-	-	-
Total contributions by and distributions to owners	351.50	-	-	225.63	276.41	19.00	(480.55)	-	391.99
Balance as at 31 March 2019	69,627.38	0.82	0.44	225.63		19.00	(5,948.13)	(95.23)	64,103.33

The notes from 1 to 39 form an integral part of the standalone financial statements

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 216934

Place: Chennai
Date: 12 September 2019

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN 00365330

S Ravichandran
Deputy Managing Director
DIN 01415845

Kaza Prakash Bhargava Hota
Group Chief Financial Officer
Place: Chennai
Date: 12 September 2019

P D Krishna Prasad
Company Secretary

TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities		
Profit for the year	114.34	3,803.49
Adjustments for:		
Interest income under the effective interest method on		
Cash and cash equivalents	(41.35)	(42.60)
Security deposits carried at amortised cost	(288.86)	(242.28)
Investments in debentures carried at amortised cost	(667.24)	(166.18)
Loan to subsidiaries and joint ventures	(294.60)	(349.15)
Amortisation of financial guarantee liability	(1,629.18)	(682.46)
Provision no longer required written back	(2.00)	(575.94)
Provision for doubtful debts no longer required written back	(196.54)	(331.16)
Dividend income from subsidiaries	-	(286.50)
Income from mutual funds	(25.19)	(45.89)
Share based payments	185.12	
Finance costs	1,616.93	1,541.52
Depreciation and amortisation expense	3,150.32	2,612.61
Unrealised foreign exchange differences	(576.00)	[illegible]
Bad debts written off	86.84	111.96
Provision for doubtful debts	138.38	256.39
Provision for doubtful security deposits	(0.00)	64.49
Provision for doubtful loans and advances	0.89	-
Impairment loss on investments	-	2,200.52
(Gain)/Loss on sale of property, plant and equipment, net	(16.02)	15.17
Operating profit before changes in operating assets and liabilities	**1,555.50**	**7,956.50**
Change in operating assets and liabilities		
(Increase)/decrease in inventories	15.87	0.53
(Increase)/decrease in trade receivables	15.59	(1,091.35)
(Increase)/decrease in other current and non-current, financial and non-financial assets	(10,706.18)	(3,199.26)
Increase in trade payables	8,830.34	6,096.12
Increase in other current and non-current, financial and non-financial liabilities	2,012.69	3,715.90
Increase in provisions	517.67	39.83
Cash generated from operations	**2,241.43**	**12,518.27**
Income taxes paid, net of refunds	(1,965.15)	(2,204.41)
Net cash flow from/(used in) operating activities	**276.28**	**10,313.86**
Cash flows used in investing activities		
Investment in bank deposits having an original maturity of more than three months	(64.28)	(112.14)
Payments for property, plant and equipment and other intangible assets	(4,250.52)	(3,038.02)
Proceeds from sale of property, plant and equipment	254.00	216.12
Investments in unquoted investment in preference shares carried at amortised cost	-	(2,200.52)
Investments in subsidiaries and joint ventures	(4,219.84)	(690.79)
Loans given to subsidiaries	(862.23)	(245.37)
Redemption of debentures carried at amortised cost	348.11	518.44
Payment of consideration payable and deferred consideration	(891.10)	(1,042.50)
Acquisition of logistics division, net of cash and cash equivalents	-	(1,120.00)
Interest received	1,630.97	42.85
Dividend income from subsidiaries	-	286.50
Income from mutual funds	25.29	45.89
Interest income from debentures carried at amortised cost	51.80	3.79
Interest income on loan to subsidiaries and joint ventures	-	118.94
Net cash flow used in investing activities	**(7,948.88)**	**(7,276.61)**

TVS Supply Chain Solutions Limited
Chennai
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TVS SUPPLY CHAIN SOLUTIONS LIMITED (Formerly known as TVS Logistics Services Limited)
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from/(used in) financing activities		
Proceeds from compulsorily convertible preference shares, (net)	550.50	-
Proceeds from issue of share warrants	225.62	-
Dividends paid	(480.55)	-
Repayment of redeemable preference shares	(0.00)	(270.40)
Proceeds from/(repayment) of short-term borrowings, net	6,066.70	(21,880.58)
Proceeds from long-term borrowings	75.95	2,129.31
Repayment of long-term borrowings	(893.04)	(2,382.33)
Interest paid	(1,597.36)	(1,496.91)
Payment of finance lease liabilities	(16.99)	(173.13)
Net cash flow from/ (used in) financing activities	**3,750.86**	**(24,074.04)**
Net increase / (decrease) in cash and cash equivalents	**(3,921.74)**	**(21,036.79)**
Cash and cash equivalents at the beginning of the financial year	11,769.21	32,806.00
Cash and cash equivalents at the end of the financial year	**7,847.47**	**11,769.21**

The notes from 1 to 39 form an integral part of the standalone financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN: 00363300

S Ravichandran
Deputy Managing Director
DIN: 01485845

Ravi Prakash Bhagavathula
Group Chief Financial Officer
Place : Chennai
Date : 12 September 2019

P D Krishna Prasad
Company Secretary

Place : Chennai
Date : 12 September 2019

25 Borrowings (continued)

b. Reconciliation of movements of liabilities to cash flows arising from financing activities

		Liabilities				Total
		Cash credits and short term demand loans	Other loans and borrowings	Redeemable preference shares	Finance lease liabilities	
Balance at 31 March 2018	A	5,919.90	4,684.50	891.60	16.99	11,512.99
Changes from financing cash flows (excluding interest)						
Proceeds from loans and borrowings		-	75.95	-	-	75.95
Repayment of borrowings		-	(893.07)	-	-	(893.07)
Repayment of redeemable preference shares		-	-	-	-	-
Payment of finance lease liabilities		-	-	-	(16.99)	(16.99)
Change in Cash credits and short term demand loans		6,066.70	-	-	-	6,066.70
Total changes from financing cash flows (excluding interest)	B	6,066.70	(817.07)	-	(16.99)	5,232.63
Changes arising from business combinations*	C					-
Other changes/ Interest						
Interest expenses #		641.59	975.34	-	-	1,616.93
Interest paid		(641.59)	(955.77)	-	-	(1,597.36)
Total other changes		-	19.57	-	-	19.57
Balance at 31 March 2019	D=A+B+C	11,986.60	3,867.43	891.60	-	16,545.62

Interest expenses excludes unwinding of discount charges relating to the deferred consideration of INR 57.60 lakhs. Refer note 9

TVS Supply Chain Solutions Limited
Chennai
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1 **Reporting entity**

TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) ('the Company') was incorporated on 16 November 2004 and is in the business of providing logistics services. The Company has been providing the entire basket of logistics services including aftermarket warehouse, in-plant warehouse, global supply chain management services, domestic supply chain management services, material handling services and services relating to installation and commissioning of telecom towers including managed services for telecom networks and associated supply chain management of the logistics activities for telecom service providers and OEMs.

2 **Basis of preparation**

A **Statement of compliance**

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 19 September 2019.

Details of the Company's accounting policies are included in Note 3.

B **Functional and presentation currency**

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C **Basis of measurement**

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

D **Use of estimates and judgements**

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 3 (K) & 5 - Recognition of revenue
- Note 3 (D) & (E), 12 and 13 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (B), 20 & 37 – Allowances for credit losses for trade receivables
- Note 3 (H), 39 - Assets and obligations relating to employee benefits
- Note 3 (L), 31 - Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2019 is included in the following notes:

- Note 3 (N) (ii) & 11 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Note 39 – measurement of defined benefit obligations: key actuarial assumptions
- Note 37 – impairment of financial assets

TVS Supply Chain Solutions Limited
Chennai
600 004

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.
Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 30 - Business combinations
- Note 33 - Financial instruments

F Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind AS and amendments to Ind AS which the Company has not applied in these standalone financial statements as they are effective for annual periods beginning on or after April 1, 2019. The Company plans to apply these standards from their respective applicable dates.

Ind AS 116 - Leases

Ind AS 116 "Leases" supersedes Ind AS 17 "Leases" in respect of accounting periods commencing on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases.

The Company is in the process of assessing the impact of Ind AS 116 on its standalone financial statements.

TVS Supply Chain Solutions Limited
Chennai
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J Significant accounting policies

A Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss

B Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue

ii. Classification and subsequent

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost,
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised

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3 Significant accounting policies (continued)

B Financial instruments (continued)

iii. Derecognition (continued)

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C Business combinations

i. Business combinations (other than common control business combinations) on or after 01 January 2011

The Company has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, retrospectively to those business combinations that occurred on or after 01 January 2011. In accordance with Ind AS 103, the Company accounts for these business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

ii. Business combinations prior to 01 January 2011

In respect of such business combinations, goodwill represents the amount recognised under the Company's previous accounting framework under Indian GAAP.

iii. Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts.

D Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties, if any and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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3 Significant accounting policies (continued)

D Property, plant and equipment (continued)

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases, if any, are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Buildings	30-60
Plant and equipment	03-10
Furniture and fixtures	01-10
Vehicles	08-10
Office equipment	5
Computer equipment	03-06
Leasehold improvements	*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act

Depreciation on additions (disposals) is provided on a pro-rata basis from (up to) the date on which asset is ready for use (disposed off).

E Goodwill and other intangibles

i. Goodwill

Goodwill is recognised and is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Company's previously held equity shares in the acquiree, over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed

ii. Other intangible assets

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows

Asset	Management estimate of useful life (in years)
Brand	05
Customer relationship	07
Computer software	03-10

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate

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3 Significant accounting policies (continued)

F Inventories

Inventories consist of stores and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

G Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer,
- a breach of contract such as a default,
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- it is probable that the borrower will enter bankruptcy or other financial reorganisation, or
- the disappearance of an active market for a security because of financial difficulties

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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3 Significant accounting policies (continued)

G Impairment (continued)

a. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU. (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Employee benefits & Share based payment arrangements

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme and an superannuation fund in Life Insurance Corporation (LIC). Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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3 Significant accounting policies (continued)

iv. Share based payment arrangements

The share options granted to employees pursuant to the company's Management Incentive Plan (MIP) scheme, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

I Provisions (other than for employee

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the Discount is recognised as finance cost. Expected future operating losses are not provided for.

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all
- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions.

(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations.
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer").
(3) Such contract contains specific payment terms in relation to the Transfer.
(4) Such contract has a commercial nature, namely it will change the risk, time distribution or amount of the Company's future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the transfer to customers.

Performance Obligations:
a) Transportation:
The Company's transportation segment generates revenue from providing freight and other transportation services for its customers. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The transaction price is based on the consideration specified in the customer's contract. A performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred.

Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis and total payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.

b) Supply chain management
The Company's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

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3 Significant accounting policies (continued)

e) Telecommunication:

Telecommunication contract revenue arises from construction/ erection of towers for some of the Company's customers in the Telecommunications segment. These towers are constructed based on specifically negotiated contracts with customers by outsourcing the activities to subcontractors.

Transaction price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. If the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss over the period in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed (output method). Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

L. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

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3 **Significant accounting policies (continued)**

L **Leases (continued)**

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's balance sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

M **Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N **Income tax**

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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3 **Significant accounting policies (continued)**

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 **Significant accounting policies (continued)**

Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not of the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

Earnings per share

Basic earning per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

5 **Changes in accounting policies and disclosures**

New and amended standards and interpretations:

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below. The Company has not early adopted any standards, interpretations or amendments that has been issued, but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers:

Ind AS 115 supersedes Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Company adopted Ind AS 115 using the full retrospective method of adoption with the date of initial application of 1st April 2017. The adoption of this standard will change the timing of revenue recognition for the supply chain solutions business from at delivery to over the transit period as our performance obligation is completed. The management has identified certain customer contracts that has changed from a principal to an agent relationship under the new standard. This has caused the revenue associated with these contracts to be recognised at the net amount we charge our customers. (Refer note 46 for disaggregation report)

Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed as this date. The Company elected to apply the standard only to contracts that are not completed at the date of initial application.

In addition to the above expedient, the Company has used the following expedients while applying Ind AS 115 retrospectively:
(a) for completed contracts, an entity need not restate contracts that begin and end within the same annual reporting period,
(b) for completed contracts that have variable consideration, an entity may use the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting periods, and
(c) for all reporting periods presented before the beginning of the first Ind AS reporting period, an entity need not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

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4 Operating segment

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of TVS Supply Chain Solutions Limited and therefore no separate disclosure on segment information is given in these standalone financial statements.

5 Revenue from operations

	Year ended 31 March 2019	Year ended 31 March 2018
Sale of services		
Income from 3PLS services*	1,21,509.18	1,14,904.39
Income from telecom services	13,931.67	7,650.03
	1,41,440.85	**1,22,554.42**
Other operating revenue		
Scrap sales	105.39	101.27
	105.39	101.27
	1,41,546.24	**1,22,655.69**

* Includes sale of products net of related cost in respect of which the Company acts as an agent in the transaction rather than as the principal

6 Other income

	Year ended 31 March 2019	Year ended 31 March 2018
Interest income under the effective interest method on:		
Cash and cash equivalents	41.35	42.00
Security deposits carried at amortised cost	238.86	242.28
Investments in debentures carried at amortised cost	667.24	366.18
Loans to subsidiaries	294.90	249.15
Amortisation of financial guarantee liability	1,679.10	682.46
Interest income on income tax refund	35.54	156.36
Income from finance lease	16.18	20.02
Dividend income from subsidiaries	-	286.50
Gain on sale of PPE, net	16.92	-
Gain on sale of investments	-	-
Income from mutual funds	25.39	45.89
Exchange difference gain net	303.35	614.10
Provision no longer required written back **	2.00	535.94
Provision for doubtful debts no longer required written back	196.54	331.36
Other non operating income	4,401.39	4,014.11
	7,917.74	7,492.35

** Represents provisions written back in respect of advances given to RHR Logistics Private Limited amounting to ₹ Nil (31 March 2018: ₹ 64.73 lakhs), TR Finished Vehicles Logistics Solutions Limited amounting to ₹ Nil (31 March 2018: ₹ 350 lakhs) and retention payable no longer required to be paid amounting to ₹ Nil (31 March 2018: ₹ 121.19 lakhs)

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7 Employee benefits expense

	Year ended 31 March 2019	Year ended 31 March 2018
Salaries, wages and bonus*	31,158.29	26,075.76
Contribution to provident and other funds	2,463.71	2,030.97
Share based payment costs**	183.32	-
Expenses related to post-employment defined benefit plans	448.03	326.78
Expenses related to compensated absences	272.20	197.06
Staff welfare expenses	3,278.58	2,721.43
	37,803.93	31,347.98

*Net of reimbursement of ₹ 66 lakhs (31 March 2018: ₹ 50 lakhs) in respect of corporate payroll costs recharged to Drive India Enterprise Solutions Limited

**Net of ₹ 93.29 lakhs (31 March 2018: Nil) in respect of share options issued to the company's subsidiaries

8 Finance costs

	Year ended 31 March 2019	Year ended 31 March 2018
Interest expenses	1,561.96	1,490.14
Other borrowing costs	54.97	53.38
	1,616.93	1,543.52

9 Depreciation and amortisation expense

	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation of property, plant and equipment	2,505.45	2,135.75
Amortisation of intangible assets	644.86	477.46
	3,150.31	2,612.61

10 Other expenses

	Year ended 31 March 2019	Year ended 31 March 2018
Freight charges	51,128.75	18,845.04
Sub-contracting costs*	17,614.33	5,530.59
Staff transportation charges	1,579.63	1,326.91
Material handling charges	1,063.69	765.74
Casual labour charges	11,809.70	10,350.81
Consumption of stores and spares	864.73	761.90
Power and fuel	665.61	648.21
Rent	12,160.54	10,888.39
Rates and taxes	412.75	150.52
Insurance	215.17	218.37
Repairs and maintenance		
Plant and machinery	47.06	39.85
Buildings	184.89	108.42
Others	1,697.03	1,555.88
Advertisement and business promotion	190.89	86.34
Travelling and conveyance	1,170.84	1,194.24
Communication costs	445.79	461.62
Printing and stationery	474.71	432.88
Factoring charges	569.33	187.57
Bank charges	51.25	27.46
Legal and professional fees	4,207.42	1,592.78
Security expenses	2,440.64	2,150.55
Payment to auditors - (refer note (a) below)	160.55	219.32
Bad debts written off (net of adjustment against provision for doubtful debts Nil (31 March 2018: ₹ 94.90 lakhs))	86.84	131.96
Provision for doubtful debts/advances	134.38	258.59
Provision for doubtful security deposits	-	64.49
Expenditure on corporate social responsibility (refer note (b) below)	69.17	31.59
Loss on sale of property, plant and equipment, net	-	15.17
Impairment loss on investments**	-	2,200.52
Miscellaneous expenses	371.71	433.91
	1,07,778.47	90,848.44

* Represents cost of sub-contracting in respect of services relating to installation and commissioning of telecom towers.

