

July 22, 2019

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41 Email: corp.relations@bseindia.com corp.compliance@bseindia.com Scrip Code: 501242	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38 Email: cmlist@nse.co.in Scrip Code : TCIFINANCE
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Sub: Intimation of 45th Annual General Meeting, E-voting Information and Book Closure
Ref: Scrip Code 501242 (BSE); TCIFINANCE (NSE)

This is to inform you that, pursuant to Section 96 of the Companies Act, 2013, the 45th Annual General Meeting ("AGM") of the Company will be held on Wednesday, August 14, 2019, at 11:00 a.m., at Plot no.20, Survey no.12, Ground Floor, Near Rainbow Children Hospital, Kothaguda, Kondapur, Hyderabad-500084.

We also hereby inform you that pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of Securities and Exchange Board of India(Listing Obligation and Disclosure Requirements) Regulations, 2015, the Share Transfer books and Register of Members of the Company will be closed from Wednesday, August 7, 2019 to Wednesday, August 14, 2019 (both days inclusive) for the purposes of AGM.

Further, e-voting facility has been made available to all the members of the Company. The details of e-voting are as follows:

- Date and time of commencement of e-voting : From 9.00 a.m. (IST) on Friday, August 9, 2019
- Date and time of end of e-voting : Up to 5.00 p.m. (IST) on Tuesday, August 13, 2019
- Cut-off date for determining the eligibility to vote : Wednesday, August 7, 2019
by electronic means or in the AGM

A copy of annual report for the FY 2018-19 including the Notice convening the meeting is attached.

Kindly take the same on your records and acknowledge.

Thanking You

Yours Faithfully
For TCI Finance Limited



Srishti Soni
Company Secretary



45th ANNUAL REPORT 2018 - 19



TCI FINANCE LTD.

www.tcifl.in

BOARD OF DIRECTORS

Dr. D.R. Agarwal - Chairman
Mr. Mahendra Agarwal
Mr. R.S. Agarwala
Mr. S.M. Jalan
Ms. Meera Madhusudan Singh

KEY MANAGERIAL PERSONNEL

Mr. Ramesh Sivaraman,
Manager and CFO
Ms. Srishti Soni
Company Secretary & Compliance officer

BOARD COMMITTEES:**Audit**

Mr. S M Jalan-Chairman
Mr. R S Agarwala-Member
Dr. D.R. Agarwal-Member
Ms. Meera Madhusudan Singh
(w.e.f. January 31, 2019)

Nomination & Remuneration

Mr. S M Jalan - Chairman
Mr. Mahendra Agarwal-Member
Dr. D.R. Agarwal-Member

Stakeholders Relationship

Dr. D R Agarwal - Chairman
Mr. S M Jalan -Member
Ms. Meera Madhusudan Singh
(w.e.f. January 31, 2019)

Corporate Social Responsibility

Ms. Meera Madhusudan Singh -
Chairperson
Mr. S M Jalan- Member
Dr. D R Agarwal- Member

AUDITORS

M/s. M Bhaskara Rao & Co
Chartered Accountants

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REGISTERED OFFICE

Plot no-20, Survey no-12, 4th
Floor, Kothaguda, Kondapur,
Hyderabad-500 084,
Tel: +91 40 71204284
Fax: +91 40 23112318
Email:investors_tcif@gati.com
CIN: L65910TG1973PLC031293

REGISTRAR & TRANSFER AGENTS

Karvy Fintech Pvt. Ltd.
(Unit: TCI Finance Limited)
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032.
E-mail : mohsin.mohd@karvy.com
Tel : +91 040 6716 1562
Fax : +91 040 2300 1153

TCI FINANCE LIMITED

CIN: L65910TG1973PLC031293

Regd Office: Plot No. 20, Survey No. 12, 4th Floor, Kothaguda, Kondapur,
Hyderabad - 500081, Telangana

Email Id: investors_tcif@gati.com Ph:04071204284

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 45th Annual General Meeting (AGM) of the Members of TCI Finance Limited (the Company) will be held on Wednesday, the 14th day of August, 2019 at 11.00 am at the registered office of the company at Plot no.20, Survey no.12, Near Rainbow Children Hospital, Kothaguda, Kondapur, Hyderabad-500084 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Standalone and Consolidated Financial Statements for the financial year ended March 31, 2019 and the reports of the Director's and Auditor's thereon.
2. To appoint a Director in place of Ms. Meera Madhusudan Singh, (DIN: 00415866) who retires from office by rotation and being eligible, offers herself for re-appointment.
3. **Re-appointment of Auditors and to fix their Remuneration**

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. M. Bhaskara Rao & Co., Chartered Accountants (Firm Registration No.000459S) be and are hereby re-appointed as Statutory Auditors of the Company for a period of 3 years, to hold office from the conclusion of the 45th Annual General Meeting until the conclusion of 48th Annual General Meeting of the Company to be held in the year 2022, at a remuneration of Rs. 2,40,000/- P.A and on such other terms and conditions as may be agreed by the Company."

"RESOLVED FURTHER THAT the Directors be and are hereby severally authorized to negotiate the remuneration, terms and conditions of the said appointment and further do all such acts, deeds and things as may be required in this regard."

SPECIAL BUSINESS:

4. TO RE-APPOINT MR. SANWARMAL GOURISHANKAR JALAN (DIN: 00324182) AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS

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

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 22nd May, 2019 and pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and qualification of Directors) Rules 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Sanwarmal Gourishankar Jalan (DIN: 00324182) as an Independent Director of the Company for a second term of 5 consecutive years upto September 24, 2024 and whose term shall not be subject to retirement by rotation."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members be and is hereby accorded for continuation of Mr. Sanwarmal Gourishankar Jalan (DIN: 00324182), as an Independent Director of the Company, notwithstanding that Mr. Sanwarmal Gourishankar Jalan (DIN: 00324182) attains the age of 75 years during his tenure as Independent Director of the Company.

"RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

5. APPOINTMENT OF MR. RADHE SHYAM AGARWALA (DIN: 00368733) AS NON EXECUTIVE AND NON-INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of Companies Act, 2013 (hereinafter referred to as the 'Act') and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation by Nomination and Remuneration Committee, Mr. Radhe Shyam Agarwala (DIN: 00368733) who has already attained the age of above 75 years and who was appointed by the Board of Directors, as an additional director of the Company with effect from May 22, 2019 under section 161(1) of the Act, and who holds office upto the date of ensuing Annual General Meeting and is eligible for appointment, and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013, has been received in the prescribed manner, be and is hereby appointed as a non-executive and non-independent director, liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members be and is hereby accorded for continuation of Mr. Radhe Shyam Agarwala (DIN: 00368733), as non-executive and non-independent director notwithstanding that Mr. Radhe Shyam Agarwala (DIN: 00368733) has already attained the age of 75 years.

"RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

6. APPROVAL FOR RELATED PARTY TRANSACTIONS

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

"RESOLVED THAT pursuant, to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all other applicable provisions if any, consent of the members of the Company be and is hereby accorded for ratification / approval of related party transactions entered into and proposed to be entered into by the Company with related parties. Apart from existing transactions, the proposed transactions with related parties shall not exceed Rs. 10 Cr as set out in the explanatory statement annexed to the notice convening this meeting."

"RESOLVED FURTHER THAT the Board of Directors of the company and/or committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto. The relevant details, pursuant to regulations 26(4) and 36(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
2. A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and

such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.

3. The instrument appointing the proxy, duly completed, must be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting (on or before August 12, 2019, 11 a.m. IST). A proxy Form is annexed to this Report. Proxies submitted on behalf of Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days written notice is given to the company.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21. The Company will also send communication relating to e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
6. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished as annexure to the Notice.
7. Pursuant to section 91 of the Act and regulation 42 of SEBI Listing regulations, 2015, The Register of Members and Share Transfer Books will remain closed from Wednesday August 7, 2019 to Wednesday August 14, 2019 (both days inclusive).
8. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or Registrar and Share Transfer Agent of the Company, for assistance in this regard.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the meeting.
11.
 - a) The members who are holding shares in physical form are requested to intimate any change in their address with pin code immediately either to the Company or to the Registrar & Share Transfer Agent.
 - b) The members who are holding shares in demat form are requested to intimate any change in their address with pin code immediately to their Depository Participants.
12. Non-Resident Indian Members are requested to inform Karvy Fintech Private Limited, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DOP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of their PAN card to the Company / RTAs for registration of such transfer of shares.
14. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of services where email addresses have not been registered. Accordingly, members are requested to support this

initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, M/s. Karvy Fintech Pvt. Ltd.

15. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away in accordance with the Companies Amendment Act, 2017, enforced on 7 May, 2018 by the Ministry of Corporate Affairs, New Delhi.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting a duly filled-in 'Shareholder Registration Form' available on the website of the Company www.tcifl.in to Karvy Fintech Private Limited or secretarial department of the Company. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
17. The shares of the Company are at present listed on BSE Limited and National Stock Exchanges of India Limited. The listing fee for the year 2019-20 has been paid to the Stock Exchanges.
18. SEBI has amended regulation 40 of SEBI Listing Regulations, 2015. Pursuant to this amendment, with effect from April 1, 2019, transfer of securities (except transmission or transposition) cannot be processed unless securities are in dematerialize form. Accordingly, the company has sent letters to members holding shares in physical form advising them to dematerialize their holding. In addition to transferability, dematerialization provides other benefits including easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of certificates and bad deliveries.
19. A Route Map showing direction to reach the venue of 45th Annual General Meeting is given in the Annual Report as per the requirement of the Secretarial Standard - 2 on General Meeting.

20. Voting through electronic means

- a) In Compliance with provisions of Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility to the members to exercise their right to vote at the 45th AGM by electronic means and the business shall be transacted through e-voting services provided by Karvy Fintech Private Limited (Karvy).
- b) The e-voting facility will be available during the following period:
Commencement of e-voting: From 9.00 a.m. (IST) on Friday 9th August, 2019
End of e-voting: Up to 5.00 p.m. (IST) on Tuesday 13th August, 2019
- c) The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
- d) The company has appointed M/s Tapasvilal Deora & Associates, Practicing Company Secretaries, Hyderabad as Scrutinizer for conducting the e-voting process and voting process at the meeting (including voting through Ballot Form) in a fair and transparent manner.
- e) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. August 7, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to vote.
- f) The login ID and password for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- g) The facility for voting through ballot / polling paper shall be made available at the Meeting, to all the members attending the Meeting, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the Meeting but shall not be entitled vote again. Kindly note that members can opt for

only one form of voting i.e. either by Ballot Forms or through e-voting. If members are opting for e-voting then they should not vote by Ballot Forms and vice-versa.

However, in case members casting their vote both by e-voting and Ballot Forms, then voting done through e-voting shall prevail and voting done by Physical Ballot shall be treated as invalid.

- h) Any person who become members of the Company after despatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. August 7, 2019, may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at evoting@karvy.com with a copy to investors_tcif@gati.com. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- i) The Chairman shall, at the meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the help of scrutinizer, by use of 'Ballot Paper' for all those members, who are present at the meeting, but have not cast their vote by availing e-voting facility.
- j) The Scrutinizer, after scrutinising the votes cast at the meeting (Poll) and through e-voting, will, within stipulated time, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.tcifl.in and on the website of M/s Karvy i.e. www.karvy.com. The results shall simultaneously be communicated to the Stock Exchanges.
- k) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 14, 2019.

21. Instructions and other information relating to e-voting:

I. The instructions for e-voting are as under:

- i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e., user-id & password). Your folio / DP ID - Client ID will be your User ID.

User ID	For Members holding shares in demat form: i) For NSDL: 8-character DP ID followed by 8-digit Client ID ii) For CDSL: 16-digit beneficiary ID For Members holding shares in physical form: Event number, followed by Folio Number registered with the Company
Password	Your unique password is printed on the form / forwarded via email through the electronic notice
Captcha	Enter the verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) After entering these details appropriately, click on 'LOGIN'.
- iv) Members holding shares in demat / physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through M/s Karvy Fintech Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt to select the 'Event' i.e., 'Company Name'.
- vii) If you are holding shares in demat form and had logged on to <https://evoting.karvy.com> and cast your vote earlier for any company, then your existing login id and password are to be used.

- viii) On the voting page, you will see Resolution description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not want to cast your vote, select 'ABSTAIN'.
- ix) After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly, modify your vote.
- x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xi) Corporate / Institutional Members (Corporate / FIs / FII's / Trusts / Mutual Funds / Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutiniser through e-mail to dvmgopal@gmail.com with copy to investors_tcif@gati.com. The file scanned image of the Board resolution should be in the naming format 'Corporate Name_ Event number'.
- xii) If you are already registered with M/s Karvy Fintech Private Limited for e-voting, then you can use your existing user ID and password for casting your vote. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- xiii) Please contact Karvy Fintech Pvt. Ltd.'s toll-free number 1-800-34-54-001 for any further clarifications.
- xiv) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of the e-voting website of M/s. Karvy Fintech Private Limited <https://evoting.karvy.com>.
22. Details of the Director proposed to be re-appointed/appointed at the AGM Scheduled to be held on August 14, 2019 (Pursuant to Clause 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

Name of Director	Ms. Meera Madhusudan Singh	Mr. Sanwarmal Gourishankar Jalan	Mr. Radhe Shyam Agarwala
Age	57	73	80
Qualifications	PGDM from Oberoi School of Learning and Development, India.	Graduate from Arts	Chartered Accountant
Resume, nature of expertise in specific functional area	Ms. Meera, is an industry professional and entrepreneur with over 25 years of experience in brand building, design, consumer experience, marketing and communications across a myriad of verticals with an extensive experience in the Indian and ASEAN industries. She is the only woman entrepreneur to have successfully contributed to commissioning the first hydro power project of 110 MW at Sikkim in North Eastern India.	Mr. S M Jalan has more than 45 years of experience in the transport industry. He has been associated with the Company since inception and has been serving on the Board for the past 37 years with his rich functional expertise. He was former president of BGTA (Bombay Goods Transportation Association). He also serves as the Managing Director of TCI Hi-Ways Pvt. Ltd. a company which provides transportation services	Mr. R S Agarwala is Fellow Member of the Institute of Chartered Accountants of India and is a Practicing Chartered Accountant with over 26 years of experience in Direct Taxation. Presently he is director in Athena Agri finance private limited, Vikash Finco Private Limited and acting as Nominee Director in Itag Business Solutions Limited. He has been serving on the Board of the above mentioned companies with his vast financial expertise.
Terms and Conditions of re-appointment/appointment	Non-Executive, Non Independent Director, liable to retire by rotation	Independent Director for a period of 5 years, not liable to retire by rotation	Non-Executive, Non Independent Director, liable to retire by rotation
Remuneration last drawn including sitting fees, if any	Sitting fees as disclosed in report on corporate governance forming part of this Annual Report.	Sitting fees as disclosed in report on corporate governance forming part of this Annual Report.	Sitting fees as disclosed in report on corporate governance forming part of this Annual Report.

Name of Director	Ms. Meera Madhusudan Singh	Mr. Sanwarmal Gourishankar Jalan	Mr. Radhe Shyam Agarwala
Date of First appointment	26/03/2015	15/12/1976	He was appointed as Director in the Company w.e.f 31.07.1990. Further he has resigned from the Directorship of the Company w.e.f March 31, 2019 pursuant to regulation 17(1A) of SEBI (LODR) Regulations, 2015. The Directors of the company at its meeting held on May 22, 2019 appointed him as an Additional Director of the Company subject to the approval of Shareholders in the Annual general meeting of the Company.
Details of shares held in the Company as on 31.03.2019	Nil	Nil	Nil
Listed Companies in which Directorships held as on 31.03.2019	1. TCI Finance Ltd.	1. TCI Finance Ltd.	1. TCI Finance Ltd.
Chairman / Member of the Committees of Listed Companies in which he is a Director as on	1. Chairman in Corporate social responsibility Committee and Member in Stakeholder Relationship Committee and Audit Committee of TCI Finance	1. Chairman in Audit Committee and Nomination and Remuneration committee of TCI Finance Ltd. 2. Member of Stake holder relationship committee and Corporate Social Responsibility Committee.	Member in Audit Committee of TCI Finance Limited (Upto March 31, 2019)
Relationship with other Directors	Not related to any of the Director	Not related to any of the Director	Not related to any of the Director
Directorship of Other Boards as on March 31, 2019	Gati Infrastructure Private Limited	Bhoruka Capital Limited TCI Hi-ways Private Limited Mega Freight Movers Private Limited Bhoruka Classic Finance Private Limited MNM Trading Solutions Private Limited	Athena Agri Finance Private Limited Vikash Finco Private Limited Itag Business Solutions Limited
Membership/ Chairmanship of Committee of other Boards as on March 31, 2019	–	–	–

23. Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

In conformity with Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice. An explanatory statement in relation to Item No. 4, 5 & 6 is also furnished and should also be taken as forming part of the Notice.

Item No. 4

Mr. Sanwarmal Gourishankar Jalan (DIN: 00324182) has been a director of the Company effective from 25th September 2014. In terms of Section 149 of the Companies Act, 2013, the members have at the 40th Annual General Meeting held on September 25, 2014 appointed Mr. Sanwarmal Gourishankar Jalan as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from September 25, 2014. Accordingly, the current term of Mr. Sanwarmal Gourishankar Jalan expires on 24th September, 2019. In terms of Section 149 of the Companies Act, 2013, Mr. Sanwarmal Gourishankar Jalan is eligible for being re-appointed as an Independent Director for another term of 5 consecutive years.

Brief Profile

Mr. Sanwarmal Gourishankar Jalan has more than 45 years of experience in the transport industry. He has been associated with the Company since inception and has been serving on the Board for the past 37 years with his rich functional expertise. He was former president of BGTA (Bombay Goods Transportation Association). He also serves as the Managing Director of TCI Hi-Ways Pvt. Ltd. a company which provides transportation services.