** Represents impairment of investments in preference shares of Drive India Enterprise Solutions Limited (DIESL).

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14 Other expenses (continued)

(a) Details of payment to auditors

	Year ended 31 March 2019	Year ended 31 March 2018
As auditor		
Audit of standalone financial statements	34.00	34.00
Audit of consolidated financial statements	81.00	81.00
Tax audit	2.00	2.00
Review of interim periods	15.00	-
Other audit services (including certifications, etc.)	1.00	45.06
Reimbursement of expenses	17.34	33.64
In other capacities		
Other services	27.50	36.64
Reimbursement of expenses	0.05	-
	178.29	210.37

(b) Corporate social responsibility expenditure

	Year ended 31 March 2019	Year ended 31 March 2018
Amount required to be spent as per section 135 of the Companies Act, 2013	62.31	41.39
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above on		
a) Rent	69.17	41.39

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11 Income tax expense

A. Amounts recognized in profit or loss

	Year ended 31 March 2019	Year ended 31 March 2018
Current tax (a)		
Current tax	70.75	1,385.67
MAT for the year	-	-
	70.75	1,385.67
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	(493.16)	1485.211
MAT credit entitlement/ (utilisement)	194.03	
Taxes attributable to prior years	299.06	764.53
	6.53	279.12
Tax expense (a+b)	77.28	1,664.79

B. Income tax recognized in other comprehensive income

	Year ended 31 March 2019			Year ended 31 March 2018		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability / (asset)	(262.14)	56.66	(205.48)	5.62	(1.95)	3.67
	(262.14)	56.66	(205.48)	5.62	(1.95)	3.67

C. Reconciliation of effective tax rate

		Year ended 31 March 2019		Year ended 31 March 2018
Profit before tax		114.34		3,803.46
Tax using the Company's domestic tax rate	34.94%	39.95	34.61%	1,316.43
Effects of				
Permanent disallowances	21%	23.68	1%	23.52
Income not subject to tax	-38%	(43.73)	-6%	(242.69)
Tax incentives	-145%	165.581	-2%	181.521
Items on which deferred tax assets have not been set up	0%	-	20%	761.55
Income taxable at special rates	0%	-	0%	-
Recognition of DTA previously unrecognized in prior years	1%	0.61	0%	-
Deferred taxes utilization pertaining to prior years	270%	309.06	0%	-
Change in unrecognized temporary differences	0%	-	0%	-
Others	-76%	(87.01)	-3%	(112.401)
Effective tax rate	68%	77.28	44%	1,664.79

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11. Income tax expense (continued)

D. Recognized deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following

Deferred tax liabilities (net)	31 March 2019	31 March 2018
Deferred tax asset		
Employee benefits	897.43	963.96
Provision for diminution in financial assets, net	2,552.48	2,106.52
Tax incentives	5.10	81.51
Carried forward tax losses	95.56	5.82
MAT credit	-	503.69
Depreciation and amortisation	514.55	353.48
Net Deferred tax asset	**4,065.12**	**4,014.98**

b. Movement in deferred tax assets and liabilities

	Balance as at 31 March 2017	Recognized in Profit & Loss	Recognized in OCI	Balance as at 31 March 2018	Recognized in Profit & Loss	Recognized in OCI	Balance as at 31 March 2019
Employee benefits	650.28	317.43	(11.95)	963.96	(123.96)	56.66	897.43
Provision for diminution in financial assets, net	1,847.93	258.59	-	2,106.52	445.96		2,552.48
Tax incentives	-	81.51	-	81.51	(76.41)		5.10
Carried forward tax losses	277.67	(271.85)	-	5.82	89.74		95.56
MAT credit	1,266.02	(764.33)	-	503.69	(503.69)		-
Depreciation and amortisation	252.15	101.33	-	353.48	161.07		514.55
Net Deferred tax asset	**4,296.05**	**(279.82)**	**(11.95)**	**4,014.98**	**(6.52)**	**56.66**	**4,065.12**

E. Unrecognized deferred tax assets

During the year, the company has recognized deferred tax assets to the extent that it is probable that future taxable profits will be available against which they can be used.

Particulars	31 March 2019		31 March 2018	
	Gross amount	Unrecognized tax effect	Gross amount	Unrecognized tax effect
Deductible temporary differences	-	-	2,200.52	761.56

F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognized is NIL

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12 Property, plant and equipment

A Reconciliation of carrying amount

	Land	Building **	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total #
Gross carrying amount								
Balance at 01 April 2017	1,680.48	2,530.20	3,266.18	4,064.32	308.14	627.78	703.23	13,182.53
Acquisitions through business combinations*	-	-	0.96	-	-	1.96	11.45	16.27
Additions	415.74	273.51	1,510.40	1,518.96	49.42	172.04	358.45	4,298.52
Disposals	-	-	(204.76)	(123.50)	(48.97)	(52.64)	(13.72)	(443.59)
Balance at 31 March 2018	**2,096.22**	**2,803.71**	**4,574.98**	**5,459.78**	**308.59**	**751.04**	**1,059.41**	**17,053.73**
Balance at 01 April 2018	2,096.22	2,803.71	4,574.98	5,459.78	308.59	751.04	1,059.41	17,053.73
Additions	-	-	1,587.05	1,116.35	54.78	265.40	382.68	3,406.26
Disposals/adjustments***	-	-	(655.14)	(2,118.40)	(79.79)	(126.28)	(62.85)	(3,042.46)
Balance at 31 March 2019	**2,096.22**	**2,803.71**	**5,506.89**	**4,457.73**	**283.58**	**890.16**	**1,379.24**	**17,417.53**
Accumulated depreciation and impairment losses								
Balance at 01 April 2017	-	45.12	774.77	765.26	41.84	179.63	224.61	2,030.53
Depreciation for the year	-	54.00	743.09	855.09	46.10	168.40	268.26	2,135.25
Disposals	-	-	(96.09)	(46.67)	(13.87)	(25.37)	(10.30)	(192.30)
Balance at 31 March 2018	-	**99.12**	**1,421.68**	**1,573.68**	**73.37**	**322.26**	**482.57**	**3,973.68**
Balance at 01 April 2018	-	99.12	1,421.68	1,573.68	73.37	322.26	482.57	3,973.68
Depreciation for the year	-	54.14	1,037.59	848.26	37.77	171.94	353.75	2,505.45
Disposals/adjustments***	-	-	(394.19)	(808.96)	(26.56)	(79.90)	(45.32)	(1,344.92)
Balance at 31 March 2019	-	**153.26**	**2,075.08**	**1,612.98**	**84.58**	**413.30**	**791.00**	**5,134.20**
Carrying amounts (net)								
At 31 March 2018	**2,096.22**	**2,704.59**	**3,153.30**	**3,886.10**	**235.22**	**427.78**	**576.84**	**13,080.05**
At 31 March 2019	**2,096.22**	**2,650.45**	**3,431.81**	**2,844.75**	**199.00**	**472.86**	**588.24**	**12,283.33**

** The Company is still in the process of registering the title deeds of immovable properties comprising buildings acquired during the year ended March 31, 2016, from demerger of the third party logistics services business ('Service Business'/'Demerged undertaking') of Dhove India Enterprise Solutions Limited ('DIESL') amounting to a gross book value of ₹ 2,857 lakhs.

*** Includes certain assets procured exclusively for customers (net carrying amount of ₹ 1,481.09), which have been assessed to be finance lease in which the company is a lessor and accordingly reclassified.

Excludes assets held for sale classified under other current assets. Refer note 23

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12 **Property, plant and equipment (continued)**

B **Plant and equipment and vehicles held under finance lease**

The Company has acquired certain plant and equipment and vehicles under finance lease arrangements. The gross and net carrying amounts of such assets acquired under leases included in the above reconciliation are as follows:

	31 March 2019	31 March 2018
Cost/ Deemed cost	188.99	277.97
Accumulated depreciation	(150.39)	(150.29)
Net carrying amount	**38.60**	**127.68**

C Security

For details of property, plant and equipment pledged provided as security against borrowings, refer note 25

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13A Goodwill

Reconciliation of carrying amount

	Goodwill	Total
Gross carrying amount		
Balance at 01 April 2017	5,071.10	5,071.10
Acquisitions through business combinations	216.80	216.80
Disposals	-	-
Balance at 31 March 2018	**5,287.90**	**5,287.90**
Balance at 01 April 2018	5,287.90	5,287.90
Acquisitions through business combinations	-	-
Disposals	-	-
Balance at 31 March 2019	**5,287.90**	**5,287.90**
Accumulated amortisation and impairment loss		
Balance at 01 April 2017	-	-
Amortisation for the year	-	-
Disposals	-	-
Balance at 31 March 2018	-	-
Balance as at 01 April 2018	-	-
Amortisation for the year	-	-
Disposals	-	-
Balance at 31 March 2019	-	-
Carrying amounts (net)		
At 31 March 2018	**5,287.90**	**5,287.90**
At 31 March 2019	**5,287.90**	**5,287.90**

13B Other intangible assets

Reconciliation of carrying amount

	Customer relationship	Brand	Computer software	Total
Gross carrying amount				
Balance at 01 April 2017	-	676.63	1,318.31	1,994.94
Acquisitions through business combinations	609.35	-	-	609.35
Additions	-	-	173.48	173.48
Disposals	-	-	-	-
Balance at 31 March 2018	**609.35**	**676.63**	**1,291.79**	**2,577.77**
Balance at 01 April 2018	609.35	676.63	1,291.79	2,577.77
Acquisitions through business combinations	-	-	-	-
Additions	-	-	287.13	287.13
Disposals/retirement	-	-	(3.26)	(3.26)
Balance at 31 March 2019	**609.35**	**676.63**	**1,575.66**	**2,861.64**
Accumulated amortisation and impairment loss				
Balance as at 01 April 2017	-	153.20	502.00	655.20
Amortisation for the year	67.97	153.20	256.19	477.36
Disposals	-	-	-	-
Balance at 31 March 2018	**67.97**	**306.40**	**758.19**	**1,132.56**
Balance as at 01 April 2018	67.97	306.40	758.19	1,132.56
Amortisation for the year	87.05	153.20	404.61	644.86
Disposals/retirement	-	-	(1.13)	(1.13)
Balance at 31 March 2019	**155.02**	**459.60**	**1,161.67**	**1,776.29**
Carrying amounts (net)				
At 31 March 2018	**541.38**	**370.23**	**533.60**	**1,445.21**
At 31 March 2019	**454.33**	**217.03**	**413.99**	**1,085.35**

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14 Investments

A Non-current Investments

	31 March 2019	31 March 2018
Unquoted investments at equity instruments		
Investments in subsidiaries		
TVS Dynamic Global Freight Services Limited 1,019,999 (31 March 2018 : 1,019,999) equity shares of ₹ 10 each fully paid up	6,800.00	6,800.00
TVS Aviation Logistics Limited# 5,499,994 (31 March 2018 : 5,499,994) equity shares of equity shares of ₹ 10 each fully paid up	-	366.00
TVS Logistics SIAM Limited, Thailand 100,000 (31 March 2018 : 100,000) ordinary shares of 100 Baht each fully paid up	168.35	168.35
TVS Autotos Inc 490 (31 March 2018 : 490) shares of no par value	90.54	90.54
TVS Logistics Investment UK Limited 6,195,698 (31 March 2018 : 6,195,698) ordinary shares of 1 GBP each fully paid up	5,066.44	5,066.44
TVS Logistics Investments USA Inc 61,510 (31 March 2018 : 61,510) shares of no par value	5,066.00	5,066.00
LLCOOL Packaging (India) Limited 520,416 (31 March 2018 : 520,416) equity shares of ₹ 10 each fully paid up	956.11	956.11
SPC Informatics (India) Private Limited 51,000 (31 March 2018 : 51,000) equity shares of ₹ 100 each fully paid up	561.49	561.49
TVS Packaging Solutions Private Limited 10,000 (31 March 2018 : 10,000) equity shares of ₹ 10 each fully paid up	1.00	1.00
TVS-Asianics Supply Chain Solutions Pte Ltd 4,950,001 (31 March 2018 : 4,950,001) equity shares of SGD 1 each fully paid up	2,865.20	2,931.57
Drive India Enterprise Solutions Limited 2,210,000 (31 March 2018 : 2,210,000) equity shares of ₹ 10 each fully paid up	-	4,021.43
TVS Toyota Tsusho Supply Chain Solutions Limited* 1,200,000 (31 March 2018 : Nil) equity shares of ₹ 10 each fully paid up	120.00	-
Whoz Data Systems India Pvt Ltd 21,03,010 (31 March 2018 : Nil) equity shares of ₹ 10 each fully paid up	4,219.64	-
	24,515.17	24,269.43
Investments in joint ventures		
TVS Infrastructure Limited 5,500,000 (31 March 2018 : 5,500,000) equity shares of ₹ 10 each fully paid up	1,375.00	1,375.00
TVS Toyota Tsusho Supply Chain Solutions Limited* Nil (31 March 2018 : 1,200,000) equity shares of ₹ 10 each fully paid up	-	120.00
	1,375.00	1,495.00
Unquoted investment in preference shares carried at amortised cost		
Cargowings Logistics Limited 25,000,000 (31 March 2018 : 25,000,000) redeemable preference shares (CRPS) of ₹ 10 each fully paid up	2,500.00	2,500.00
	2,500.00	2,500.00
Unquoted investment in debentures carried at amortised cost		
Prasana Purple Mobility Solutions Private Limited*## 11,900 (31 March 2018 : 25,000) Series I NCD @ 1% Unsecured Non-Convertible Debentures of ₹ 1000 each	100.72	208.08
Prasana Purple Mobility Solutions Private Limited*## 20,700 (31 March 2018 : 30,690) Series II NCD @ 1% Unsecured Non-Convertible Debentures of ₹ 1000 each	153.00	228.05
Prasana Purple Mobility Solutions Private Limited## 80,000 (31 March 2018 : Nil) Optionally Convertible Debentures of ₹ 1000 each	800.00	-
	1,053.72	436.13

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34 Investments (continued)

A Non-current investments (continued)

Provision for decline in fair value of investments		
Unquoted investments in equity instruments/ preference shares		
TVS Aviation Logistics Limited *	-	(326.10)
TVS America Inc	(90.04)	(90.04)
Drive India Enterprise Solutions Limited	-	(4,021.45)
Cargowings Logistics Limited	(2,500.00)	(2,500.00)
	(2,590.03)	(6,917.58)
Total non-current investments	**16,854.31**	**21,782.99**
Aggregate amount of unquoted investments	**29,444.34**	**28,700.56**
Aggregate amount of impairment in the value of investments	**2,590.03**	**6,917.58**

* The name of the company was struck off from the register of companies maintained by the Registrar of Companies ("ROC") with effect from 13 February 2019.

* By virtue of changes to shareholding agreement with effect from April 1 2016, TVS Toyota Tsusho is now a subsidiary of the company

B Current investments

	31 March 2019	31 March 2018
Unquoted investment in debentures carried at amortised cost		
Prasanna Purple Mobility Solutions Private Limited***		
12,500 (31 March 2018: 20,500) Series I NCD 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each	125.00	205.00
Prasanna Purple Mobility Solutions Private Limited***		
5,990 (31 March 2018: 19,961) Series II NCD 0.1% Unsecured Non-Convertible Debentures of ₹ 1000 each	59.90	195.66
Prasanna Purple Mobility Solutions Private Limited**		
Nil (31 March 2018: 82,000) Optionally Convertible Debentures of ₹ 1000 each	-	820.00
	234.90	**1,220.66**
Unquoted investment in preference shares carried at amortised cost		
Drive India Enterprise Solutions Limited		
1,084,000 (31 March 2018: 1,084,000) 0.0001% cumulative, redeemable, non convertible, participating preference shares of ₹ 10 each**	-	2,200.52
	-	2,200.52
Provision for decline in fair value of investments		
Unquoted investments in preference shares		
Drive India Enterprise Solutions Limited	-	(2,200.52)
	-	(2,200.52)
Total current investments	**234.90**	**1,220.66**
Aggregate amount of unquoted investments	**234.90**	**3,401.18**
Aggregate amount of impairment in the value of investments	-	(2,200.52)

** The preference shares are cumulative, redeemable, non-convertible, participating preference shares ("preference shares"). The preference shares shall carry a preferential right to dividends over the equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. The preference shares shall be redeemed on demand by the shareholder in accordance with applicable provisions of the Companies Act, 2013 within a maximum period of 20 years from the date of allotment of the preference shares at issue price of INR 203 per share

*** Series I NCD 0.1% Unsecured Non-Convertible Debentures and Series II NCD 0.1% Unsecured Non-Convertible Debentures carries interest at 0.1% p.a and redeemable as stated below

Series I NCD	Amount	Series II NCD	Amount
2 July 2019	115.00	30 November 2019	99.90
3 July 2020	96.00	30 November 2020	162.00
3 July 2021	23.00	30 November 2021	45.00
	234.00		**306.90**

*** The Optionally Convertible Debentures ("OCD") which carries minimum 20% IRR, is either redeemable or convertible into equity shares of Prasanna Purple Mobility Solutions Private Limited as per the terms and conditions set out in the shareholder's agreement between TVS Commutation Solutions Limited and Prasanna Purple Mobility Solutions Private Limited. The redemption/ conversion shall be done in two years from 01 March 2016 (date of issuance). In the previous year, this was extended by a period of one year. In the current year, this has been further extended till April 2020. The company expects these OCDs to be redeemed in cash at the end of the maturity period. During the current year, the company has recognised interest income of ₹ 605.49 lakhs on the same

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14A Assets held for sale

	31 March 2019	31 March 2018
Investment in equity instruments		
Drive India Enterprise Solutions Limited	4,221.43	-
2,210,000 (31 March 2018 : 2,210,000) equity shares of ₹ 10 each fully paid up		
Less: Provision for decline in fair value of investments	(4,221.43)	-
	-	-
Unquoted investment in preference shares carried at amortised cost		
Drive India Enterprise Solutions Limited	2,200.52	-
1,054,000 (31 March 2018 : 1,054,000) 0.0001% cumulative, redeemable, non-convertible, participating, preference shares of ₹ 10 each**		
Less: Provision for decline in fair value of investments	(2,200.52)	-
	-	-
	-	-

During the year, the company reclassified its investment in Drive India Enterprise Solutions Limited as assets held for sale and measured the same in accordance with Ind AS 105 "Non Current Assets held for Sale and Discontinued Operations" at lower of its carrying amount and fair value less cost to sell. The company expects to complete the sale in financial year 2019-20.

15 Loans

	31 March 2019	31 March 2018
Loans to related parties		
Unsecured, considered good	7,188.16	5,981.18
	7,188.16	5,981.18
Loans to others		
Unsecured, considered doubtful	1,024.63	1,024.63
Provision for doubtful loans to others	(1,024.63)	(1,024.63)
	-	-
	7,188.16	5,981.18

16 Deposits and other receivables

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Security deposits				
Unsecured, considered good	1,890.07	1,633.36	1,534.05	1,400.73
Unsecured, considered doubtful	-	-	117.00	117.00
Provision for doubtful security deposits	-		(117.00)	(117.00)
	1,890.07	1,633.36	1,534.05	1,400.73
Security deposit from related parties				
Unsecured, considered good	305.76	410.60	156.18	0.85
	305.76	410.60	156.18	0.85
Other receivables				
Advances to employees		-	138.98	274.02
Finance lease receivables (refer note 12)	1,078.16	206.00	609.60	38.38
Receivable from subsidiaries (refer note 34)	3,935.14	3,338.63	12,516.65	7,409.55
Receivable from others				
Considered good	-	-	69.96	519.10
Considered doubtful	-	-	180.74	180.74
Provision for doubtful receivables	-	-	(180.74)	(180.74)
	5,017.23	3,544.63	13,334.33	8,241.95
	7,213.06	5,588.59	15,205.56	9,723.53

17 Other financial assets

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Interest accrued on fixed deposits	-	-	3.36	2.85
Interest accrued on investments	605.44	-	-	-
Unbilled revenue	-	-	8,377.16	4,337.35
	605.44	-	8,380.52	4,340.20

For other financial assets secured against borrowings, refer note 25

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18 Other non-current assets	31 March 2019	31 March 2018
Capital advances		
Unsecured considered good	112.22	228.71
	112.22	228.71
Advance for supply of goods and services		
Unsecured considered good	175.00	195.00
	175.00	195.00
Others		
Prepaid expenses	662.73	588.24
	662.73	588.24
	949.95	1,011.95

19 Inventories	31 March 2019	31 March 2018
Stores and spares	129.51	145.33
	129.51	145.33

For inventories secured against borrowings, refer note 25

20 Trade receivables	31 March 2019	31 March 2018
Unsecured, considered good	27,771.38	27,915.54
Credit impaired	4,618.63	4,687.67
Less: Allowance for expected credit loss	(4,618.63)	(4,687.67)
	27,771.38	27,915.54

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 37

21 Cash and cash equivalents	31 March 2019	31 March 2018
Cash on hand	13.33	18.31
Balances with banks		
On current accounts	7,430.83	11,090.33
Deposits with original maturity of less than three months	403.27	750.57
	7,847.47	11,859.21

22 Other bank balances	31 March 2019	31 March 2018
Deposits with original maturity of more than three months less than 12 months	266.73	202.45
	266.73	202.45

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23 Other current assets

	31 March 2019	31 March 2018
Advance related to supply of goods and services to parties other than related parties		
Unsecured considered good	1,670.88	1,096.98
Unsecured considered doubtful	1,684.64	1,627.75
Provision for doubtful advances	(1,684.64)	(1,627.75)
	1,670.88	1,096.98
Other current assets		
Prepaid expenses	936.12	563.40
Fixed assets held for sale *	4.83	14.21
Balances with government authorities	1,650.69	1,100.45
Others	15.20	96.15
	2,600.89	1,779.31
	4,271.77	2,876.29

* Fixed assets held for sale have been measured at the lower of carrying amount and fair value less costs to sell. Also, refer note 12

For other current assets secured against borrowings, see note 25

24A Share capital

Authorized share capital	31 March 2019	31 March 2018
33,800,000 (31 March 2018: 33,800,000) equity shares of ₹ 10 each	338.00	338.00
1,200,000 (31 March 2018: 1,200,000) preference shares of ₹ 10 each	120.00	120.00
Issued		
Equity shares		
13,810,601 (31 March 2018: 13,810,601) equity shares of ₹ 10 each fully paid	138.06	138.06
5,066,802 (31 March 2018: 5,066,802) equity shares of ₹ 10 each at a premium of ₹ 183.72 per share	506.68	506.68
3,225,194 (31 March 2018: 3,225,194) equity shares of ₹ 10 each at a premium of ₹ 185 per share	322.52	322.52
275,800 (31 March 2018: 275,800) equity shares of ₹ 10 each at a premium of ₹ 10 per share	27.58	27.58
4,456,816 (31 March 2018: 4,456,816) equity shares of ₹ 10 each at a premium of ₹ 424.92 per share	445.68	445.68
1,798,607 (31 March 2018: 1,798,607) equity shares of ₹ 10 each at a premium of ₹ 686 per share	179.86	179.86
3,163,515 (31 March 2018: 3,163,515) equity shares of ₹ 10 each at a premium of ₹ 940 per share	316.35	316.35
Total issued capital	3,179.51	3,179.51

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24A Share capital (continued)

Called, Subscribed and Paid up

Equity shares		
31,635,133 (31 March 2018: 31,635,133) equity shares of ₹ 10 each	3,163.51	3,163.51
Add: Amount paid up on 1611,380 (31 March 2018: 1611,380) equity shares forfeited at ₹ 2 each	3.20	3.20
	3,166.71	3,166.71

15,351 (31 March 2018: 15,351) 0.0001% cumulative, redeemable, non-convertible, participating preference shares have been classified as a financial liability (see note 25)

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2019		31 March 2018	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Equity shares				
At the beginning of the year	3,16,35,133	3,166.71	3,16,35,133	3,166.71
Movement during the year	-	-	-	-
Outstanding at the end of the year	3,16,35,133	3,166.71	3,16,35,133	3,166.71

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Terms/rights attached to preference shares

The preference shares shall be cumulative, redeemable, non-convertible, participating preference shares ('preference shares'). The preference shares shall carry a preferential right to dividends over the Equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. In addition to the fixed rate of dividend, the preference shareholders shall, at their discretion, be entitled to additional preferential dividend and carry a preferential right to dividends over the equity shares. The preference shares shall be redeemed, from time to time as may be required by the preference shareholders at face value plus the redemption premium payable thereon no later than 20 years from the date of allotment or longer period as may be prescribed by law.

The holder of preference shares have a right to vote only on resolutions placed before the company which directly affect the rights attached to preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and voting right on a poll shall be in proportion to the share in the paid-up preference share capital of the company. On winding up or repayment of capital, the preference shareholders shall carry a preferential right of repayment.

d. Details of shareholders holding more than 5% shares of a class of shares in the company

	31 March 2019		31 March 2018	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each, fully paid up				
T V Sundram Iyengar & Sons Private Limited	1,07,27,242	33.92%	1,07,27,242	33.91%
CPPIB Private Equity Asia Pte Ltd	1,21,36,892	38.37%	1,21,36,892	38.37%
Dimar Logistics Services LLP	29,82,464	9.43%	29,82,464	9.43%
Origin Investments Pte Ltd, Singapore	23,68,805	7.49%	23,68,805	7.49%
0.0001% Cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each, fully paid up				
Tata Sons Limited	7,677	50.01%	7,677	50.01%
Tata Industries Limited	7,674	49.99%	7,674	49.99%
0.0001% Non-Cumulative, Non-Participating, Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid up				
David Robins	59,998	21.05%	-	0.00%
MS Keshavan	9,992	5.26%	-	0.00%
Sudow Pty Ltd	12,004	6.32%	-	0.00%
R Dinesh	2,995	1.58%	-	0.00%
Sanjive Sharma	40,002	21.05%	-	0.00%
Tarun Khanna	43,666	22.99%	-	0.00%
Andrew Jones	40,002	21.05%	-	0.00%

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24B Other Equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve

During prior years, the Company had reissued the shares forfeited. The profit on reissue of such forfeited shares has been transferred to capital reserve.

Capital redemption reserve

During the previous year ended 31 March 2018, the Company had redeemed preference shares issued to Tata International Limited and Tata Industries Limited, out of profits of the Company. A sum equivalent to the nominal amount of the shares redeemed had been transferred to capital redemption reserve in accordance with the provisions of the Companies Act 2013.

Share warrants

On June 8, 2018 and August 22, 2018, the Company issued 30,000 and 65,000 share warrants respectively, at a price of Rs. 950 per share warrant to identified persons on a preferential basis for a aggregate consideration of Rs. 902.50 lakhs with a right to apply and get allotment of equity shares of the Company ranking pari-passu with the existing equity shares, in the ratio of 1:1 within a period of 18 months from the date of issue of share warrants or earlier at the option of the Board. The Company has received Rs. 225.63 lakhs (25% of the issue price as at balance sheet date).

Share options

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

Compulsorily convertible preference shares

On June 8, 2018 and August 22, 2018, the Company has allotted 11,540 and 25,160 Non- Cumulative, Non-Participating, Compulsorily Convertible Preference Shares ("CCPS") of Rs.10 each respectively at a premium of Rs.940 each to identified persons on a preferential basis for a consideration of Rs.126.73 lakhs and Rs.245.72 lakhs respectively. CCPS carry a dividend of 0.001% per annum and the dividend rights are non-cumulative. On November 20, 2018, the Company has issued bonus shares of 151,600 to the shareholders of CCPS in the ratio of 1:3.87 and the securities premium account was utilised to the extent of Rs.15.16 lakhs for the issue of said bonus shares. The preference shares to be converted into equal number of equity shares ranking pari-passu with the existing equity shares, after the end of four years from the date of issue or earlier at the option of the Board. In the event of liquidation of the Company before conversion of preference shares, the holders of preference shares will have priority over equity shares in the repayment of capital.

Dividends

After the reporting date, the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting, the dividends have not been recognised as liabilities. Dividends would attract dividend distribution tax when declared or paid.

in ₹ lakhs	31 March 2019	31 March 2018
₹ Nil per equity share (31 March 2018: ₹ 1.26 per equity share)	-	398.60

24C Other items of OCI

Remeasurements of defined benefit liability (asset)	31 March 2019	31 March 2018
Opening balance	7.25	1.58
Remeasurements of defined benefit liability (asset) (net of taxes)	(105.48)	1.67
Closing balance	(98.23)	3.25

Remeasurements of defined benefit liability (asset)

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

24D Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'debt' to 'equity'. For this purpose, debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases. Equity comprises all components of equity.