Mr. Sanwarmal Gourishankar Jalan has been actively involved in all matters brought before the Board of Directors of the Company) from time to time. His inputs has always benefitted the Company and the Board. Thus, the Board of Directors of the Company at its meeting held on 22nd May 2019 pursuant to the recommendation of the Nomination and Remuneration Committee, approved, subject to the approval of the members at the ensuing Annual General Meeting, re-appointment of Mr. Sanwarmal Gourishankar Jalan as an Independent Director for another term of five consecutive years upto September 24, 2024. Mr. Sanwarmal Gourishankar Jalan aged 73 years will attain the age of 75 years during his tenure of 5 years which also requires the approval of shareholders in terms of Reg 17(1A) of SEBI (LODR) Regulations, 2015.

Thus, the Board, therefore, recommends the resolution as set out in item No. 4 of the Notice for approval of members by means of a special resolution.

Mr. Sanwarmal Gourishankar Jalan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as the Director. The Company has also received a declaration that he meets the criteria for the independence as prescribed under Section 149(6) of the Companies Act, 2013 and regulation 16 of SEBI Listing Regulations, 2015. In the opinion of the Board, Mr. Sanwarmal Gourishankar Jalan fulfils the conditions specified in the Companies Act, 2013 and rules made there under for re -appointment as an Independent Director.

Thus, the resolution in Item No . 4 for appointment of Mr. Sanwarmal Gourishankar Jalan as Director and his continuation as Director of the Company even after he attains the age of 75 years is recommended for your approval as a Special Resolution.

Interest of Directors and Key Managerial Personnel:

None of the other directors and Key Managerial Personnel of the Company and their relatives are interested in the above resolution.

Item No. 5

Mr. Radhe Shyam Agarwala (DIN: 00368733) has been appointed as an additional director of the Company effective from May 22, 2019. Pursuant to Section 161 of the Companies Act, 2013, he holds office upto the date of the ensuing AGM. In this regard the Company has received a request in writing from a member of a company proposing Mr. Radhe Shyam Agarwala candidature for appointment as Director of the Company.

Brief Profile

Mr. R S Agarwala is Fellow Member of the Institute of Chartered Accountants of India and is a Practicing Chartered Accountant with over 26 years of experience. Presently he is director in Athena Agri finance private limited, Vikash Finco Private Limited and acting as Nominee Director in Itag Business Solutions Limited.

He has been serving on the Board of the above mentioned companies with his vast financial expertise. He is also having vast experience in direct taxation. Thus the Board of Directors of the Company at its meeting held on May 22, 2019 pursuant to the recommendation of the Nomination and Remuneration committee, approved, subject to the approval of the members at the ensuing Annual General Meeting, appointment of Mr. Radhe Shyam Agarwala as non-executive and non independent director of the company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail services of Mr. Radhe Shyam Agarwala as Non-executive director.

Thus, the Board, therefore, recommends the resolution as set out in item No. 5 of the Notice for approval of members by means of a special resolution.

Mr. Radhe Shyam Agarwala is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as the Director.

Thus, the resolution in Item No. 5 for appointment of Mr. Radhe Shyam Agarwala as Non Executive Director and his continuation as Non Executive Director of the Company even he has already attained the age of 75 years is recommended for your approval as a Special Resolution.

Interest of Directors and Key Managerial Personnel:

None of the other directors and Key Managerial Personnel of the Company and their relatives are interested in the above resolution.

Item No.6

As per regulation 23 of the Listing Regulations, all material related party transactions, that is to say, transactions by a listed entity with a related party if entered individually or taken together with previous transactions during a financial year, exceeding 10 per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, shall require approval of the members by an ordinary resolution.

The Company has entered into the following material related party transactions with the related party during the year under review:

In Crores

S.no.	Name of Related Party	Relationship	Nature of transactions	Transaction value as on 31st March, 2019
1.	Mahendra Investors Advisors Private. Ltd.	Private . Company in which Mr. Mahendra Agarwal (Director of TCI Finance Limited) is a director	1. Loan give in the ordinary course of business 2. Guarantee given by way of pledge of equity shares held in Gati Ltd	1. Rs. 19.46 2. Rs. 30
2.	Amrit Jal Ventures Private. Ltd.	Private Company in which Mr. Mahendra Agarwal (Director of TCI Finance Limited) is director and TCIF is holding 10% in Amritjal Ventures Private Limited	1. Corporate Guarantee given 2. Loan give in the ordinary course of business	1. Rs. 30 2. Rs. 9.78
3.	Ms Meera Madhusudan singh	Director	Loan taken in the ordinary course of business	Rs. 1.48

S.no.	Name of Related Party	Relationship	Nature of transactions	Transaction value as on 31st March, 2019
4.	Gati Infrastructure Private Ltd	Company in which Ms. Meera Madhusudan Singh (Director of TCI Finance Limited) is director	Guarantee given by way of pledge of 15.80 lakhs equity shares held in Gati Ltd which have to be restored back	
5.	Gati Infrastructure Bhasmey Private Limited	TCI Finance Limited made an investment 10% of the equity of Amrit Jal ventures Ltd.(AJVPL) and Gati Infrastructure Bhasmey Private Limited is one the subsidiary of AJVPL and TCIF has major investment in Gati, TCI Industries, ITAG Business (WOS) and OCED in AJVPL	Corporate Guarantee given of Rs. 285.94	Rs. 224.89
6.	Bunny Investments and Finance Private Limited	Related to promoter	*One of the Buyer of Itag Business Solutions Limited (Wholly owned subsidiary of TCI Finance Limited).	Rs. 0.21
7	Mahendra Agarwal Family trust	Related to promoter	*One of the Buyer of Itag Business Solutions Limited (Wholly owned subsidiary of TCI Finance Limited).	Rs. 0.213

* The Transaction is a related party transaction on an arm length basis

Details of Transactions which are proposed to be entered into by the Company

S.no.	Name of Related Party	Relationship	Nature of Transactions
1.	Itag Infrastructure Limited	MK Family trust (in which Mahendra Kumar Agarwal, director of the Company is settlor) is holding 29.25% shares in Itag Infrastructure Limited	To Give loan/guarantee/security in connection with loan aggregating to an amount not exceeding 10 Cr

Except Mr. Mahendra Kumar Agarwal and his relatives and Ms. Meera Madhusudan Singh, none of the other directors or Key Managerial or their relatives is, in anyway concerned or interested in the said resolution.

Directors recommend the resolution at item no. 6 for the acceptance by the members of the company as Ordinary Resolution.

By Order of the Board
for **TCI FINANCE LIMITED**

Srishti Soni
Company Secretary
(MNo. A46395)

Hyderabad
May 22, 2019

Registered Office:
Plot No.20, Survey No.12,
4th Floor, Kothaguda, Kondapur,
Hyderabad-500084
Tel: +91 040-7120 4284
Fax: +91 040-2311 2318

CIN: L65910TG1973PLC031293

Website: www.tcifl.in
Email: investors_tcif@gati.com

DIRECTORS' REPORT

To,
Dear Members,

Your directors take pleasure in presenting the 45th Annual Report of the Company along with the Audited Accounts for the year ended March 31, 2019.

The highlights of the Standalone and Consolidated Financial Results are as follows: (₹ in Lakhs)

	Particulars March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Standalone	Standalone	Consolidated	Consolidated
Revenue from Operations	1054.13	1174.67	1235.84	1300.79
Profit/(loss) before Interest, Depreciation & Taxation	1139.36	1068.11	1207.64	1069.05
Financial Charges	606.78	859.90	606.78	859.90
Depreciation	2.08	2.14	3.19	4.30
Profit/(Loss) before tax	530.49	206.07	597.66	204.84
Exceptional Items	—	—	—	—
Provision for tax:	—	—	—	—
Current Tax	100.17	36.50	100.17	36.50
Deferred Tax	3.05	0.96	3.52	0.98
Tax relating to earlier years	—	—	—	—
Profit/(Loss) after tax	427.26	168.61	493.97	167.36
Balance brought forward from previous year	2341.13	2206.24	2270.72	2137.08
Transferred to Reserve Fund	85.45	33.72	(85.45)	(33.72)
Balance Carried forward	2682.94	2341.13	2682.94	2270.72

DIVIDEND

Your Directors have not recommended payment of dividend for the financial year ended March 31, 2019 since it is proposed to retain the same in the business.

SHARE CAPITAL

The authorized share capital of the Company is Rs. 20 Crore divided into 2,00,00,000 equity shares of Rs. 10/-each and paid-up equity share capital as on March 31, 2019 is 12.87 Crore consisting of 12,872,493 equity shares of Rs. 10/-each. There are 13,23,812_ forfeited shares. Details of the same has been disclosed in Note No. 3 of financial statements

DEPOSITS

During the year the Company has accepted unsecured loans from directors in terms of Rule 2(c)(viii) of Companies (Acceptance of Deposits) Rules, 2014 details of which are disclosed in Notes 7 of financial statements.

It continues to be a Non-deposit taking Non Banking Financial Company in conformity with the guidelines of the Reserve Bank of India and Companies (Acceptance of Deposits) Rules, 2014.