The Company's policy is to keep the ratio below 2.00. The Company's debt to equity ratio is as follows:

	31 March 2019	31 March 2018
Non-current borrowings	2,784.68	3,607.23
Current borrowings and current maturities of non-current borrowings	13,760.94	7,705.76
Debt	16,545.62	11,312.99
Total equity	67,275.04	66,946.55
Debt to equity ratio	0.25	0.17

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24 E Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows

(i) Profit (loss) attributable to equity shareholders	31 March 2019	31 March 2018
Profit (loss) for the year, attributable to the equity holders	37.06	2,138.70

(ii) Weighted average number of equity shares	31 March 2019	31 March 2018
Weighted average number of equity shares	3,16,35,133	3,16,35,133
Add - Number of shares relating to compulsorily convertible preference shares	1,28,395	-
Weighted average number of equity shares used in the calculation of basic earnings per share	3,17,63,528	3,16,35,133
Adjustments for dilutive effect		
- Number of shares relating to Management Incentive Plan	10,996	-
- Number of shares relating to share warrants	925	-
Weighted average number of equity shares used in the calculation of diluted earnings per share	3,17,75,449	3,16,35,133

25 Borrowings	31 March 2019	31 March 2018
(a) Non-current borrowings		
Secured term loans from banks	48.09	-
Unsecured term loans from banks	2,100.00	2,100.00
Secured term loans from financial institutions	616.59	1,507.25
Total non-current borrowings	2,764.68	3,607.25
(b) Current borrowings		
Term loan from financial institution		
Secured	4,220.00	-
Cash credit from banks		
Secured		-
Unsecured	202.73	-
Loans repayable on demand		
Unsecured	7,563.82	5,919.90
Redeemable preference shares (unsecured)	891.65	891.60
	12,878.20	6,811.50
Current portion of non-current borrowings		
Secured term loans from financial institutions	882.74	877.27
Current portion of finance lease obligations (secured)	-	16.99
	882.74	894.26
	13,760.94	7,705.76
Less: Amount included under Other financial liabilities	(882.74)	(894.26)
Total current borrowings	12,878.20	6,811.50

Information about Company's exposure to interest rate and liquidity risks is included in note 37

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25 Borrowings (continued)

A Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows

In lakhs of INR	Currency	Nominal interest rate	Year of maturity	Carrying amount as at 31 March 2019	Carrying amount as at 31 March 2018
Secured Term loan from banks					
HDFC bank Limited	INR	8.50% - 9.35% p.a	2025	67.30	
				67.30	-
Unsecured Term loan from banks					
Axis Bank Limited	INR	8.60%	2021	2,100.30	2,100.00
				2,100.30	2,100.00
Secured term loan from Financial institutions					
Tata Capital Financial Services Limited	INR	10.25%	2021	1,456.33	2,291.68
Tata Capital Financial Services Limited	INR	9.80%	2019	4,220.00	-
Sundaram Finance Limited	INR	9.75% - 10.96%	2020	41.78	92.82
				5,720.11	2,384.50
Secured finance lease obligations					
L&T Finance Limited	INR	12.25% - 13.00%	2017	-	0.91
Sundaram Finance Limited	INR	13.5% - 15.35%	2015	-	16.08
				-	16.99
Unsecured cash credit facilities from banks					
HDFC	INR	9.00% - 9.25%		202.78	-
				202.78	-
Unsecured loans repayable on demand					
Related party - Drive India Enterprise Solutions Limited	INR	9.00%		813.82	919.90
Axis Bank Limited	INR	7.85% - 8.50%		6,750.00	5,000.00
				7,563.82	5,919.90
Redeemable preference shares (unsecured)					
Unsecured	INR	0.00.01%		891.60	891.60
				891.60	891.60
				16,545.62	11,312.99

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25 Borrowings (continued)

B Secured loans

Secured term loan from banks

1 Term loans from HDFC Bank Limited are secured by hypothecation of vehicles acquired out of the loan

Secured term loan from financial institutions

1 Term Loan at 10.25% interest rate from Tata Capital Financial Services Limited is secured by an exclusive mortgage of immovable property located at Mumbai and first and exclusive charge by way of hypothecation on identified movable fixed assets

2 Term loan at 9.85% from Tata Capital Financial Services Limited is secured by an exclusive charge on specific movable fixed assets and hypothecation of receivables arising out of redemption amount of NCD of Prasanna Purple Mobility Solutions Private Limited

3. Term loans from Sundaram Finance Limited are secured by hypothecation of vehicles and equipments acquired out of the loan

Secured finance lease obligations

Finance lease obligations are secured against the respective assets taken on finance lease

C Redeemable Preference Shares

The Company has cumulative, redeemable, non-convertible, participating preference shares. These preference shares have been classified as a liability. For rights, preferences and restrictions attached to preference shares attached to these preference shares refer note 24

D Finance lease obligations

Certain items of plant and machinery have been obtained on finance lease basis. The legal title to these items vests with their lessor. The total future minimum lease payments at the balance sheet date, element of interest included in such payments and present value of these minimum lease payments are as follows

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
(a) Total future minimum lease payments	-	-	-	17.81
(b) Future interest included in (a) above	-	-	-	0.82
(c) Present value of future minimum lease payments [(a)-(b)]	-	-	-	16.99

The maturity profile of finance lease obligations is as follows

	Minimum lease payments		Present value	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Payable within 1 year	-	17.81	-	16.99
Payable between 1 - 5 years	-	-	-	-

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26 Trade payables

	31 March 2019	31 March 2018
Trade payables to related parties (refer note 34)	2,041.58	555.57
Dues to micro, small and medium enterprises (refer note 33)	608.17	214.90
Other trade payables (refer note below)	33,960.94	27,008.97
	36,610.69	**27,779.44**

Note:
Trade payables includes bill discounting from Axis Bank Limited amounting to ₹ 7,995.35 Lakhs (31 March 2018 ₹ 5,156.93 Lakhs) and is generally payable within 90 days.

27 Other Financial liabilities

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Current maturities of long term borrowings	-	-	862.71	877.27
Current maturities of finance lease obligations	-	-	-	16.99
Interest accrued but not due on borrowings	-	-	95.42	35.90
Payable to factor	-	-	975.41	758.15
Contingent consideration**	-	-	-	861.13
Capital creditors	-	-	150.84	818.36
Amount due to employees	-	-	3,078.91	2,577.72
Financial guarantee liability	4,064.72	3,338.63	1,703.34	1,021.95
Dues to Subsidiaries	-	-	46.29	128.54
Others	-	-	0.30	33.67
	4,064.72	**3,338.63**	**6,953.21**	**7,279.66**

** Paid during the current year towards acquisition of Telecom division from T V Sundram Iyengar & Sons Private Limited

28 Provisions

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provisions for employee benefits				
Liability for gratuity	228.40	156.74	716.85	253.29
Liability for compensated absences	392.05	352.52	446.78	381.68
	620.41	**509.26**	**1,203.63**	**634.97**

For details about the related employee benefits expenses, refer note 2

29 Other current liabilities

	31 March 2019	31 March 2018
Statutory dues others	2,564.34	2,155.56
Advance from customers	749.51	666.74
Other current liabilities	-	15.69
	3,313.85	**3,037.99**

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30 **Employee benefits**

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and ESI for the year aggregated to ₹ 2,463.71 lakhs (31 March 2018: ₹ 2,026.97 lakhs)

Defined benefit plans

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provisions for gratuity	228.40	156.74	716.85	251.29

For details about the related employee benefit expenses, see note 7

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plan of the Company is a partially funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC) and Bajaj Allianz Life Insurance Company Limited.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components.

Reconciliation of present value of defined benefit obligation	**31 March 2019**	**31 March 2018**
Balance at the beginning of the year	1,523.80	1,297.84
Benefits paid	(158.43)	(188.95)
Current service cost	427.93	360.24
Interest cost	95.22	81.97
Past service cost	-	11.91
Actuarial (gains)/ losses recognised in other comprehensive income	-	
- changes in demographic assumptions	25.32	(1.46)
- changes in financial assumptions	106.57	(25.26)
- experience adjustments	47.85	34.59
Balance at the end of the year	**2,070.67**	**1,523.80**

Reconciliation of the fair value of plan assets	**31 March 2019**	**31 March 2018**
Balance at the beginning of the year	1,123.78	936.55
Contributions made into the plan	74.94	272.32
Benefits paid	(158.43)	(188.95)
Interest income	75.12	67.34
Actuarial gains / (losses) recognised in other comprehensive income	20.00	16.41
Balance at the end of the year	**1,125.41**	**1,113.78**
Net defined benefit (asset)/ liability	**945.26**	**410.03**

C. Expense recognised in profit or loss	**31 March 2019**	**31 March 2018**
Current service cost	427.93	360.24
Past service cost	-	11.91
Interest cost	95.22	81.97
Interest income	(75.12)	(67.34)
	448.03	326.78

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30 **Employee benefits (continued)**
Defined benefit plans (continued)

D. Remeasurements recognised in other comprehensive income

	31 March 2019	31 March 2018
Actuarial (gain) / loss on defined benefit obligation	182.35	13.79
Actuarial (gain) / loss on plan assets	(20.00)	(19.41)
	162.14	**(5.62)**

E. Plan assets

Plan assets comprise of the following	31 March 2019	31 March 2018
Insurer managed funds	1,125.41	1,113.78
	1,125.41	**1,113.78**

F. Defined benefit obligation

I. Actuarial assumptions

Principal actuarial assumptions at the reporting date were	31 March 2019	31 March 2018
Discount rate	6% to 7%	6% - 8%
Future salary growth	7% to 10%	7% - 11%
Attrition rate	32% to 53%	28% - 43%
Expected return on plan assets	6.5% to 6.7%	6% - 7%

II. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 March 2019		31 March 2018	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(61.32)	67.54	(30.62)	32.15
Future salary growth (1% movement)	56.70	(54.25)	21.10	(22.31)
Attrition rate (1% movement)	(5.90)	5.93	(4.44)	4.55

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Share based payments

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights in dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

The following share based payment arrangements were in existence during the current year:

Option series (Refer note below)	Number	Grant date	Exercise price	Fair value at grant date
MIP I	1,69,791	23-Nov-18	950.00	964.00
MIP II - Post A & Post B	9,39,838	20-Nov-18	950.00	964.00

Note:
Under MIP I, the vesting of options granted is linked to time.
Under MIP II - Post A & Post B, shares vest as per the terms of the scheme with an option life of 5 years after vesting.

Fair value of share options granted during the year

The weighted average fair value of the stock options granted during the financial year is ₹ 870.2 (MIP I) & ₹ 107.34 (MIP II). Options were priced using a Black Scholes option valuation model & Monte Carlo simulation model for MIP I and II respectively. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility of guideline companies in developed and developing countries.

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Inputs to the model

	MIP I	MIP II - Pool A & Pool B
Grant date share price *	964.00	964.00
Exercise price	950.00	950.00
Expected volatility	32%	31.66%
Option life	2.36 years	3.61 years
Dividend yield	0.10%	0.15%
Risk free interest rate	7.30%	7.46%

* Before adjustment of lack of marketability

Movements in share options during the year

MIP I	Year ended March 31, 2019 Number of Options	Weighted average exercise price	Year ended March 31, 2018 Number of Options	Weighted average exercise price
Opening at the beginning of the year	-	-	-	-
Granted during the year	11,69,791	950.00	-	-
Exercised during the year	-	-	-	-
Forfeited and expired during the year	-	-	-	-
Balance at the end of the year	**11,69,791**	**950.00**	-	-

MIP II - Pool A & B	Year ended March 31, 2019 Number of Options	Weighted average exercise price	Year ended March 31, 2018 Number of Options	Weighted average exercise price
Opening at the beginning of the year	-	-	-	-
Granted during the year	9,39,858	950.00	-	-
Exercised during the year	-	-	-	-
Forfeited and expired during the year	-	-	-	-
Balance at the end of the year	**9,39,858**	**950.00**	-	-

Share options vested but not exercised during the year - Nil

Share options outstanding at the end of the year – MIP I - 11,69,791 & MIP II - 9,39,858

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 950 and a weighted average remaining contractual life of 3 years

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51 Leases

A Operating leases as lessee

The Company has taken a number of warehouses and material handling equipment under operating leases. Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follows

I. Future minimum lease payments	31 March 2019	31 March 2018
Payable within one year	3,768.11	1,561.37
Payable between one and five years	16,969.76	2,643.97
Payable later than five years	5,652.15	1,354.37

II. Amounts recognised in the statement of profit and loss	31 March 2019	31 March 2018
Lease expense recognised	12,229.71	10,915.98

B Finance leases as lessor

The Company's leasing arrangement it presents the certain forklifts and other assets given to customers which have been classified under Ind AS 17 or Leases as finance lease. The lease term covers the substantial period of the assets and all the risks and rewards of ownership are transferred to the lessee. The Company records disposal of the property concerned and recognises the finance income as revenue from operations

The reconciliation between the gross investment in the lease at the end of the reporting period, and the present value of minimum lease payments receivable at the end of the reporting period are as follows

	31 March 2019	31 March 2018
Gross investment	1,732.07	304.94
Unearned finance income	144.37	(60.56)
Net investment	1,687.70	244.38

Finance leases are receivable as follows

	31 March 2019	31 March 2018
Gross investment		
Receivable within one year	623.45	54.55
Receivable between one and five years	990.65	227.61
Receivable after five years	117.92	22.77
Total	**1,732.06**	**304.94**
Present value of minimum lease payments		
Receivable within one year	609.10	38.36
Receivable between one and five years	960.64	183.72
Receivable after five years	117.45	22.26
Total	**1,687.69**	**244.38**

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32 Capital commitments and contingent liabilities

	31 March 2019	31 March 2018
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	1,523.52	938.91
Contingent liabilities		
Employee related matters*	2,183.59	2,183.59
Corporate guarantee	1,79,480.11	1,14,815.96
Income tax related matters	-	-
Bank guarantees issued	191.96	-
Service tax related matters	1,373.86	1,369.29
Sales tax related matters	-	5.58
Claims not acknowledged as debt	323.39	350.75

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations or cash flows of the Company.

* The Company has challenged the demand orders from PF authorities amounting to Rs 2,183.59 Lakhs for the periods April 2011 to February 2015 on the grounds that provident fund on certain allowances need not be included for calculation of the Provident Fund contributions, as the same is not universally paid to all the employees of the Company.

The Hon'ble Supreme Court of India by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion for the purposes of computation of the Provident Fund contribution. Consequently, the Company has filed a review petition to Regional Provident Fund Commissioner to review the demand order in the light of the Supreme Court decision. The Company has also obtained an interim injunction from Honourable High Court of Madras pending disposal of the Company's petition. Based on legal advice obtained, the Company is of the view that no provision is required for the dispute in the financials as at March 31, 2019.

33 Due to micro, small and medium enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2018 has been made in these standalone financial statements based on information received and available with the Company, to the extent identified by the management.