STATE OF COMPANY AFFAIRS AND OPERATIONAL PERFORMANCE REVIEW

During the year under review, your Company achieved a turnover (standalone) of Rs. 1054.13 lakhs as against Rs 1174.67 lakhs in the previous year. The profit before tax (Standalone) stands at Rs. 530.49 lakhs as against Rs. 206.07 lakhs in the previous year.

SUBSIDIARY (ITAG BUSINESS SOLUTIONS LIMITED)

The wholly owned subsidiary company Itag Business Solutions Limited is into the core business of Knowledge Process outsourcing and the consolidated financials forms part of this Annual Report.

With effect from 5th March, 2019, Itag Business solutions limited has ceased to be a Subsidiary of the Company.

The Turnover of Itag Business Solutions Limited as on 5th March, 2019 is Rs. 110.57 Lakhs as Compared to Rs. 127.23 lakhs in the previous year. Profit before tax stood at (4.67 lakhs) as against profit of Rs. (1.22) Lakhs in the previous year. A Statement pursuant to section 129 of the Companies Act, 2013 related to the accounts of the subsidiary forms part of this annual report.

Policy for determining material subsidiary of the Company is available on the website of the Company <https://www.tcifl.in/pdf/policyonmaterialsubsidiaries.pdf>.

RESERVE

As per section 45IC of RBI Act 1934, the Company has transferred Rs. 85.45 Lakhs to reserve fund i.e 20% of its net profit.

CONSOLIDATED FINANCIAL STATEMENTS (CFS)

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS)- 21, Consolidated Financial Statements are provided in the Annual Report. The CFS should therefore be read in conjunction with the directors' reports, financial notes, cash flow statements and the individual auditor reports of the subsidiary.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Change in Directorate

i. Cessation as non-executive Director

Pursuant to Regulation 17(IA) of SEBI (Listing obligations and disclosure requirements) Regulations 2015 vide notification no. SEBI/LAD-NRO/GN/2018-10, no listed entity shall appoint a person or continue the directorship of any person as a Non Executive Director who has attained the age of 75 years unless a Special Resolution is passed to that effect, in which case the Explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Accordingly, Mr. R S Agarwala (DIN: 00368733) aged 80 has resigned from the Directorship of the Company with effect from March 31, 2019

ii. Appointment/re-appointment of directors

a) The Board at its meeting held on May 22, 2019, after taking into account the report of their performance evaluation and the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Sanwarmal Gourishankar Jalan (DIN: 00324182) as an Independent Director of the Company for a second term of five consecutive years September 24, 2024 subject to the approval of the shareholders in the 45th Annual General Meeting of the Company

b) The Board of Directors of the Company at its meeting held on May 22, 2019 appointed Mr. Radhe Shyam Agarwala as an Additional Non-executive & Non-Independent Director of the Company and consent of the members by way of Special Resolution is sought by the Company in compliance with regulation 17(1A) of SEBI Listing Regulations, 2015 for continuation of Mr. Radhe Shyam Agarwala (DIN: 00368733) as non-executive director of the Company beyond the age of 75 years with effect from May 22, 2019.

III. Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Ms. Meera Madhusudan Singh (DIN: 00415866) retires by rotation and being eligible, has offered herself for re-appointment.

The brief profile of the director who is to be re-appointed form part of the notes and explanatory statement to the notice of the ensuing Annual General Meeting.

B. Change in KMP

Ms. Lakshmi Sharma, Company Secretary and Compliance officer of the Company has resigned w.e.f November 28, 2018.

Ms. Srishti Soni was appointed as Compliance officer of the Company w.e.f December 24, 2018 and Company Secretary of the Company w.e.f January 31, 2019.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19, percentage increase in remuneration of each Director, Chief Financial Officer/Manager and Company Secretary during the financial year 2018-19 are as under:**

Non-Executive Directors (Refer Note-1)	Ratio to median remuneration	% increase in remuneration in the financial year
Mr. Dhanpat Ram Agarwal, Chairman-Independent Director	-	-
Mr. Mahendra Agarwal, Promoter & Non Executive Director	-	-
Mr. Radhe Shyam Agarwal Non Executive & Non Independent Director	-	-
Mr. Sanwarmal Gouri Shankar Jalan, Independent Director	-	-
Ms. Meera Madhusudan Singh Non Executive & Non Independent Director	-	-
Executive Directors / KMP		
Mr.Ramesh Sivaraman Manager-Chief Financial officer	2.04:1	4.77%
Ms.LakshmiSharma - Company Secretary (upto November 28, 2018)	0.33:1	5.16%
Ms. Srishti Soni, Company Secretary (w.e.f December 3, 2018)	0.23%	----

Note 1: The Company had paid only sitting fees to the Directors. Apart from sitting fees there is no other remuneration paid to the Non-Executive Directors. Therefore the ratio to median remuneration is negligible.

- ii) the percentage increase in the median remuneration of employees in the financial year: 46.51%
- iii) the number of permanent employees on the rolls of company: 4
- iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 14.19% whereas the increase in the managerial remuneration for the same financial year was 4.96%. The same is in line with the Industry Standards.
- v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The particulars of employees required under section 197(12) of the Companies Act, 2013 read with Rules 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not furnished as there is no employee in receipt of remuneration more than the prescribed limit.

As per ministry of corporate affairs notification no: G.S.R. 646(E) regarding amendment of the companies (Appointment and Remuneration of Managerial Personnel) in rule 5 sub rule (2), the statement containing particulars of top ten

employees in terms of remuneration drawn as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given below:

a) Name of the employee	Ramesh Sivaraman	Laxmi Narain Kumawat	Lakshmi Sharma	Srishti Soni	Sandeep Gurram	Amit Ray
b) Designation of the employee	Manager and CFO	Upto June 30, 2018, he was Asst. General Manager	Company Secretary & Compliance officer Upto Nov 28, 2018	Company Secretary w.e.f December 3, 2018	Associate-Operation	Assistant Manager-Accounts
c) Remuneration received; (₹ in lakhs)	37,25,575	3,47,266	4,35,021	1,43,470	1,91,983	3,80,719
d) Nature of employment, whether contractual or otherwise;	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
e) Qualification an experience of the employee;	CA Exp: 28 years	MCOM Exp: 40 years	CS Exp: 7 years	CS Exp: 2 years	MBA Exp: 2.7 years	B.COM (Hons) Exp: 17 years
f) Date of commencement of employment;	22-Oct-1996	01-Sep-1978	01-Dec-2012	03-Dec-2018	01-Jan-2018	03-Apr-2002
g) Age of such employee;	50	58	29	26	25	40
h) Last employment held by such employee before joining the company;	Manager, Asia Pacific Investment Ltd.	Manager Gati Ltd.	Assistant Manager Gati Kintetsu Express Private Limited (Gati-KWE)	Company Secretary & Compliance officer- Proseed India Limited	Associate Gati Accademy	Manager Accounts Gati Kausar India Limited
i) % of equity shares held by the employee in the company;	0.00 (960 Shares)	0.07	Nil	Nil	Nil	Nil
j) Whether any such employee is a relative of any director, and if so, name of such director or manager	No	No	No	No	No	No

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of Companies Act, 2013, stating that they meet the criteria of independence as provided in section 149(6) of the said Act and Regulation 16 of SEBI Listing Regulations, 2015.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Remuneration Policy is stated in the Corporate Governance Report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained hereunder.

The evaluations based on questionnaire was prepared which assessed the performance of the Board on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the

quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors were based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board.

A separate meeting of Independent Directors was also held during the financial year for the evaluation of the performance of Non Independent Director performance of the board as whole and that of the Chairman.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The company is a NBFC and therefore section 186 of Companies Act, 2013 are not applicable to the Company. The details of Loans, Guarantees and Investments are given in the note No. 7 to the Financial Statement.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company from financial year 2018-19. Accordingly, the Board of Directors of the Company at its meeting held on May 22, 2019 have dissolved the CSR Committee.

RELATED PARTY TRANSACTION

The main business of the Company is financing activities and all loans granted to related party (if any) are in the ordinary course of business. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly Form AOC-2 is not applicable to the Company.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its approval.

Your Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. This Policy was considered and approved by the Board has been uploaded on the website at: <http://www.tcifl.in/pdf/RelatedPartyTransactionPolicy.pdf>

Transactions with the related parties entered into by the Company are disclosed in Note 24 of the financial statements. The same has been disclosed in the financial statement in compliance with Accounting Standard as applicable

Further details regarding transactions with entities belonging to Promoter/Promoter group which hold 10% or more shareholding in the listed entity are given herein below:

Name of Related Party	% of Holding	Nature of Transactions
Gati Limited (Promoter Group)	12.43%	Rent paid amounting to Rs. 19600 p.m
Bunny Investments and Finance Private Limited (Promoter group)	0.43%*	The company (TCI Finance Limited) has sold its Wholly owned subsidiary (Itag Business Solutions Limited) and Bunny Investments and Finance Private Limited is one of the Buyer of it.

*The Company has sold its wholly owned subsidiary company (Itag Business Solutions Limited) and Bunny Investments and Finance Private Limited being one of the buyer of it is disclosed in the above mentioned details irrespective of it is holding 0.43% of Shares in TCI Finance Limited.

MEETINGS

During the year Four Board Meetings, Four Audit Committee Meetings, Two Nomination and Remuneration Committee and Four Stakeholder Relationship Committee meeting were convened and held. The details of the meeting along with the attendance of the director are given in the Corporate Governance Report(Annexure D). The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, CSR Committee, Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report. There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

VIGIL MECHANISM

Pursuant to section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, 2015 the company has framed its whistle Blower/vigil mechanism policy.

The Vigil Mechanism policy/Whistle Blower policy provide a mechanism for the Directors/ employees of the Company to report, without fear of victimization any unethical behavior, suspected or actual fraud violation of the Code of Conduct, etc which are detrimental to the organisation's interest. The mechanism protects the whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The directors in all cases and employees in appropriate or exceptional cases have direct access to the chairman of the audit committee. The company affirms that no employee has been denied access to the Audit Committee. The Vigil Mechanism Policy has been uploaded on the website of the Company at: <http://www.tcifl.in/pdf/VigilMechanismPolicy.pdf>.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Accordingly, the Company has arranged a technical session to familiarize the Independent Directors about their roles, responsibilities and duties as Independent Directors. The details of the familiarization programme has been disclosed on the website of the Company at: <http://www.tcifl.in/investors/familiarisationProgramme>.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 your Directors' confirm the following:

- ◆ that in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ◆ that the directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period.
- ◆ that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- ◆ that the directors have prepared the annual accounts on a 'going concern' basis.
- ◆ that the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- ◆ that the systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

ACCOUNTS OF SUBSIDIARY

Copies of these annual accounts and related information will be made available on the Company's website at www.tcifl.in and also on request. The annual accounts of the subsidiary company will be made available at the registered office of the company and also at the venue during the Annual General Meeting.

LISTING

The Company's shares are traded in the dematerialized form on both BSE Ltd and National Stock Exchange of India Limited having nation wide terminals. The particulars of Shareholding Pattern, Distribution of Shareholding and Share prices are mentioned separately in the Report on Corporate Governance.

Internal Financial Controls

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and external agencies(if required) and the reviews performed by management team and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2018-19.

The Board of Directors, to the best of their knowledge and ability, confirm that:

Your Company has laid down internal financial controls to be followed and that such internal financial controls are adequate and were generally operating effectively; and

Your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

a) Statutory Auditors

M/s M. Bhaskara Rao & Co., Chartered Accountant, Hyderabad (FRN: 000459S) were appointed as the Statutory Auditors at the 40th AGM for a period of 5 years upto the conclusion of the 45th AGM of the Company. Accordingly, the term of office of M/s M Bhaskara Rao & Co expires in the ensuing Annual General Meeting of the Company.

The Board of Directors of the Company at its meeting held on May 22, 2019, pursuant to the recommendation of Audit Committee approved the re-appointment of M/s M Bhaskara Rao & Co., Chartered Accountants (Firm Registration No. 000459S) as auditors for a period of 3 years commencing from the conclusion of this Annual general meeting till the conclusion of the 48th Annual General Meeting to be held in the year 2022 in terms of Section 139 & 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rule, 2014.

M/s M Bhaskara Rao & Co, Chartered Accountants (Firm Registration No. 000459S) have consented to the said appointment and confirmed that their appointment, if made, would be within the limit specified under sec 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Emphasis of Matter

- a. Note no 22.6 of the standalone financial statements regarding exposures to Amrit Jal Ventures Private Limited and its wholly owned subsidiaries (collectively referred as AJVPL) aggregating to Rs. 5,347.67 Lakhs besides the amounts of guarantees given to the lenders of AJVPL.
- b. Note 22.5 of the standalone financial statement regarding the accounting treatment and presentation and disclosure relating to sale of pledged shares by the lenders of the Company / lenders of the Related Parties.

Management has provided its clarification and the same is disclosed in note no.22.5 & 22.6 of the Financial statements.

b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. dvm gopal & associates, a firm of Practicing Company Secretaries to undertake the Secretarial Audit of your Company. The Report of the Secretarial Auditor for the financial year 2018-19 as issued by them in the prescribed form MR-3 is annexed to this report as Annexure B.

A certificate on secretarial compliance as required under Regulation 24A of SEBI Listing Regulations read with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019 was obtained from M/s Tapasvilal Deora & Associates, Practicing Company Secretaries for the financial year 2018-19 and was accordingly submitted to the stock exchanges.

c) Internal Audit

Pursuant to the provision of section 138 of the Companies Act, 2013 and the Companies read with rule 13 of the Companies (Accounts) Rules, 2014, your Company has appointed Mr. Dinesh Sai to conduct the Internal Audit of the functions and activities of the Company for the financial year 2018-19. The Internal Auditors are submitting their report on quarterly basis.

MAINTENANCE OF COST RECORDS

The provisions of Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

The details forming part of Annual Return in form MGT-9 is annexed as Annexure-C. The same is being uploaded on the website of the Company - www.tcifl.in

CORPORATE GOVERNANCE

Pursuant to SEBI Listing Regulations, 2015, a separate chapter titled Corporate Governance has been included in this Annual Report, along with the reports on Management Discussion and Analysis and General Shareholders information.

All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year 2018-19. A declaration to this effect signed by the Manager & CFO of the Company is contained in this Annual Report.

The Manager & CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of SEBI, Listing Regulations, 2015

The Certificate from the Practicing Company Secretary of the Company regarding compliance of conditions of Corporate Governance is annexed to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

As the Company is not engaged in the manufacturing activity, the prescribed information regarding compliance of rules relating to conservation of Energy and Technology absorption pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with Rule - 8 (3) of the Companies (Accounts) Rules, 2014 is not provided.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company does not have any Foreign Exchange Earnings and outgo in the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

MDA is provided as a separate section in the annual report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURT OR REGULATORS

During the year under review, there were no significant and material orders passed by the court of regulators.

Subsequently, A NCLT case against M/s AmritJal Ventures Private Limited in which TCI Finance Limited is holding 10% shares been filed by M/s Sew Infrastructure Limited which has been admitted on May 07, 2019.

Your Company as at the year ended March 31, 2019 has financial exposures in the form of investments, amounts receivable by the Company and guarantees given by the Company on behalf of AmritJal Ventures Private Limited and its subsidiaries. Details of the same are given in point no. 22.7 of the standalone financial statements.

PRESENTATION OF FINANCIAL STATEMENTS

As per notification no. G.S.R. 365 (E) dated 30 March 2016, issued by Ministry of Corporate Affairs (MCA) in exercise of power conferred to it under section 133 read with section 469 of the Companies Act, 2013, NBFCs having net worth of Rupees five hundred crore or more are required to comply with the Indian Accounting Standards (Ind AS) in preparation of their financial statements and quarterly financial results for the accounting periods beginning on or after 1 April 2018 with effective transition date of 1 April 2017.

Further, MCA, in exercise of its power under sub-section (1) of section 467 of the Companies Act, 2013, amended Schedule III to Companies Act, 2013. Vide the amendment, a new division, viz. 'Division III' financial statement format was introduced for Non-Banking Financial Companies effective from 11th October 2018.

Accordingly, the financial statements of the Company from the current financial years will be prepared as per the revised Schedule III to Companies Act, 2013.

Statutory disclosures

The summary of the key financial of the Company's subsidiary (upto March 5, 2019) in form AOC-1 is included in this Annual Report. A copy of the audited financial statements of the subsidiary company will be made available to members of the Company seeking such information at any point of time. The audited financial statements of the subsidiary will be kept for inspection by any member of the Company at its registered office during business hours. The same are placed on the Company's website www.tcifl.in

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has, during the year under review, complied with all the relevant provisions of the notified secretarial standards.

RISK MANAGEMENT POLICY

The Company has in place adequate checks for management of risks and hence has not developed or implemented any Risk Management Policy. The Board is of the opinion that there are no such elements of risk, which may threaten the existence of the Company.

GENERAL

- i. During the year under review there is no change in nature of business.
- ii. There is no material changes and commitment affecting the financial position of the Company between the end of financial year and the date of the report except the company's exposures to Amrit Jal Ventures Pvt Ltd (AJVPL) in the form of Equity, Optionally convertible Debentures, Inter Corporate Deposit, Interest accrued thereon and tax deducted at source aggregating to Rs. 5347.67 Lakhs and guarantees given to the lenders of AJVPL and its subsidiaries which is disclosed Note No.22 of Financial Statements.
- iii. During the year under review there were no cases filled pursuant to the sexual Harassment of women at workplace (prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation for the support and cooperation, which the Company continues to receive from its clients, Banks, Government Authorities, Financial Institutions and associates and are grateful to the shareholders for their continued support to the Company. Your Directors place on record their appreciation for the contributions made and the efforts put in by the management team and employees of the Company at all levels.