	31 March 2019	31 March 2018
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
Principal	608.87	214.90
Interest due thereon	13.15	41.67
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	781.95	704.48
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006	15.54	5.40
The amount of interest accrued and remaining unpaid at the end of each accounting year	61.12	7.82
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	61.12	16.10

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34 Related party disclosures

A. Enterprise having significant influence	T V Sundram Iyengar & Sons Private Limited CDPQ Private Equity Asia PTE. LTD
B. Subsidiaries	TVS Dynamic Global Freight Services Limited TVS Logistics SIAM Limited TVS Logistics Investment UK Limited TVS Logistics Investments USA Inc., USA TVS Aviation Logistics Limited [a] Drive India Enterprise Solutions Limited FLEXOL Packaging (India) Limited TVS-Asiatics Supply Chain Solutions Pte. Limited, Singapore TVS Packaging Solutions Private Limited (Till 28 April 2017) SPC International India Private Limited, India (from 04 December 2017) White Data Systems India Private Limited, India (from 30 September 2018) TVS Toyota Tsusho Supply Chain Solutions Limited (from 01 April 2018)
C. Step down subsidiaries	TVS Supply Chain Solutions Limited, UK MSys Software Solutions Limited, UK Multipan Limited, UK TVS Logistics Iberia S.L., Spain TVS Autosery GmbH, Germany TVS Supply Chain Solutions GmbH, Germany Peter Thomas & Co (Refurbishing) Limited, UK (from 22 November 2017) Rico Logistics Limited, UK Rondhei Spain, Spain Rico Logistique, France Rico Logistics Pty Ltd, Australia Circle Express Limited, UK Tri - Tec Computer Support Limited, Northern Ireland Tri - Tec Support Limited, Ireland SPC International Limited, UK (from 26 February 2017) TVS SCS Asia India SRL Touge Holdings Limited *Subsidiaries of Touge Holdings Limited* Touge Service Limited Orderlogic Limited Elite IT Services S.L.U *Subsidiaries of SPC International Limited, UK* SPCDM Limited, UK SPC International (Engineering) Limited, UK Pitcrop 171 Limited, UK SPC EBT Trustees Limited, UK SPC International Inc., USA SPC International s.a.s, France SPC International s.r.o., Slovakia SPC International India Private Limited, India (upto 04 December 2017) TVS America Inc., USA TVS Supply Chain Solutions North America Inc., USA (formerly known as Wainwright Industries Inc. USA) Wainrans LLC, USA TVS Supply Chain Solutions De Mexico S.A. de C.V., Mexico TVS Packaging Solutions Inc., USA (from 27 December 2017) *Subsidiaries of TVS Asiatics Supply Chain Solutions Pte. Ltd* Badal Forwarding S.L., Spain (from 28 December 2017) *Subsidiaries of Badal Forwarding S.L., Spain* Tinear Regulatory XXI, S.L. Pan Asia Logistics International Pte. Ltd (from 09 January 2018) Pan Asia Logistics Singapore Pte. Ltd (from 09 January 2018) TVS Asiatics Thailand (from April 2018) *Subsidiaries of TVS Asiatics, Thailand* TLM Logistics Management Co., Ltd

a The name of the company was struck off from the register of companies maintained by the Registrar of Companies (ROC) with effect from 13 February 2019

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34 Related party disclosures (continued)

C. Step-down subsidiaries (continued)

Subsidiaries of Pan Asia Logistics Singapore Pte. Ltd.
- Pan Asia Logistics Limited, Shanghai
- Pan Asia Logistics International (Korea) Ltd
- Pan Asia Logistics (Thailand) Ltd
- Pan Asia Freight-Forwarding & Logistics (Hong Kong) Ltd
- Pan Asia Container Line Pte Ltd, Hong Kong
- Pan Asia Logistics Deutschland GmbH
- Pan Asia Logistics Malaysia Sdn Bhd
- Pan Asia Logistics Vietnam Company Ltd
- PT Pan Asia Logistics Indonesia
- Pan Asia Logistics Taiwan Ltd
- Pan Asia Freight-Forwarding & Logistics India Pvt Ltd

TVS-Avantus Australia Holdings Pty Ltd
- T.I.I. Holdings Pty Ltd
- *Subsidiaries of T.I.I. Holdings Pty Ltd.*
  - Transtar International Freight (Aust) Pty Ltd, Australia
  - Transtar International Freight Limited, New Zealand
  - Kalm Nominees Pty Ltd, Australia
    - Transtar International Freight Limited (Hong Kong)
    - Transtar International Freight (Singapore) Pte. Limited, Singapore
    - Transtar International Freight (Shanghai) Limited, China
    - Transtar International Freight Limited, Thailand
    - Transtar International Freight (Malaysia) SDN Bhd, Malaysia
    - Transtar International Freight (USA) LLC, USA 49
    - T I Holdings (USA) LLC, USA 49

D. Subsidiaries of T V Sundram Iyengar & Sons Private Limited

TVS Motor Company Limited

Sundaram Clayton Limited
Lucas-TVS Limited
Sundaram Industries Private Limited
Lucas Indian Service Limited
Sundaram Auto Components Limited
TVS Automobile Solutions Private Limited (Owned till 03 April 2018 and under significant influence from 09 April 2018)
TVS Training and Services Limited
Sundram Precision Components Limited
TVS Distribution & Services Middle East FZE
TVS Electronics Limited
Sundram Fasteners Limited

E. Joint Ventures

TVS Industrial & Logistics Parks Private Limited (formerly known as TVS Infrastructure Private Limited)
TVS Toyota Tsusho Supply Chain Solutions Limited (up to 31 March 2018)
T&T One Asia Limited (T&T, Hong Kong) (upto 22 June 2017)
Subsidiaries of T&T One Asia Limited
- China Network Logistics Limited, China
- Shanghai Fortytwo Warehouse and Delivery Co., Ltd
- Shanghai Feijong Logistics Co., Ltd China
- Shanghai Fortytwo E-commerce Delivery Co. Limited.
- Shanghai Fortytwo Supply Chain Management Co. Limited.

Linfox TVS Solutions Pty Limited, Australia (from 26 May 2017)

F. Associates

Montrac Verpackungs System GmbH Germany
Subsidiaries of Montrac Verpackungs System GmbH Germany
- Montrac North America Corporation, USA
- Montrac India Private Limited, India

G. Liquidated during the previous year

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34 Related party disclosures (continued)

C Key management personnel (KMP)	Mr K Dinesh, Managing director Mr S Ravichandran, Deputy managing director
II Entities controlled by KMP or relatives of KMP of the Company	Dunrad Logistics Services LLP DRSR Advisory Services LLP TVS Srichakra Limited

Transactions during the year	Year ended 31 March 2019	Year ended 31 March 2018
Income from logistics services		
Lucas-TVS Limited	1,735.11	1,746.91
Sundaram Investors Private Limited	59.45	52.58
TVS Motor Company Limited	9,485.34	9,158.13
Sundaram Clayton Limited	433.45	340.15
Sundaram Auto Components Limited	2.25	13.95
T V Sundram Iyengar & Sons Private Limited	45.70	7.65
TVS Toyota Tsusho Supply Chain Solutions Limited	62.50	93.56
FLEXOL Packaging (India) Limited	35.85	26.37
Drive India Enterprise Solutions Limited	91.63	56.20
TVS Dynamic Global Freight Services Limited	1.05	1.10
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	15.50
Sundaram Fasteners Limited	106.61	193.92
TVS Training And Services Limited	42.54	45.40
TVS Srichakra Limited	2,109.15	1,128.08
Sundram Precision Components Limited	-	5.48
Lucas Indian Service Limited	47.56	-
Sale of Goods		
FLEXOL Packaging (India) Ltd	2.40	-
TVS Motor Company Limited	325.46	-
Other income		
TVS Dynamic Global Freight Services Limited	110.17	150.60
TVS Toyota Tsusho Supply Chain Solutions Limited	34.20	55.42
TVS Supply Chain Solutions North America Inc, USA	564.32	542.38
TVS Logistics Investments UK Limited	1,551.13	535.04
Rico Logistics Limited, UK	2,308.45	1,422.32
TVS Supply Chain Solutions Limited, UK	1,210.21	958.99
TVS Logistics Iberia S.L., Spain	-	128.24
Drive India Enterprise Solutions Limited	56.46	152.50
T V Sundram Iyengar & Sons Private Limited	-	350.00
Sundaram Industries Private Limited	0.35	0.29
TVS Training and Services Limited	0.55	
TVS Srichakra Limited	25.00	
Lucas TVS Limited	14.46	
FLEXOL Packaging (India) Ltd	15.00	-
Dividend income		
TVS Dynamic Global Freight Services Limited	-	204.00
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	82.50
Interest income		
Drive India Enterprise Solutions Limited	-	9.61
TVS Logistics Investments USA Inc, USA	176.72	162.10
TVS Logistics SIAM Limited	32.19	23.10
TVS Logistics Investment UK Limited	39.62	79.66
TVS-Asahi's Supply Chain Solutions Pte Limited, Singapore	46.24	42.89
Expenses incurred on behalf of	-	
Drive India Enterprise Solutions Limited	70.57	18.30
T V Sundram Iyengar & Sons Private Limited	-	175.49
TVS Logistics Investment UK Limited	5.70	
TVS Supply Chain Solutions Limited, UK	3.18	
TVS Supply Chain Solutions North America Inc, USA	231.11	
Interest expense		
Drive India Enterprise Solutions Limited	59.37	7.59

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34 Related party disclosures (continued)

Transactions during the year (continued)

	Year ended 31 March 2019	Year ended 31 March 2018
Purchase of goods, fuel, others		
T V Sundram Iyengar & Sons Private Limited	37.58	2.30
Sundaram Industries Private Limited	51.62	64.84
Lucas Indian Service Limited	6.93	9.08
FLEXCL Packaging (India) Limited	213.48	176.18
Sundaram Fasteners Limited	3.83	2.99
TVS Dynamic Global Freight Services Limited	19.32	25.62
TVS Automobile Solutions Private Limited	-	0.71
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	25.18	-
Freight, packing and forwarding expenses		
FLEXCL Packaging (India) Limited	11.35	-
T V Sundram Iyengar & Sons Private Limited	-	1.58
TVS Dynamic Global Freight Services Limited	2.37	9.13
TVS Electronics Limited	1.74	0.04
White Data Systems India Private Limited	2,152.65	-
TVS Motor Company Limited	6.51	-
Rent		
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	201.37	327.86
T V Sundram Iyengar & Sons Private Limited	145.55	142.51
Lucas-TVS Limited	1.80	1.35
Repairs and maintenance		
T V Sundram Iyengar & Sons Private Limited	1.50	1.36
FLEXCL Packaging (India) Limited	-	2.06
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	9.70	-
Expenses incurred by and reimbursed to		
TVS-Emtrans Supply Chain Solutions Pte. Limited Singapore	2.10	19.57
Drive India Enterprise Solutions Limited	-	-
T V Sundram Iyengar & Sons Private Limited	36.40	152.52
TVS Supply Chain Solutions Limited, UK	-	17.17
TVS Toyota Tsusho Supply Chain Solutions Limited	-	4.52
TVS Logistics Investment UK Limited	7.99	-
Other expenses		
T V Sundram Iyengar & Sons Private Limited	221.00	3.82
TVS Toyota Tsusho Supply Chain Solutions Limited	-	-
FLEXCL Packaging (India) Limited	30.94	81.11
TVS Dynamic Global Freight Services Limited	-	34.38
Mortons India Private Limited	8.36	1.17
Sundaram Industries Private Limited	-	0.22
TVS Distributor & Services Middle East FZE	-	34.31
TVS Electronics Limited	-	1.35
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	2.51
Rico Logistics Limited, UK	-	93.73
TVS Stockists Limited	-	0.47
Purchase of fixed assets		
FLEXCL Packaging (India) Limited	7.78	48.26
TVS Dynamic Global Freight Services Limited	2.15	14.77
Sundaram Industries Private Limited	-	8.12
Mortons India Private Limited	-	107.37
T V Sundram Iyengar & Sons Private Limited	297.34	8.34
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	-	4.03
TVS Motor Company Limited	12.09	139.98
Purchase of Leasehold Improvement		
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	107.92	-
Investment in / (Liquidation of) equity shares		
White Data Systems India Private Limited	4,219.53	-
SPC International India Private Limited, India	-	541.80
TVS Logistics SIAM Limited	-	128.20
TVS Packaging Solutions Private Limited	-	1.00

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34 Related party disclosures (continued)

Transactions during the year (continued)

	Year ended 31 March 2019	Year ended 31 March 2018
Acquisition of Telecom business		
T V Sundram Iyengar & Sons Private Limited	-	2,911.40
Investment in preference shares		
Drive India Enterprise Solutions Limited	-	2,200.52
Remuneration to Key Managerial Personnel		
Salaries, wages and bonus to deputy managing director (including contribution to provident and other funds)	481.40	298.02
Remuneration to managing director	426.13	125.00

As the future liabilities of gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the KMP is not ascertainable separately and therefore not included above.

Year end balances:	31 March 2019	31 March 2018
Loans to related parties		
TVS Logistics Investment UK Limited, UK	859.52	-
TVS Logistics Investments USA Inc., USA	4,999.91	4,710.74
TVS Logistics Siam Limited, Thailand	411.26	356.72
TVS- Asianice Supply Chain Solutions Pte Ltd, Singapore	918.27	893.72
Receivables		
Lucas-TVS Limited	366.25	414.33
Sundaram Clayton Limited	92.11	68.82
Supderam Industries Private Limited	20.85	9.56
TVS Dynamic Global Freight Services Limited	29.56	45.55
TVS Logistics Investment UK Limited	2,214.37	611.72
TVS Logistics Investments USA Inc., USA	235.21	566.90
TVS Motor Company Limited	621.92	956.86
TVS Supply Chain Solutions North America Inc., USA	620.59	391.84
FLEXOL Packaging (India) Limited	26.56	0.24
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	42.79	-
TVS- Asianice Supply Chain Solutions Pte Ltd, Singapore	56.11	16.34
Sundaram Auto Components Limited	-	1.56
TVS Logistics SIAM Limited	82.28	47.66
TVS Toyota Tsusho Supply Chain Solutions Limited	177.72	134.43
TVS Supply Chain Solutions Limited, UK	1,310.77	540.68
Rico Logistics Limited, UK	5,105.41	2,972.17
T V Sundram Iyengar & Sons Private Limited	26.30	559.27
TVS Logistics Iberia S.L., Spain	55.57	151.40
Sundram Fasteners Limited	68.46	101.17
TVS Srichakra Limited	606.97	56.82
TVS Training And Services Limited	22.19	25.56
Drive India Enterprise Solutions Limited	1,229.42	1,104.62
Sundram Precision Components Limited	-	0.81
Lucas Indian Service Limited	10.66	
Other receivables - Unbilled revenue		
Lucas TVS Limited	5.85	1.44
Lucas Indian Service Limited	4.53	-
Sundaram Clayton Limited	5.17	-
Sundaram Fasteners Limited	2.22	2.55
Sundaram Industries Limited	-	0.16
T V Sundaram Iyengar & Sons Private Limited	34.22	-
TVS Motor Company Limited	416.30	277.29
TVS Srichakra Limited	735.45	1.27
Security deposits		
TVS Industrial & Logistics Park Limited (Formerly known as TVS Infrastructure Pvt Ltd)	723.65	789.16

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34 Related party disclosures (continued)

Year end balances (continued):	31 March 2019	31 March 2018
Unsecured borrowing repayment on demand from related parts		
Drive India Enterprise Solutions Limited	813.82	919.90
Payables		
T V Sundram Iyengar & Sons Private Limited	281.24	168.55
Sundaram Industries Private Limited	0.77	10.99
Lucas-TVS Service Limited	-	2.65
FLEXOL Packaging (India) Limited	0.86	141.98
TVS Dynamic Global Freight Services Limited	12.46	14.12
TVS Industrial & Logistics Park Limited (Formerly known as LCS Infrastructure Pvt Ltd)	19.00	-
TVS Supply Chain Solutions North America, Inc., USA	17.74	16.63
TVS- Asianics Supply Chain Solutions Pte Ltd, Singapore	2.15	-
TVS Automobile Solutions Private Limited	-	0.86
TVS Motor Company Limited	1.68	165.43
Lucas-TVS Limited	0.34	5.16
Drive India Enterprise Solutions Limited	19.65	-
Mentus India Private Limited	-	11.21
Sundram Fasteners Limited	1.11	0.74
TVS Packaging Solutions Private Limited	1.00	1.00
Rico Logistics Limited, USA	87.15	45.75
White Data Systems India Private Limited	1,303.01	-
TVS Logistics Investment UK Limited	7.50	
Contingent consideration payable		
T V Sundram Iyengar & Sons Private Limited	-	891.17
Guarantees		
TVS Logistics Investment UK Limited	1,71,658.18	1,07,259.69
TVS- Asianics Supply Chain Solutions Pte Ltd, Singapore	7,761.93	7,579.27
Payable to Key Managerial Personnel		
Salaries, wages and loans to Deputy managing director	251.00	19.60
Commission to Managing director	200.00	-

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35 Transfer pricing

The Company has international transactions with related parties. The management confirms that all such transactions are in compliance with the provisions of Income-tax Act, 1961. The management also confirms that it maintains documents as prescribed by the Income Tax Act to prove that the international and domestic transactions are at arm's length and the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

36 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

A. Disaggregated revenue information

Segment	31 March 2019			31 March 2018		
	India	Outside India	Total	India	Outside India	Total
Type of goods or service						
Revenue from supply chain management services	1,42,440.85	-	1,42,440.85	1,22,554.42	-	1,22,554.42
Total revenue from contracts with customers	1,42,440.85	-	1,42,440.85	1,22,554.42	-	1,22,554.42

B. Under Ind AS 115, the revenues were recognised over time.

Particulars	01-Apr-17
Unbilled revenue recognised/(reversal) (Note A)	9.29
Impact to opening reserves (including prior year cumulative impact) (refer Statement of Changes in Equity)	9.29

Particulars	For the year ended 31 March 2018
Revenue as per financial statements for the year ended March 31, 2018	1,25,063.14
Less/ Add	
Add: Impact of revenue recognised over time for services rendered	108.15
Less: Impact of variable consideration	(515.64)
Revenues for the year ended March 31, 2018 as per Ind AS 115	1,22,655.66

Note A - In general, the Company recognises revenue over time for all services provided to its customers. Consequently revenue in relation to of open contracts as at April 1, 2017 / March 1, 2018, has been recognised on a pro-rata basis and necessary adjustments have been made to opening reserves / revenue.

C. Summary of contract balances

Particulars	31-Mar-19	31-Mar-18
Trade Receivables	32,390.01	32,605.21
Contract assets (Refer note (a) below)	8,977.16	9,537.35
Advance from Customers	249.51	166.73

Note:

a. Contract assets are initially recognised for revenue earned from supply chain management services as receipt of consideration is conditional on successful completion. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

D. Reconciliation of Revenue from sale of products with the contracted price

Particulars	31-Mar-19	31-Mar-18
Revenue as per contracted price	1,43,421.26	1,25,070.06
Less: Trade discounts, volume rebates etc	980.41	515.64
Revenue as per statement of profit and loss	1,42,440.85	1,22,554.42

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37 Financial instruments - Fair Values and risk management

A. Accounting classification and fair values and fair value hierarchy

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 2

	Note	Carrying amount						Fair value			
		31 March 2019			31 March 2018						
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value											
Investments	14	-	-	1,238.08	-	-	1,636.29	-	-	-	-
Loans	15	-	-	5,142.15	-	-	5,981.18	-	-	-	-
Deposits and other receivables	16	-	-	22,418.62	-	-	15,312.12	-	-	-	-
Trade receivables	25	-	-	23,771.38	-	-	27,915.54	-	-	-	-
Cash and cash equivalents	21	-	-	5,847.47	-	-	11,704.21	-	-	-	-
Other bank balances	22	-	-	266.73	-	-	252.65	-	-	-	-
Other financial assets	17	-	-	5,585.96	-	-	4,540.20	-	-	-	-
Total		-	-	74,267.00	-	-	67,157.49	-	-	-	-
Financial liabilities measured at fair value											
Contingent consideration	2c	-	-	-	891.10	-	-	-	-	891.10	891.10
Total		-	-	-	891.10	-	-	-	-	891.10	891.10
Financial liabilities not measured at fair value											
Borrowings	23	-	-	15,662.87	-	-	10,418.73	-	-	-	-
Trade payables	26	-	-	30,610.89	-	-	22,779.44	-	-	-	-
Other financial liabilities	27	-	-	11,017.95	-	-	9,727.19	-	-	-	-
Total		-	-	63,291.70	-	-	42,925.36	-	-	-	-

Note: The Company has not disclosed fair values of financial instruments such as loans, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.

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37 Financial instruments - Fair values and risk management (restated)

B. Measurement of fair values

1. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring level 3 fair values for financial instruments measured at fair value in the balance sheet in the previous year ended 31 March 2018, as well as the significant unobservable inputs used. The same has been settled in the current year ended 31 March 2019 and hence doesn't pose any secondary risk in the equity

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Contingent consideration	Discounted cash flows. The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast EBITDA, the amount to be paid under each scenario and the probability of each scenario	- Forecast EBITDA - 31 March 2018 - 33,530 lakhs, - Risk adjusted discount rate - 9%	The estimated fair value would increase (decrease) if - the forecast EBITDA were higher (lower) - the risk adjusted discount rate were lower (higher).

Sensitivity analysis

For the fair values of contingent consideration liability, reasonable possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects

31 March 2018	Profit or loss	
	Decrease	Increase
EBITDA (1% movement)	-	-
Risk adjusted discount rate (1% movement)	(6.40)	6.30

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37 Financial instruments – Fair values and risk management (continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments.
- credit risk
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2019	31 March 2018
Trade receivables	22,378.39	27,919.54
Investments	1,285.68	1,616.79
Cash and cash equivalents	3,847.47	11,769.21
Other bank balances	266.73	202.45
Loans	7,188.16	5,981.15
Deposits and other receivables	11,418.52	15,312.72
Other financial assets	9,585.96	4,340.20
Total	**76,367.00**	**67,157.49**

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full except to the extent already provided, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss in the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

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37 Financial instruments – Fair values and risk management (continued)

B. Financial risk management (continued)

i) Credit risk (contd.)

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2019

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due & Past due 1-90 days	27,425.73	1.36%	(319.71)
Past due 91-180 days	3,305.50	4.75%	(114.96)
Past due 181-365 days	1,434.12	21.50%	(308.34)
Past due for more than 365 days	5,024.65	77.05%	(3,871.62)
Total	**37,390.01**		**(4,618.63)**

As at 31 March 2018

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due & Past due 1-90 days	25,814.96	0.35%	(91.14)
Past due 91-180 days	702.39	15.26%	(107.96)
Past due 181-365 days	1,721.13	23.87%	(413.14)
Past due for more than 365 days	4,354.35	93.39%	(4,065.43)
Total	**32,603.21**		**(4,687.67)**

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables is as follows:

	31 March 2019	31 March 2018
Balance at the beginning of the year	4,687.67	4,524.18
Add : Provision for the year	127.50	258.39
Less: Provisions withdrawn against bad debts written off	(196.54)	(94.90)
Balance at end of the year	**4,618.63**	**4,687.67**

Cash and cash equivalents and other bank balances

The Company holds cash and bank balances of INR 8,114.20 lakhs as at 31 March 2019 (31 March 2018: INR 11,971.66 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations and receivable from subsidiaries. The Company does not expect any losses from non-performance by these counter-parties.

Loans, Investments and Other financial assets

The Company has loans, investments and other financial assets of INR 18,052.80 lakhs as at 31 March 2019 (31 March 2018: INR 11,958.17 lakhs). The credit worthiness of such parties are evaluated by the management on an ongoing basis and are provided wherever necessary and the remaining balances are considered to be good.

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37 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
31 March 2019						
Non derivative financial liabilities						
Current and non-current borrowings						
Secured term loan from banks	67.30	67.30	19.21	20.96	27.13	0
Unsecured term loans from banks	2,100.00	2,470.16	891.10	2,279.06	-	-
Secured term loans from financial institutions	5,720.11	6,042.23	5,370.87	664.38	3.48	-
Unsecured loans repayable on demand	7,553.82	7,705.30	7,705.30	-	-	-
Unsecured cash credit from banks	202.78	204.20	204.29	-	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-	-
Others						
Trade payables	36,610.89	36,610.89	36,610.89	-	-	-
Other financial liabilities	10,115.19	10,135.19	6,070.67	1,375.63	688.09	-
	63,291.70	64,126.96	57,003.73	4,345.52	717.70	-

		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
31 March 2018						
Non derivative financial liabilities						
Current and non-current borrowings						
Unsecured term loans from banks	2,100.00	2,643.26	177.63	181.09	2,284.56	-
Secured term loans from financial	2,384.50	2,747.23	1,089.24	988.00	669.99	-
Secured finance lease obligations	16.99	17.29	17.29	-	-	-
Unsecured loans repayable on demand	5,919.99	5,011.83	5,011.83	-	-	-
Redeemable preference shares	891.60	891.60	891.60	-	-	-
Others						
Trade payables	27,779.44	27,779.44	27,779.44	-	-	-
Other financial liabilities	9,724.03	9,724.03	6,315.40	935.66	2,362.97	-
	48,816.46	48,814.70	41,352.43	2,144.75	5,317.52	-

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31 Financial instruments - Fair values and risk management (continued)

A) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, loans given to related parties and other payables and receivables are denominated in a currency other than the INR. The company does not hedge its foreign currency risk in general except in case of certain payables and receivables denominated in foreign currency which are hedged through the use of forward exchange contracts. The Company does not apply hedge accounting in respect of such forward exchange contracts.

The following table analyzes foreign currency risk from financial instruments. The amounts disclosed in the table below are in equivalent INR for the various currencies to which the Company is exposed to currency risk.

	As at 31 March 2019								As at 31 March 2018							
	INR	USD	Euro	GBP	JPY	SGD	AED	THB	INR	USD	Euro	GBP	JPY	SGD	AED	THB
Financial assets:																
Investments	1,288.68	-	-	-	-	-	-	-	8,516.79	-	-	-	-	-	-	-
Loans	-	5,410.27	-	845.52		928.73	-		-	5,087	-	-	-	690.32	-	-
Deposits and other receivables	7,209.63	838.77	-	14,850.79		66.11	-	40.28	5,789.19	866.75	-	8,530.27	-	18.34	-	47.66
Trade receivables	27,766.23	3.89	1.26	-		-	-	-	27,915.54	-	-	-	-	-	-	-
Cash and cash equivalents	1,841.47	-	-	-		-	-	-	11,769.31		-	-	-	-	-	-
Other bank balances	203.71	-	-	-		-	-	-	202.45	-	-	-	-	-	-	-
Other financial assets	9,585.96	-	-	-		-	-	-	4,340.70	-	-	-	-	-	-	-
	54,835.74	6,253.93	1.26	15,810.30	-	994.49	-	82.28	58,653.29	5,954.21	-	8,590.27	-	912.06	-	47.66
Financial liabilities:																
Borrowings	13,663.89								10,418.73	-	-	-	-	-	-	-
Trade payables	16,581.20	2.16	2.09	87.45		2.15	3.94	-	27,651.39	1,210.01	2.70	-	1.58	-	3.70	-
Other financial liabilities	30,995.29	13.74	-	7.80		-	-	-	10,601.66	16.03	-	-	-	-	-	-
	61,240.37	15.90	2.09	95.25	-	2.15	3.94	-	48,671.78	1,226.04	2.70	-	1.58	-	3.70	-
Net assets/(liabilities)	(6,404.63)	6,238.03	(0.83)	14,915.05	-	992.34	(3.94)	82.28	9,981.51	4,817.51	(2.70)	8,590.27	(1.58)	912.06	(3.70)	47.66

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37 Financial instruments - Fair values and risk management (continued)

iv. Market risk (continued)

Currency risk (continued)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the ₹ against the respective currencies noted below at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Weakening	Strengthening
31 March 2019				
United States Dollar (1% movement)	62.33	(62.33)	-	-
Euro (1% movement)	(0.01)	0.01	-	-
Great Britain Pound (1% movement)	149.15	(149.15)	-	-
Japanese Yen (1% movement)	-	-	-	-
Singapore Dollar (1% movement)	9.82	(9.82)	-	-
Arab Emirates Dirham (1% movement)	(0.04)	0.04	-	-
Thailand Bhat (1% movement)	0.62	(0.62)	-	-
31 March 2018				
United States Dollar (1% movement)	58.18	(58.18)	-	-
Euro (1% movement)	(0.01)	0.01	-	-
Great Britain Pound (1% movement)	85.90	(85.90)	-	-
Japanese Yen (1% movement)	(0.02)	0.02	-	-
Singapore Dollar (1% movement)	9.12	(9.12)	-	-
Arab Emirates Dirham (1% movement)	(0.04)	0.04	-	-
Thailand Bhat (1% movement)	0.48	(0.48)	-	-

Interest rate risk

The Company has only one types of variable rate instrument viz. cash credit facility being used for cash management purposes and certain working capital demand loans. Company's exposure to variable rate instruments is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2019	31 March 2018
Fixed rate instruments		
Financial assets		
- Loans	7,188.16	5,981.18
- Deposits with banks	670.00	955.02
Financial Liabilities		
- Term loans from banks	2,100.00	2,100.00
- Term loans from financial institutions	5,320.11	2,384.59
- Finance lease obligations	-	16.99
- Loans repayable on demand	7,543.82	5,619.90
- Redeemable preference shares	891.60	891.60

iv. Market risk (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans given, investments made and borrowings) are carried at amortised cost any changes in interest rates are not considered for subsequent measurement.

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38 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of the standalone financial statements.

39 Prior year comparatives

To conform to this year's classification, certain previous year figures have been reclassified/regrouped wherever necessary. The figures of the previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Associates LLP.

As per our report of even date attached

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number: 101049W / E300004
Chartered Accountants

Dharath N S
Partner
Membership No. 211944

Place: Chennai
Date: 12 September 2019

for and on behalf of the board of directors of
TVS Supply Chain Solutions Limited

R Dinesh
Managing Director
DIN: 00161300

S Ravichandran
Deputy Managing Director
DIN: 01455849

Ravi Prakash Thagavelulu
Group Chief Financial Officer
Place: Chennai
Date: 12 September 2019

P D Krishna Prasad
Company Secretary

TVS SUPPLY CHAIN SOLUTIONS LIMITED
(formerly known as TVS Logistics Services Limited)

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting their Fifteenth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS

(Amount INR in crores)

	Standalone		Consolidated	
Particulars	**2018-19**	**2017-18**	**2018-19**	**2017-18**
Revenues from operations (including other income)	1504.64	1301.48	6826.62	5390.07
Profit before tax from continuing operations	1.14	38.03	22.27	102.76
Profit/ (Loss) after tax from continuing operations	0.37	21.38	(19.57)	49.54
Profit/ (Loss) before tax from discontinued operations	-	-	(16.86)	4.32
Profit/ (Loss) after tax from discontinued operations	-	-	(17.12)	4.01
Profit/(Loss) for the year	0.37	21.38	(36.70)	53.56
Other comprehensive income, net of tax	(1.05)	.036	(2.61)	15.58
Total comprehensive income	(0.68)	21.42	(39.32)	65.13

INDIAN ECONOMIC OUTLOOK

India's (GDP) growth continues to be supported by recovery of investment and robust consumption amidst a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

Stabilization of GST collections over the past one-and-a-half years is evidence of the GST regime overcoming initial teething issues, gaining stability and gradually entering a growth phase. GST collection target for FY20 is pegged at INR 13.7 lakh crores, 16.1% higher than FY19.

The International Monetary Fund (IMF) has pared India's growth forecast for the just-concluded fiscal and the next two years, citing softer recent growth and weaker global outlook, but expects the country to retain its place as the fastest growing major economy.

A National Logistics Policy has been drafted to enable integrated development of the logistics sector in the country with a vision to drive economic growth and trade competitiveness of the country through a truly integrated, seamless, efficient, reliable and cost effective logistics network, leveraging best in class technology, processes and skilled manpower. This Policy identifies key thrust areas to

reduce logistics cost, promote logistics efficiency, optimize modal mix and improve first and last mile connectivity. Upon implementation of the Policy there will be opportunity for us to scale up our business as the industry moves towards the organized sector.

INDIAN LOGISTICS INDUSTRY SCENARIO

The Indian logistics sector was estimated to be at INR 15,40,000 crores in the Fiscal Year 2018. According to the Edelweiss Report, a confluence of favourable factors-viz:-GST tailwinds, reducing transit times, warehouse consolidation, infrastructure status and rapid adoption of technology will drive sector growth to 12-13% CAGR for the next 5 to 7 years.