By Order of the Board
For TCI FINANCE LIMITED

Dhanpat Ram Agarwal
Chairman
DIN: 00322861

Hyderabad
May 22, 2019

Annexure – B
SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March 2019

FORM NO MR 3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,

M/s. TCI Finance Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. TCI Finance Limited (hereinafter called as "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 books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us 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 generally 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year Ended **31st March, 2019** ("Audit Period") according to the provisions of:
 - 1.1. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made thereunder;
 - 1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - 1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - 1.4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - 1.4.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 1.4.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - 1.4.3. 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;
 - 1.4.4. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - 1.5. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.
2. We report that during the period under review the Company has generally complied with Secretarial Standards on Board Meeting issued by the Institute of Company Secretaries of India.
3. The Company is a "loan company" engaged in the business of Non-Banking Financial Institution as defined in Section 45I (a) of the Reserve Bank of India Act, 1934. Accordingly, Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms shall be considered as Industry Specific Act as applicable to the Company, in view of the Management and as per the Guidance Note issued by the ICSI.
4. We further report that:
 - 4.1 The Board of Directors of the Company is duly constituted with proper balance of Independent Directors, Non-Executive Directors and a Women Director. With regard to the optimum combination of Executive and Non-

Executive Director as specified in the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 company has received letter from SE and reply has been made accordingly.

- 4.2 Mr. Ramesh Sivaraman is holding the position of Manager and also the position of Chief Financial Officer of the Company and designated as Key Managerial Personnel under Section 203 of the Companies Act 2013.
- 4.3 Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors electronically to schedule the Board Meetings.
- 4.4 There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- 4.5 Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.
- 4.6 As informed by the Company the increase in the borrowings from Directors during the Financial Year under review is covered under the resolution taken from the Board on 02.05.2017 for accepting the loans from other parties.
- 4.7 The Company has defaulted the payment of term loan to bank during the Financial Year 2018-19 as reported by the Statutory Auditors in their audit report and financials. The Company is paying managerial remuneration based on the shareholder approval at the Annual General Meeting held on 14.08.2017, however we are of the view, this again require further approval as per Schedule V.
- 4.8 Company is of the view that CHG-1 need not be filed with ROC in the case of Pledge of Shares provided by the company.
- 4.9 The Board of Directors at its meeting held on 30.10.2018 approved the sale of 100% of equity investment i.e 12,50,000 Equity shares for Rs. 53,25,000/- in ITAG Business Solutions Ltd majorly to the related parties. Company is a NBFC Loan accepting Company. However Company is of the view that the said transaction is in ordinary course and arms-length.
- 4.10 Further Company has informed that all the other Related Party Transactions taken note at the Audit Committee meeting are continuing transactions of the previous years and are arm's length and in ordinary course and there were no material details of related party transaction that has to be disclosed in the Directors Report. We relied the statutory auditors report relating to the Related Party Transactions.
- 4.11 As the Company is not falling into the criteria of Sec 135 of the Co. Act 2013, the Company is not required to spend any amount on CSR activities for the FY 2018-19.
- 4.12 It is to be noted that for the Audit Period the following acts are not applicable:
 - i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
 - ii. SEBI (Delisting of Equity Shares) Regulations, 2009.
 - iii. SEBI (Buyback of Securities) Regulations, 1998.
 - iv. SEBI (Issue of capital and disclosure requirements) Regulations, 2009
 - v. SEBI (Share Based Employee Benefits) Regulations, 2014
 - vi. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- 4.13 There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
5. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

Place: Hyderabad
Date: May 22, 2019

Ansu Thomas
Partner
M No: 8994
CP No: 16696

ANNEXURE

To
The Members,
M/s. TCI Finance Limited
Hyderabad.

Our Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

Place: Hyderabad
Date: May 22, 2019

Ansu Thomas
Partner
M No: 8994
CP No:16696

Annexure – C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN**As on the financial year ended March 31, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN : L65910TG1973PLC031293
- ii) Registration Date : November 29, 1973
- iii) Name of the Company : TCI Finance Limited
- iv) Category / Sub-Category of the Company : Company having share capital,
Indian Non Government Company
- v) Address of the Registered Office and Contact details : Plot no. 20, Sy. 12, 4th Floor, Kothaguda, Kondapur,
Hyderabad - 500 084. Tel. No. 040-71204284,
Fax:040- 23112318, Email: investors_tcif@gati.com
Web: www.tcifl.in
- vi) Whether listed Company : Yes,
a) BSE Limited &
b) National Stock Exchange of India Limited
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 32.
Tel No: 040 - 44656000-152
Email:mohsin.mohd@karvy.com

II. PRINCIPLE BUSINESS ACTIVITY OF THE COMPANY

S.No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1)	Non Banking Financial Activity	0807	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares	Applicable Section
1)	ITAG Business Solutions Ltd. (upto 5th March, 2019)	U74140TG2007PLC053476	Subsidiary	100%	2 (87)

Note: Itag Business Solutions Limited has ceased to be a Subsidiary of Company w.e.f 5th March, 2019

IV. SHARE HOLDING PATTERN (Equity share Capital breakup as percentage of Total Equity)

i) Category-wise shareholding

Category of Shareholders	No. of shares held at the beginning of the year(March 31, 2018)				No. of shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoters									
(1) Indian									
a) Individual / HUF	436634	-	436634	3.39	436634	-	436634	3.39	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2745726	-	2745726	21.33	2745726	-	2745726	21.33	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	3182360	-	3182360	24.72	3182360	-	3182360	24.72	-
(2) Foreign									
a) NRI - Individual	-	-	-	-	-	-	-	-	-
b) Other - Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A) =(A)(1) + (A)(2)	3182360	-	3182360	24.72	3182360	-	3182360	24.72	-
B Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	83	-	83	0.00	83	-	83	0.00	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt									
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	83	0	83	0.00	83	-	83	0.00	0.00

IV. SHARE HOLDING PATTERN (Equity share Capital breakup as percentage of Total Equity)

i) Category-wise shareholding

Category of Shareholders	No. of shares held at the beginning of the year(March 31, 2018)				No. of shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Non-Institutional									
Bodies Corporate									
i) Indian	1426432	503405	1929837	14.99	785959	503405	1289364	10.02	(4.98)
ii) Overseas	-	-	-	-	-	-	-	-	-
Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	4172232	597676	4769908	37.06	4377872	568515	4946387	38.43	1.37
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	2759004	-	2759004	21.43	3289472	-	3289472	25.55	4.12
C. Others (specify)	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
Director and their relatives	2319	500	2819	0.02	2319	500	2819	0.02	0.00
Non Resident Indians	119190	-	119190	0.93	108731	-	108731	0.84	(0.08)
NRI Non Repatriation	26279	-	26279	0.20	28840	-	28840	0.22	(0.02)
Clearing Members	83013	-	83013	0.64	24437	-	24437	0.19	(0.46)
NBFC	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	8588469	1101581	9690050	75.28	8617630	1072420	9690050	75.28	0.00
Total Public shareholding									
(B) = (B)(1) + (B)(2)	8588552	1101581	9690133	75.28	8617713	1072420	9690133	75.28	0.00
C Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	11770912	1101581	12872493	100.00	11800073	1072420	12872493	100.00	-

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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 the total shares	
Gati Limited	1600300	12.43	Nil	1600300	12.43	Nil	Nil
Mahendra Kumar Agarwal	11619	0.09	Nil	11619	0.09	Nil	Nil
Bunny Investments & Finance Pvt. Ltd.	54856	0.43	Nil	54856	0.43	Nil	Nil
Jubilee Commercial & Trading Pvt. Ltd.	320677	2.49	Nil	320677	2.49	Nil	Nil
Dhruv Agarwal Benefit Trust	355479	2.76	Nil	355479	2.76	Nil	Nil
Dhruv Agarwal	296675	2.30	Nil	296675	2.30	Nil	Nil
Mahendra Kumar Agarwal Sons and HUF	128265	1.00	Nil	128265	1.00	Nil	Nil
Manish Agarwal Benefit Trust	380343	2.95	Nil	380343	2.95	Nil	Nil
Giri Roadlines and Commercial Trading Pvt Ltd	19171	0.15	Nil	19171	0.15	Nil	Nil
Gati Intellect Systems Ltd.	14900	0.12	Nil	14900	0.12	Nil	Nil
Manish Agarwal	75	0.00	Nil	75	0.00	Nil	Nil
TOTAL	3182360	24.72	Nil	3182360	24.72	Nil	Nil

iii) Change in Promoter's Shareholding (please specify if there is no change):

	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	3182360	24.72	3182360	24.72
At the end of the year	3182360	24.72	3182360	24.72

There were no changes in the Promoter Shareholding during the year under review

iv) Shareholding Pattern of top ten shareholders(other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the year		Date wise increase / (decrease) in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer/bonus/sweat equity etc.)			Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	No. of shares	Nature	No. of shares	% of total shares of the Company
1	NEERA AGARWAL	950265	7.38	-	-	Closing Balance	950265	7.38
2	CAMPBELL ADVERTISING PVT LTD	200000	1.55	20/04/2018	(29997)	Transfer/Sale	170003	1.32
				27/04/2018	(20003)	Transfer/Sale	150000	1.17
				06/07/2018	(150000)	Transfer/Sale	0	0
				30/03/2019		Closing Balance	0	0
3.	MAHENDRA GIRDHARILAL	33984	0.26	22/02/2019	13919	Transfer/Buy	47903	0.37
				01/03/2019	18138	Transfer/Buy	66041	0.51
				08/03/2019	14604	Transfer/Buy	80645	0.63
				15/03/2019	18889	Transfer/Buy	99534	0.77
				22/03/2019	21580	Transfer/Buy	121114	0.94
				29/03/2019	33616	Transfer/Buy	154730	1.20
				30/03/2019		Closing Balance	154730	1.20
4.	MANISHA AGARWAL	0	0.00	14/12/2018	133000	Transfer/Buy	133000	1.03
				30/03/2019		Closing Balance	133000	1.03
5	ASHOK KUMAR AGARWAL	133000	1.03	14/12/2018	(133000)	Transfer/Buy	0	0
				30/03/2019		Closing Balance	0	0
6	CHOICE EQUITY BROKING PRIVATE LIMITED	117654	0.91	06/04/2018	(37654)	Transfer/Sale	80000	0.62
				13/04/2018	(79600)	Transfer/Sale	400	0.00
				20/04/2018	500	Transfer/Buy	900	0.01
				27/04/2018	100	Transfer/Buy	1000	0.01
				04/05/2018	(1000)	Transfer/Sale	0	0.00
				29/06/2018	1000	Transfer/Buy	1000	0.01
				06/07/2018	(1000)	Transfer/Sale	0	0.00
				03/08/2018	800	Transfer/Buy	800	0.01
				10/08/2018	(1700)	Transfer/Buy	2500	0.02
				17/08/2018	(1500)	Transfer/Sale	1000	0.01
				24/08/2018	(1000)	Transfer/sale	0	0.00
				31/08/2018	500	Transfer/Buy	500	0.00
				14/09/2018	200	Transfer/Buy	700	0.01
				21/09/2018	(200)	Transfer/Sale	500	0.00
				28/09/2018	201	Transfer/Buy	701	0.01
				05/10/2018	299	Transfer/Buy	1000	0.01
				12/10/2018	(1000)	Transfer/Sale	0	0.00
				26/10/2018	1027	Transfer/Buy	1027	0.01

				02/11/2018	(1027)	Transfer/Sale	0	0.00
				04/01/2019	100	Transfer/Buy	100	0.00
				11/01/2019	(100)	Transfer/Sale	0	0.00
				25/01/2019	500	Transfer/Buy	500	0.00
				22/02/2019	15	Transfer/Buy	515	0.00
				01/03/2019	55	Transfer/Buy	570	0.00
				29/03/2019	(500)	Transfer/Sale	70	0.00
				30/03/2019	-	Closing Balance	70	0.00
7.	KARVY STOCK BROKING LIMITED	109513	0.85	06/04/2018	(5159)	Transfer/Sale	104354	0.81
				13/04/2018	9430	Transfer/Buy	117384	0.88
				13/04/2018	(700)	Transfer/Sale	113084	0.88
				20/04/2018	(1134)	Transfer/Sale	111950	0.87
				27/04/2018	65	Transfer/Buy	112015	0.87
				04/05/2018	854	Transfer/Buy	112869	0.88
				04/05/2018	(573)	Transfer/Sale	112296	0.87
				11/05/2018	1527	Transfer/Buy	113823	0.88
				18/05/2018	(1551)	Transfer/Sale	112272	0.87
				25/05/2018	120	Transfer/Buy	112392	0.87
				25/05/2018	(2751)	Transfer/Sale	109641	0.85
				01/06/2018	63	Transfer/Buy	109704	0.85
				01/06/2018	(2267)	Transfer/Sale	107437	0.83
				08/06/2018	(2209)	Transfer/Sale	105228	104860
				15/06/2018	(368)	Transfer/Sale	104860	0.81
				22/06/2018	(-173)	Transfer/Sale	104687	0.81
				29/06/2018	1051	Transfer/Buy	104860	0.81
				29/06/2018	(500)	Transfer/Sale	105238	0.82
				06/07/2018	(678)	Transfer/Sale	104560	0.81
				13/07/2018	406	Transfer/Buy	104966	0.82
				20/07/2018	1149	Transfer/Buy	106115	0.82
				27/07/2018	(3483)	Transfer/Sale	102632	0.80
				03/08/2018	5662	Transfer/Buy	108294	0.84
				10/08/2018	(4601)	Transfer/Sale	103693	0.81
				17/08/2018	2	Transfer/Buy	103695	0.81
				17/08/2018	(1017)	Transfer/Sale	102678	0.80
				24/08/2018	3045	Transfer/Buy	105723	0.82
				24/08/2018	(75)	Transfer/Sale	105648	0.82
				31/08/2018	140	Transfer/Buy	105788	0.82
				07/09/2018	(1970)	Transfer/Sale	103818	0.81
				14/09/2018	1500	Transfer/Buy	105318	0.82
				21/09/2018	1681	Transfer/Buy	106999	0.83
				21/09/2018	(3132)	Transfer/Sale	103867	0.81
				28/09/2018	552	Transfer/Buy	104419	0.81
				28/09/2018	(2)	Transfer/Sale	104417	0.81
				05/10/2018	2	Transfer/Buy	104419	0.81
				05/10/2018	(400)	Transfer/Sale	104019	0.81

				12/10/2018	42	Transfer/Buy	104061	0.81
				19/10/2018	(70)	Transfer/Sale	103991	0.81
				26/10/2018	802	Transfer/Buy	104793	0.81
				02/11/2018	(779)	Transfer/Sale	104014	0.81
				16/11/2018	1743	Transfer/Buy	105757	0.82
				23/11/2018	1	Transfer/Buy	105758	0.82
				23/11/2018	(15)	Transfer/Sale	105743	0.82
				30/11/2018	570	Transfer/Buy	106313	0.83
				07/12/2018	8000	Transfer/Buy	114313	0.89
				14/12/2018	(4731)	Transfer/Sale	109582	0.85
				21/12/2018	46	Transfer/Buy	109628	0.85
				28/12/2018	300	Transfer/Buy	109928	0.85
				04/01/2019	400	Transfer/Buy	110328	0.86
				11/01/2019	71	Transfer/Buy	110399	0.86
				18/01/2019	(2651)	Transfer/Sale	107748	0.84
				25/01/2019	1355	Transfer/Buy	109103	0.85
				25/01/2019	(184)	Transfer/Sale	108919	0.85
				01/02/2019	579	Transfer/Buy	109498	0.85
				08/02/2019	(115)	Transfer/Sale	109383	0.85
				15/02/2019	(1556)	Transfer/Sale	107827	0.84
				22/02/2019	(105)	Transfer/Sale	107722	0.84
				01/03/2019	(4)	Transfer/Sale	107718	0.84
				15/03/2019	(72585)	Transfer/Sale	35133	0.27
				22/03/2019	150	Transfer/Buy	35283	0.27
				22/03/2019	(100)	Transfer/Sale	35183	0.27
				29/03/2019	220	Transfer/Buy	35403	0.28
				30/03/2019		Closing Balance	35403	0.28
8	T GARG & CO PRIVATE LIMITED	92903	0.72	31/03/2018		- Closing Balance	92903	0.72
9	ANUJ SHANTILAL BADJATE	85504	0.66	31/03/2018			85504	0.66
				06/04/2018	(40000)	Transfer/Sale	45504	0.35
				06/07/2018	13513	Transfer/Buy	59017	0.46
				29/03/2019	40000	Transfer/Buy	99017	0.77
				30/03/2019		Closing Balance	99017	0.77
10	SARALAMMA THANKAPPAN	53319	0.41	31/03/2018			53319	0.41
				11/05/2018	40	Transfer/Buy	53359	0.41
				25/05/2018	500	Transfer/Buy	53859	0.42
				01/06/2018	739	Transfer/Buy	54598	0.42
				15/06/2018	3117	Transfer/Buy	57715	0.45
				22/06/2018	64	Transfer/Buy	57779	0.45
				29/06/2018	1152	Transfer/Buy	58931	0.46
				06/07/2018	1428	Transfer/Buy	60359	0.47
				13/07/2018	36	Transfer/Buy	60395	0.47
				03/08/2018	2692	Transfer/Buy	63087	0.49
				10/08/2018	2417	Transfer/Buy	65504	0.51
				17/08/2018	2001	Transfer/Buy	67505	0.52
				23/11/2018	1888	Transfer/Buy	69393	0.54
				30/11/2018	2725	Transfer/Buy	72118	0.56
				07/12/2018	1200	Transfer/Buy	73318	0.57

				14/12/2018	705	Transfer/Buy	74023	0.58
				30/03/2019		Closing Balance	74023	0.58
11	PANDIARAJAN P	54101	0.42	31/03/2018			54101	0.42
				06/04/2018	-3000	Transfer	51101	0.40
				27/04/2018	4000	Transfer	55101	0.43
				18/05/2018	3125	Transfer	58226	0.45
				29/06/2018	3490	Transfer	61716	0.48
				06/07/2018	1000	Transfer	62716	0.49
				13/07/2018	-1000	Transfer	61716	0.48
				20/07/2018	1000	Transfer	62716	0.49
				17/08/2018	31	Transfer	62747	0.49
				24/08/2018	13	Transfer	62760	0.49
				31/08/2018	-1974	Transfer	60786	0.47
				21/09/2018	297	Transfer	61083	0.47
				28/09/2018	2951	Transfer	64034	0.50
				12/10/2018	-1167	Transfer	62867	0.49
				16/11/2018	2000	Transfer	64867	0.50
				07/12/2018	4133	Transfer	69000	0.54
				30/03/2019			69000	0.54
12	GOVIND GUPTA	60495	0.47	31/03/2018			60495	0.47
				15/06/2018	10000	Transfer	70495	0.55
				21/12/2018	5000	Transfer	75495	0.59
				30/03/2019			75495	0.59
13	MUKESH RAOJIBHAI PATEL	60000	0.47	31/03/2018			60000	0.47
				30/03/2019			60000	0.47
14	OM PRAKASH JAIN	58000	0.45	31/03/2018			58000	0.45
				11/05/2018	-22500	Transfer	35500	0.28
				13/07/2018	22500	Transfer	58000	0.45
				30/03/2019			58000	0.45

Note: The above information is based on the weekly beneficiary position received from depositories.