The Edelweiss Report estimates that in India, the INR 42,000 crores 3PL market in the fiscal year 2018 is set to clock about 17-18% CAGR, and potentially become a INR 1,20,000 crores market by the Fiscal Year 2025. India is expected to remain one of the fastest growing major economies in the world in the Fiscal Year 2020. The demand for logistics services is significantly affected by the general level of commercial/economic activity and performance of the end-use sectors. The consumer goods and e-commerce sectors are forecasted to grow strongly over the next one to three years.

The Indian government has launched initiatives to organize the logistics sector and reduce the cost of logistics in India. Recent government actions include (i) GST implementation (ii) e-way bill (iii) National Logistics Policy (iv) Investment in projects like Sagarmala project, UDAN scheme, Bharatmala Pariyojana and Dedicated Freight Corridors (DFCs). DFCs are expected to be commissioned in 2020-this should help improve the average speed of freight trains from 26 kmph to 70 kmph.

Post GST, companies are consolidating their supply chain for efficiency, as against tax efficiency reasons as earlier, and are leasing large format warehouses. Consumer, retail, and e-commerce companies are driving the demand for grade A modern warehousing. Large format warehouses are adding to the complexity of supply chains and fuelling the demand for 3PL services.

There was a slowdown in GDP and auto sector in India which started in the second half of FY 2019. This has an impact on our business volumes and which we are addressing by focusing on new customer wings and developing more value-added services.

GLOBAL LOGISTICS OUTLOOK

During the year under review, Logistics Industry majors across the value chain are expected to prioritize operational efficiencies, with investments in technology adoption. Freight forwarders that offer innovative online solution offerings in freight matching, custom brokerage, and transportation management solutions are expected to transform the segment with enhanced customer experience. The transportation and logistics industry is confronting immense changes such as digital transformation, new market entrants, changing customer expectations, and new evolving business models, in addition to continued uncertainty from BREXIT in the UK. Globalization coupled with population growth and consumption behaviour has seen ever-increasing demand for products from all corners of the world. The rise of e-commerce has added to the transport boom, and over the past decade, a considerable growth has been seen across the industry's value chain as a whole. In terms of growth of the wider industry, logistics infrastructure will see almost across the board real growth in the years between 2017 and 2023. Global Logistics market is expected to grow at a CAGR of 7.2% during the forecast period. The Warehousing Industry is expected to transform significantly with process automation due to the emergence of cross-border e-Commerce and increasing demand for integrated supply chain solutions.

PERFORMANCE REVIEW

Your Company continues to take various initiatives to improve its growth, operating margin and profitability in the coming year.

Operations:

Your Company provides end-to-end supply chain services. The service lines provided by your Company can be broadly classified as:

- Integrated Supply Chain Solutions
- Last Mile Solutions
- Freight Management Solutions
- Supported by Technology Solutions

In each of these segments, your Company continues to develop and provide better value-added services and thereby remain the preferred logistics partner of its customers.

- During the year under review, in the Integrated Supply Chain Solutions, capabilities were created for Transportation, Warehouse, Materials Management and Value-added services.
- In Last Mile Solutions, capabilities for providing customized delivery solutions were created for Express/last mile delivery, Field Resourcing for repairs & engineering support and components logistics.
- In Freight Management Solutions, capabilities for providing end to end services were created for Freight shipments through air/ocean, Customs clearance and Inland freight & warehousing.

During the year, your Company has increased focus towards technology leadership, operational excellence and cost efficiency and has taken various initiatives for Digital Supply Chain.

- An integrated Digital Platform – 'i-loads', an end to end operational platform was enhanced /upgraded so that it could be used by all our hubs to seamlessly conduct everyday tasks from acquiring truck owners to allocating trucks for load requests, despatching vehicles, handling payment to vendors, tracking trips for achieving on-time delivery, billing to customers, POD management and MIS reports for tracking collections.
- Digitally integrated capabilities like Smart centre, TRACE, JDA, mSys, RVW, TULIP, CargoWise and in-house solutions were created.

It can be seen that your Company is keen to strengthen its position as a technology leader amongst logistics service providers and planning to become a Digital Supply Chain Leader in the years to come.

Your Company continues to concentrate and derive significant revenues from countries which have high growth potential viz., India and the Far East.

While the overall economy both at India and at Global level continues to grow, your Company will be in a position to gear up its operations and to achieve higher profitability in the years to come.

New business development:

During the year under review, your Company added 95 new client accounts with annualised revenues worth INR 206 crores at a consolidated level. The new customers included market leaders from the Engineering, Automobile, Electronics, Infrastructure & Construction verticals.

Acquisitions:

During the year under review, your Company completed a number of acquisitions to further improve its capabilities and customer base that resulted in synergies that could be leveraged by the existing operations of the Company. These acquisitions include: -

TLM Logistics - Thailand

TVS Asianics Supply Chain Solutions Pte Ltd, a subsidiary of your Company has acquired TLM Logistics Holdings Ltd in Thailand. This company is providing warehouse management, distribution and transportation services together with a variety of value-added warehousing services such as packaging, labelling, kitting and inventory management.

Triage Holdings Ltd - UK

RICO Ltd – UK, a subsidiary of your Company has acquired Triage Holdings Ltd . Triage provides IT/ATM equipment life-cycle solutions to OEMs, IT service organizations and end-users. The solutions comprise of repairs, inventory management, logistics, outsourcing, brokerage and implementation services. Repair/Refurbishment work is undertaken at two centers in the UK for a high-quality customer base and they cover - Finance, Retail, Hospitality, IT, Insurance, Government, Education and direct partnership with OEMs.

ELTEC Systems – Spain

RICO Ltd – UK, a subsidiary of your Company has acquired ELTEC IT SERVICES SLU in Spain. ELTEC is a leading company in the delivery of technological services for the management, installation, deployment, support, and maintenance of ICT infrastructure and hardware. Eltec offers services to national and multinational groups, as well as to public institutions, helping its clients to optimize their processes and reduce their costs, simplifying day-to-day activities that are critical to the business.

Financing Initiatives:

During the year, your Company enhanced the size of the overseas borrowings programme to INR1630 crores. The enhanced borrowing programme was essentially a growth capital which ensured timely acquisition/strategic buy-out of certain entities and balance stake purchases of certain entities under the group.

As part of its hedging policy, your Company follows natural hedging as its core policy whereby the earning and pay-outs are typically mapped in the same currency by operating entities in US, UK and rest of Asia. Your Company has also opted for financial derivative instruments to hedge the open interest rate and cross currency risks.

CHANGE IN THE NAME OF THE COMPANY

The name of the Company was changed from TVS Logistics Services Limited to TVS Supply Chain Solutions Limited w.e.f. 27th February 2019 after obtaining requisite approvals.

DIVIDEND

In order to conserve the resources of the Company, and to build up reserves and considering the business plans of the Company, no Dividend was declared for the current financial year.

TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves during the financial year.

PROSPECTS

Your Company had taken various steps to strengthen the business development team. These measures are expected to enable the Company to achieve higher turnover and profits in the years to come.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments have occurred affecting the financial position of the Company after March 31, 2019 till the date of this report.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules, the audited Consolidated Financial Statements of the Company and of all subsidiary and joint venture companies are enclosed.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

A separate statement containing the salient features of the audited financial statement of all the subsidiary and joint venture companies is attached to this Report.

The Company will make available the Annual Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Financial Statements of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of subsidiary companies concerned. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

The details of investments made in various subsidiaries are provided as part of the Financial Statements for the year.

SHARE CAPITAL

During the year, the following changes have occurred in the issued, called, subscribed and paid-up share capital of the Company:

- 39,000 - 0.001% Compulsorily Convertible Preference Shares (CCPS) having a face value of INR 10/- each at a price of INR 950/- each on a preferential basis
- 151,000 - 0.001% Compulsorily Convertible Preference Shares (CCPS) having a face value of INR 10/- each, as bonus CCPS shares

Accordingly, the paid-up capital of the Company is INR 31,87,24,840/-

During the year under review, the Company has issued 95,000 of share warrants of INR 950/- each on a preferential basis.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri. S. Ravichandran (DIN: 01485845) and Ms. Anita George (DIN: 00441131), Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Your Directors recommend the re-appointment of above Directors.

STATUTORY AUDITORS

The Members at their 14th Annual General Meeting appointed M/s. S.R. Batliboi & Associates LLP, as the Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of the 14th Annual General Meeting of the Company till the conclusion of the 19th Annual General Meeting. M/s. S.R. Batliboi & Associates LLP have confirmed their eligibility for appointment under Section 139 read with Section 141 of the Companies Act, 2013 and the rules made thereunder.

INTERNAL AUDITORS

During the year, M/s. KPMG (Registered), was appointed as Internal Auditors of the Company to conduct the Internal Audit of the Company and its subsidiaries.

BOARD MEETINGS

During the year, the Board of Directors of your Company met four times. The dates of meetings are 31.05.2018, 30.08.2018, 20.11.2018 and 21.02.2019.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is annexed to this Report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. K Venugopalan, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ended 31st March, 2019. The Secretarial Audit Report is attached to this Report.

AUDIT COMMITTEE

The Audit Committee consists Sri. S Mahalingam, Chairman, Sri. V Anantha Nageswaran and Ms. Anita George as members. During the year under review, the Board has accepted all the recommendations of the Committee.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

In accordance with Section 177(9) of the Companies Act, 2013, the Company has established a Vigil Mechanism and has a Whistle Blower Policy for the employees to report genuine concerns in such manner as prescribed.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of Sri. C K Ranganathan, Chairman Sri. V. Anantha Nageswaran, Sri. S Mahalingam and Ms. Anita George, Members in terms of Section 178 of the Companies Act, 2013. The Company has framed a policy on the director's appointment and remuneration including criteria for determining qualifications, Independence of a director and other matters provided under Section 178 (3) of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted a Corporate Social Responsibility Committee consists of Sri. C K Ranganathan, Chairman, Ms. Shobhana Ramachandran, Sri. S Mahalingam and Ms. Anita George, Members. The Company has adopted a Corporate Social Responsibility (CSR) policy pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rule, 2014 and the Report on CSR Activities as required thereunder is attached to this Report.

DEPOSITS

During the year, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies Acceptance of Rules, 2014. No amount on deposits was outstanding as on the Balance Sheet date.

LOANS, GUARANTEES OR INVESTMENTS

Details of loans, investments and guarantees covered under Section 186 of the Companies Act, 2013 are given in the Notes to the accompanying financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions entered by the Company during the financial year were during the ordinary course of business and at arm's length basis. The details of the transactions with related parties are provided in the accompanying financial statements.

INDEPENDENT DIRECTORS

Sri. V. Anantha Nageswaran was re-appointed as Independent Director of the Company, for a period of five years, with effect from March 19, 2016.

Sri. C K Ranganathan and Sri. S Mahalingam were re-appointed as Independent Directors on the Board of your Company, for a period of five years, with effect from June 29, 2018 and August 30,2018, respectively.

The Company has received the declarations of Independence from them pursuant to Section 149(6) of the Companies Act, 2013.

EVALUATION OF BOARD /BOARD COMMITTEES

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out performance evaluation of its own performance, the directors individually as well as evaluation of the working of the Committees of the Board.

PARTICULARS OF EMPLOYEES

A statement containing the information as required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this Report.

INTERNAL FINANCIAL CONTROLS

Your Company has well defined and adequate internal financial controls and procedures commensurate with its size & nature of its operations. This is further strengthened by the internal audit done concurrently and periodical reporting to the Audit Committee.

RISK MANAGEMENT

Periodic risk assessment of business risk environment is carried to identify significant risks to the achievement of business objectives of the Company. Key risks are reported and evaluated at appropriate forums and levels within the Company.

ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There has been no order passed by any Regulators or Court or Tribunal impacting the going concern status and future operations of the Company.

MAINTENANCE OF COST RECORDS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the maintenance of cost records is not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Directors confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

(b) appropriate accounting policies have been selected and applied consistently and judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for the year ended on that date;

(c) 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;

(d) the annual accounts have been prepared on a going concern basis;

(e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and

(f) proper internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and are operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity relating to conservation of energy or technology absorption.

The details of the foreign exchange earnings and outgo are:

	(INR in crores)
Foreign exchange earnings -	17.54
Foreign exchange outgo -	15.05

MANAGEMENT INCENTIVE PLAN

During the year under review, the Company has granted 21,09,629 stock options to the employees under the Management Incentive Plan. The disclosures in compliance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014 are set out in Annexure and forms part of this Report.

THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND RDRESSAL) ACT, 2013

The Company has in place an anti-sexual harassment policy in line with the requirements of the captioned Act and Rules made thereunder. An Internal Complaints Committee has been set up to redress complaints regarding sexual harassment. The Company has not received any complaint during the year under review.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, employees, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the promoter company, the members and the subsidiary/ joint venture companies for their support and confidence reposed on your Company.

Your Directors would also like to place on record their appreciation of the dedicated, individual and collective contribution of all the employees in the overall growth and progress of the Company.

For and on behalf of the Board

Place: Chennai
Date: 12.09.2019

R Dinesh	S Ravichandran
(DIN: 00363300)	(DIN: 01485845)
Managing Director	Deputy Managing Director

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014) **As on financial year ended on 31.03.2018**

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U63011TN2004PLC054655
2.	Registration Date	16.11.2004
3.	Name of the Company	TVS SUPPLY CHAIN SOLUTIONS LIMITED (formerly known as TVS Logistics Services Limited)
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	10, Jawahar Road, Chokkikulam, Madurai-625002, Ph no. 044- 66857777
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

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 and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Logistics Services	492	90.15

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	TVS Dynamic Global Freight Services Ltd, India	U63010TN2007PLC064282	Subsidiary	85	2(87)
2.	FLEXOL Packaging (India) Limited, India.	U74990TN2010PLC076131	Subsidiary	67.55	2(87)
3.	TVS Toyota Tsusho Supply Chain Solutions Ltd, India.	U74999TN2014PLC098233	Subsidiary	60	2(87)

4.	Drive India Enterprise Solutions Ltd, India.	U72900TN2000PLC104165	Subsidiary	100	2(87)
5.	SPC International (India) Private Limited, India.	U72501KA2008PTC048570	Subsidiary	100	2(87)
6.	TVS Packaging Solutions Private Limited, India.	U74999TN2017PTC116321	Subsidiary	100	2(87)
7.	TVS Industrial & Logistics Parks Private Limited (formerly known as TVS Infrastructure Private Limited), India	U45200MH2005PTC154628	Associate (Joint Venture)	50	2(6)
8.	White Data Systems India Private Limited, India	U72200TN2015PTC129978	Subsidiary	51	2(87)
9.	TVS Logistics Investment UK Ltd, UK	NA	Subsidiary	100	2(87)
10.	TVS Logistics Siam Limited, Thailand	NA	Subsidiary	100	2(87)
11.	TVS- Asianics Supply Chain Solutions Pte. Ltd.,Singapore	NA	Subsidiary	82.63	2(87)
12.	TVS Logistics Investments USA Inc., USA	NA	Subsidiary	100	2(87)
13.	TVS Supply Chain Solutions North America Inc., USA	NA	Subsidiary	100	2(87)
14.	TVS Supply Chain Solutions Ltd, UK	NA	Subsidiary	100	2(87)
15.	TVS Autoserv GmbH, Germany	NA	Subsidiary	51	2(87)
16.	RICO Logistics Limited, UK	NA	Subsidiary	97.47	2(87)
17.	TVS Logistics Iberia S.L, Spain	NA	Subsidiary	100	2(87)
18.	TVS Supply Chain Solutions GmbH, Germany	NA	Subsidiary	100	2(87)
19.	TVS- Asianics Australia Pty. Ltd, Australia	NA	Subsidiary	100	2(87)
20.	TVS Supply Chain Solutions de Mexico S.A. de C.V., Mexico	NA	Subsidiary	99	2(87)
21.	Waintrans LLC, USA	NA	Subsidiary	100	2(87)
22.	T.I.F Holding Pty. Ltd, Australia	NA	Subsidiary	55	2(87)
23.	Ricochet Spain S.L., Spain	NA	Subsidiary	100	2(87)
24.	Rico Logistique, France	NA	Subsidiary	100	2(87)
25.	SPC International Limited, UK	NA	Subsidiary	63.06	2(87)
26.	Rico Logistics Limited, Australia	NA	Subsidiary	100	2(87)
27.	Circle Express Limited, UK	NA	Subsidiary	85	2(87)
28.	Tri- Tec Computer Support Ltd, Northern Ireland	NA	Subsidiary	100	2(87)
29.	Tri-Tech Support Limited, Ireland	NA	Subsidiary	100	2(87)
30.	Transtar International Freight (Aust) Pty Ltd, Australia	NA	Subsidiary	100	2(87)

31.	KAHN Nominees Pty Ltd, Australia	NA	Subsidiary	100	2(87)
32.	Transtar International Freight Limited, New Zealand	NA	Subsidiary	100	2(87)
33.	SPC International (Engineering) Limited, UK	NA	Subsidiary	100	2(87)
34.	PITCOMP 171 Limited, UK	NA	Subsidiary	100	2(87)
35.	SPC EBT Trustees Limited, UK	NA	Subsidiary	100	2(87)
36.	SPC INT Limited, UK	NA	Subsidiary	100	2(87)
37.	SPC International INC., USA	NA	Subsidiary	100	2(87)
38.	SPC International s.a.s, France	NA	Subsidiary	100	2(87)
39.	SPC International s.r.o., Slovakia	NA	Subsidiary	100	2(87)
40.	Transtar International Freight Limited, Hong Kong	NA	Subsidiary	100	2(87)
41.	Transtar International Freight (Singapore) Pte. Ltd. Singapore	NA	Subsidiary	100	2(87)
42.	Transtar International Freight (Thailand) Limited, Thailand	NA	Subsidiary	49	2(87)
43.	Transtar International Freight (Shanghai) Limited, China	NA	Subsidiary	100	2(87)
44.	Transtar International Freight (Malaysia) Sdn Bhd	NA	Subsidiary	100	2(87)
45.	Peter Thomas & Co (Refurbishing) Limited, UK	NA	Subsidiary	100	2(87)
46.	MSys Software Solutions Ltd,UK	NA	Subsidiary	100	2(87)
47.	Multipart Limited, UK	NA	Subsidiary	100	2(87)
48.	Nadal Forwarding S.L	NA	Subsidiary	100	2(87)
49.	Lineas Regulares XXI, S.L	NA	Subsidiary	99.75	2(87)
50.	Pan Asia Logistics International Pte. Ltd	NA	Subsidiary	100	2(87)
51.	Pan Asia Logistics Singapore Pte. Ltd	NA	Subsidiary	100	2(87)
52.	Pan Asia Logistics Limited, Shangai	NA	Subsidiary	100	2(87)
53.	Pan Asia Logistics International (Korea) Ltd	NA	Subsidiary	100	2(87)
54.	Pan Asia Logistics (Thailand) Ltd	NA	Subsidiary	49	2(87)
55.	Pan Asia Freight-Forwarding & Logistics Hong Kong Ltd	NA	Subsidiary	100	2(87)
56.	Pan Asia Container Line Pte Ltd, Hong Kong	NA	Subsidiary	100	2(87)
57.	Pan Asia Logistics Deutscheland, GmbH	NA	Subsidiary	100	2(87)
58.	Pan Asia Logistics Malaysia Sdn Bhd	NA	Subsidiary	100	2(87)
59.	Pan Asia Logistics Vietnam Company Ltd	NA	Subsidiary	95	2(87)

60.	PT Pan Asia Logistics Indonesia	NA	Subsidiary	90	2(87)
61.	Pan Asia Logistics Taiwan Ltd	NA	Subsidiary	100	2(87)
62.	Pan Asia Freight-Forwarding & Logistics India Pvt Ltd	U63040MH2011FTC213986	Subsidiary	100	2(87)
63.	TVS America INC.	NA	Subsidiary	49	2(87)
64.	TVS Packaging Solutions Inc., US	NA	Subsidiary	100	2(87)
65.	TVS SCS Rico Italia SRL	NA	Subsidiary	100	2(87)
66.	Eltec IT Services, S.L.U	NA	Subsidiary	100	2(87)
67.	Triage Holdings Limited	NA	Subsidiary	80	2(87)
68.	Triage Services Limited	NA	Subsidiary	100	2(87)
69.	Order Logic Limited	NA	Subsidiary	100	2(87)
70.	TLM Logistics Management Co. Ltd, Thailand	NA	Subsidiary	51	2(87)
71.	TVS-Asianics Thailand	NA	Subsidiary	49	2(87)
72.	Transtar International Freight Holdings (Thailand) Limited	NA	Subsidiary	49	2(87)
73.	Linfox TVS Solutions Pty Ltd	NA	Associate (Joint Venture)	50	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category of Share Holding:

Category of Shareholders	**No. of Shares held at the beginning of the year[As on 1-4-2018]**				**No. of Shares held at the end of the year[As on 31-March-2019]**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	10516817	210526	10727343	33.91	10727343	-	10727343	33.91	-
e) Banks / FI	-	-	-	-	-	-	-		-
f) Any other	-	-	-	-	-	-	-		-
Sub-total (A) (1)	10516817	210526	10727343	33.91	10727343	-	10727343	33.91	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-		-
b) Other - Individuals	-	-	-	-	-	-	-		-
c) Bodies Corp	-	-	-	-	-	-	-		-

d) Banks / FI	-	-	-	-	-	-	-		-
e) Any other	-	-	-	-	-	-	-		-
Sub-total (A) (2)	-	-	-	-	-	-	-		-
Total shareholding of Promoter (A) = (A) (1) + (A)(2)	10516817	210526	10727343	33.91	10727343	-	10727343	33.91	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-		-
b) Banks / FI	-	-	-	-	-	-	-		-
c) Central Govt	-	-	-	-	-	-	-		-
d) State Govt(s)	-	-	-	-	-	-	-		-
e) Venture Capital Funds	-	-	-	-	-	-	-		-
f) Insurance Companies	-	-	-	-	-	-	-		-
g) FIIs	-	-	-	-	-	-	-		-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-		-
i) Others (specify)	-	-	-	-	-	-	-		-
Sub-total (B)(1):-	-	-	-	-	-	-	-		-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3562696	240749	3803445	12.02	3600539	11664	3612203	11.42	(0.60)
ii) Overseas	14505757	-	14505757	45.85	14505757	-	14505757	45.85	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	9643	141752	151395	0.48	9643	163994	173637	0.55	0.07
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	609328	1752590	2361918	7.47	609328	1732590	2341918	7.40	(0.07)

c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	5000	5000	0.02	-	5000	5000	0.02	-
Overseas Corporate bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	189000	189000	0.60	0.60
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	80275	-	80275	0.25	80275	-	80275	0.25	-
Foreign Bodies Corporate's	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	18767699	2140091	20907790	66.09	18805542	2102248	20907790	66.09	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	18767699	2140091	20907790	66.09	18805542	2102248	20907790	66.09	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	292845617	2350617	31635133	100	29532885	2102248	31635133	100	-

ii) <u>Shareholding of Promoter:</u>

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	M/s. T.V. Sundram Iyengar & Sons Private Limited	1,07,27,343	33.91	-	1,07,27,343	33.91	-	-

iii) <u>Change in Promoters' Shareholding (please specify, if there is no change)</u>: No change

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,88,18,403	59.48	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	(66,797) (Change in Shareholding)	0.21	1,87,51,606	59.27
	At the end of the year	1,87,51,606	59.27	1,87,51,606	59.27

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	9,01,245	2.85	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	(6,000) (Transfer on 01/10/2018) (10,000) (Change in Shareholding)	(0.02) (0.03)	8,95,245 8,85,245	2.83 2.80
	At the end of the year	8,85,245	2.80	8,85,245	2.80

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rupees in lakhs):

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,401	7,100	-	9,501
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due		76	-	76
Total (i+ii+iii)	2,401	7,176	-	9,577
Change in Indebtedness during the financial year				
* Addition	4,220	11,153	-	15,373
* Reduction	(901)	(9,200)	-	(10,101)
	3,319	1,953	-	5,271
Indebtedness at the end of the financial year				
i) Principal Amount	5,787	9,053	-	14,840
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	95	-	95
Total (i+ii+iii)	5,787	9,148	-	14,936

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Remuneration to Managing Director, Whole-Time Directors/ Manager: (Rs. in lakhs)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sri. R Dinesh, Managing Director	Sri. S. Ravichandran, Deputy Managing Director	
1	Gross salary	-		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	216.00	216.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	37.18	37.18
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	26.13	44.40	70.53
3	Sweat Equity	-	-	
4	Commission - as % of profit - others, specify…	200.00	-	200.00
5	Others, please specify -Contribution to Provident fund - Others	-	7.92 75.90	7.92 75.90
	Total (A)	226.13	381.40	607.53
	Ceiling as per the Act			

*Minimum remuneration.

B. Remuneration to Other Directors: (Rs. In lakhs)

SN	Particulars of Remuneration	Name of Directors					Total Amount
		Sri. C. K. Ranganathan		Sri. V. Anantha Nageswaran	Sri. S Mahalingam~		
1	Independent Directors						
	Fee for attending board/ committee meetings	1.25		4.25	3.25		8.75
	Commission	-		-	-		
	Others, please specify	-		-	-		
	Total (1)	1.25		4.25	3.25		8.75
2	Other Non-Executive Directors	Sri. Gopal Srinivasan	Sri. S Mahalingam~	Sri. S. Ram	Ms. Shobhana Ramachandhran	Sri. Suresh Krishna	
	Fee for attending board committee meetings	1.00	1.00	1.50	1.75	2.00	7.25
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	1.00	1.00	1.50	1.75	2.00	7.25
	Total (B)=(1+2)						16.00
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

~Change in designation from Non-executive director to an Independent Director w.e.f. 30th August,2018.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: (Rs. In lakhs)

SN	Particulars of Remuneration	Key Managerial Personnel	
		Chief Financial Officer*	Company Secretary
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96.69	16.77
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	27.52	9.38
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	11.66	4.21
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others, please specify -Contribution to Provident Fund -Others	4.40 103.92	1.61 16.47
	Total	244.19	48.44

*w.e.f., 31st May, 2018

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Form – MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,

The Members,
M/s TVS Supply Chain Solutions Limited
(formerly known as TVS Logistics Services Limited)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TVS Supply Chain Solutions Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under so far as they are made applicable;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (not applicable to the Company during audit period since the Company is unlisted)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of the equity shares held in dematerialized form;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(not applicable to the Company during audit period since the Company is unlisted)
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;(not applicable to the Company during audit period since the Company is unlisted)
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(not applicable to the Company during audit period since the Company is unlisted)
d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 to the extent applicable; (not applicable to the Company during audit period since the Company is unlisted)
e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during audit period since the Company is unlisted)
f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the Company during audit period since the Company is unlisted)
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during audit period since the Company is unlisted); and
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during audit period since the Company is unlisted);

(vi) Other Applicable Laws –

a) Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications made thereunder.
b) The Payment of Gratuity Act, 1972
c) The Maternity Benefit Act, 1961
d) The Minimum Wages Act, 1948
e) Payment of Bonus Act, 1968
f) Employees Provident Fund and Miscellaneous Provisions Act, 1952 and such other labour laws applicable to the Company.
g) Carriage by Road Act, 2007
h) Motor Vehicles Act, 1988

With respect to Fiscal laws such as Income Tax Act, Central Sales Tax Act & Local Sales Tax Act, Goods and Service Tax Act based on the information and explanation provided to us by the management and officers of the Company and also on verification of reports of professionals including reports of Internal Audit, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

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

(i) The Secretarial Standards on General and Board Meetings issued by the Institute of Company Secretaries of India (ICSI) as prescribed under Section 118 (10) of the Act have been complied with.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (not applicable to the Company during audit period since the Company is unlisted);

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors before schedule of the Board/ Committee Meeting(s), agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting(s).

Based on the verification of the records and minutes, the decisions were carried out with the consent of majority of the Board of Directors / Committee Members and there were no dissenting members view recorded in the minutes.

During the year under review the name of the Company was changed from “TVS Logistics Services Limited” to “TVS Supply Chain Solutions Limited” with effect from 27th February, 2019.

I further report that there are adequate systems and processes in the Company commensurate with the size and nature of operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai
Date: 12.08.2019

K. Venugopalan
Company Secretary in Practice
CP No. 6015
FCS No. 2526

CSR Annual Report – 2018-19
Annexure to the Board's Report

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

   As an integral part of contribution to the society, the Company believes in actively assisting in the improvement of the quality of life of communities around through its CSR endeavours. The Company undertakes CSR projects/activities as per its CSR Policy, which is aligned with Schedule VII under Section 135 of the Companies Act, 2013.The Company's CSR initiatives are being carried out under the CSR Policy adopted by Company. The Board based on the recommendation of CSR Committee, approved to spend for providing education and skill development to the economically weaker/underprivileged sections of the society during the year ended on March 31, 2019.

2. The Composition of the CSR Committee.

   The CSR Committee comprises of Sri. C. K. Ranganathan, Chairman, Sri. S. Mahalingam, Ms. Shobhana Ramachandran and Ms. Anita George, as the members of the Committee.

3. Average net profit of the company for last three financial years: INR 3115.62 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): INR 62.31 lakhs

5. Details of CSR spent during the financial year.
   (a) Total amount to be spent for the financial year: INR 62.31 Lakhs ;
   (b) Amount unspent , if any : NIL ;
   (c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub Heads: (1) Direct Expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Vocational Training	Sector (ii)	Chennai, Tamil Nadu	INR 69.17 lakhs	INR 69.17 lakhs	Same as (6)	Direct
	Total				INR 69.17 lakhs		

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Not Applicable

7. We hereby affirm that the CSR Policy ("Policy") of the Company as approved by the Board of Directors of the Company is monitored by the CSR Committee and the CSR activities have been implemented in accordance with the Policy.

R. Dinesh Managing Director (DIN: 00363300)	C K Ranganathan Chairman - CSR Committee (DIN: 00550501)

Place: Chennai
Date: 12.09.2019

Disclosure pursuant to Employee Stock Option Scheme:

Details for the FY 2018-19

(a) options granted : 21,09,629

(b) options vested : Nil

(c) options exercised : Nil

(d) the total number of shares arising as a result of exercise of option: Nil

(e) options lapsed : Nil

(f) the exercise price : NA

(g) variation of terms of options: Nil

(h) money realized by exercise of options: Nil

(i) total number of options in force : 21,09,629

(j) employee wise details of options granted to;-

(i) Key Managerial Personnel: R Dinesh, Managing Director (186,000), S Ravichandran, Deputy Managing Director (316,000), Ravi Prakash Baghavathula, CFO (83,019) and P D Krishna Prasad, Company Secretary (30,000).

(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year: Nil

(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant; Nil