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each the Directors and KMP	Shareholding at the beginning of the year		Date wise increase / (decrease) in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)			Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	No. of shares	Nature	No. of shares	% of total shares of the Company
1	Dr. Dhanpat Ram agarwal	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Mr. Mahendra Kumar Agarwal	11619	0.09	Nil	Nil	Nil	11619	0.09
3	*Mr. Radheshyam Agarwala	Nil	Nil	Nil	Ni	Nil	Nil	Nil
4	Mr. Sanwar Mal Gourishankar Jalan	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5	Ms. Meera Madhusudan Singh	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	Mr. Ramesh Sivaraman	960	0.00	Nil	Nil	Nil	960	0.00
7	Ms. Srishti Soni	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8.	**Ms. Lakshmi Sharma	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*Resigned w.e.f March 31, 2019

**Resigned w.e.f November 28, 2019

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment. (₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	4244.12	743.00	-	4987.12
ii) Interest due but not paid	136	73.65	-	209.51
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4379.98	816.65	-	5196.63
Change in Indebtedness during the financial year				
Addition	339.5	55.00	-	394.5
Reduction	2061.52	398.65	-	2460.17
Net Change	(1722.02)	(343.65)	-	(2065.67)
Indebtedness at the end of the financial Year				
i) Principal Amount	2657.95	473.00	-	3130.95
ii) Interest due but not paid	249.99	45.12	-	295.12
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2907.95	518.12	-	3426.08

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole time Director and/or Manager (₹ in Lakhs)

Sl. No	Particular of Remuneration	Mr. Ramesh Sivaraman Manager & CFO
1	Gross Salary (Rs.)	37.25
2	Stock Option (no.)	-
3	Sweat Equity	-
4	Commission	-
5	Others, please specify	-
	Total (A)	37.25
	Ceiling as per the Act	As approved by Shareholders

B. Remuneration to other Directors

(Amount in Lakhs)

No	Particular of Remuneration	Mahendra Agarwal	R S Agarwala	Other Directors			Total
				S M Jalan	D R Agarwal	Meera Madhusudan Singh	
1	Independent Directors						
	(a) Fee for attending board / committee meetings	-	-	1.34	1.34	-	2.68
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	1.34	1.34	-	2.68
2	Other Non-Executive Directors						
	(a) Fee for attending board / committee meetings	-	1.20	-	-	0.45	1.65
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (2)	-	1.20	-	-	0.45	1.65
	Total = (1+2)	-	1.20	1.34	1.34	0.45	4.33

Over all ceiling as per ACT: The Company had paid only sitting fees to the Directors. Apart from sitting fees there is no other remuneration paid to the Non-Executive Directors as per Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (₹ in Lakhs)

Particular of Remuneration	Key Managerial Personnel		Total Amount
	Srishti Soni Company Secretary (w.e.f December 3, 2018)	Ms. Lakshmi Sharma** Company Secretary (upto November 28, 2018)	
1 Gross Salary			
(a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	5.15	7.44	9.52
(b) Value of perquisites u/s 17 (2) Income tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961			
2 Stock Option (nos.)	-	-	-
3 Sweat Equity	-	-	-
4 Commission	-	-	-
as % of profit	-	-	-
others, specify	-	-	-
5 others, please specify		-	
Total	5.15	7.44	9.52

**Ms. Lakshmi Sharma has resigned with effect from November 28, 2018.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment/ compounding fee imposed	Authority [RD /NCLT/ Court]	Appeal made, if any (give details)
A. Company: Penalty Punishment Compounding			None		
B. Directors: Penalty Punishment Compounding			None		
C. Other officers in Default: Penalty Punishment Compounding			None		

Annexure - D

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliances of laws, rules, regulations and adherence to standards to achieve the objects of the Company, enhancing shareholder/investor value and discharging of social responsibility. The Company does not view Corporate Governance principles as set of binding obligations, but believes in using it as a framework to be followed in spirit.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law and listing regulations

Company's Philosophy

TCI Finance Limited (TCIF or the 'Company') believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and the society at large.

Board of Directors

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent personnel to maintain the independence of the Board and to separate the Board functions of governance and management.

Composition

As on March 31, 2019, the Board of Directors had 4 directors out of which 2 are Independent Directors. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness.

The Chairman being non-executive Director, one third of the strength of the Board comprises of the Independent Directors. The composition of the Board is in conformity with the SEBI (LODR) Regulations, 2015.

The Composition of the Board and Committee membership as on March 31, 2019 is tabled below:

Name	Designation	Board	Committees			
			Audit	Stakeholder Relationship	Nomination and Remuneration Committee	Corporate Social Responsibility Committee*
Dr. Dhanpat Ram Agarwal	Non-Executive-Independent Director-Chairman	Chairman	Member	Chairman	Member	Member
Mr. Mahendra Agarwal	Non Executive Non Independent Director	Member	–	–	Member	–
Mr. Sanwar Mal Gouri Shankar Jalan	Non Executive-Independent Director	Member	Chairman	Member	Chairman	–
Ms. Meera Madhusudan Singh	Non Executive Non Independent Director	Member	Member (w.e.f Jan 31, 2019)	–	Member (w.e.f Jan 31, 2019)	Member

Note: Mr. Radhe Shyam Agarwala has resigned w.e.f March 31, 2019

* Dissolved with effect from May 22, 2019

Each Director informs the Company on an annual basis about the Board and Board Committee positions he occupies in other companies including Chairmanships and notifies changes periodically and regularly during the term of their directorship in the Company. None of the Directors on the Board hold directorship in more than ten public companies. Further, none of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors.

Notes: a) None of the above Directors are related to each other.

b) Other directorships do not include Section 8 Companies and companies incorporated outside India.

c) As required by Regulation 26 of the Listing Regulations, the disclosure includes the Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee in Indian Public Companies (Listed and Unlisted)

As per the declarations received, none of the directors serves as an independent director in more than seven equity listed companies

No. of other Directorships and Committee membership/Chairmanship as on March 31, 2019

Name	Directorship in listed companies	Directorship in unlisted public companies	Directorship in Private Limited Companies	Committee	
				Membership	Chairmanship
Dr. Dhanpat Ram Agarwal	2	1	3	3	1
Mr. Mahendra Agarwal	3	1	5	1	0
Mr. Sanwar Mal Gourishankar Jalan	-----	2	3	-----	-----
Ms. Meera Madhusudan Singh	0	0	1	-----	-----

*Mr. Radheshyam Agarwala has resigned w.e.f March 31, 2019.

**Mr. Radheshyam Agarwala is appointed as an Additional Director of the Company w.e.f May 22, 2019 subject to the approval of Shareholders in the ensuing Annual General Meeting of the Company.

Note: For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of Companies Act, 2013, have been excluded. Only audit committee and stakeholders relationship committee are considered for the purpose of reckoning committee positions.

Directorships in equity listed companies

Name of equity listed entities where directors of the Company held directorships as on 31 March 2019:

Name of the Director	Name of Equity Listed entities	Category of Director
Mr. Mahendra Kumar Agarwal	1. Gati Limited 2. TCI Industries Limited 3. TCI Finance Limited	Executive Director-CEO Cum Managing Director Non-executive and non-independent director Non Executive Non Independent Director
Dr. Dhanpat Ram Agarwal	1. Barak Valley Cements Limited 2. Andrew Yule & Co. Ltd 3. TCI Finance Limited	Non Executive- Independent Director Non Executive- Independent Director Non Executive-Independent Director
Mr. Sanwar Mal Gourishankar Jalan	TCI Finance Limited	Non Executive-Independent Director
Ms. Meera Madhusudan Singh	TCI Finance Limited	Non Executive- Non Independent Director

*Mr. Radhe Shyam Agarwala has resigned w.e.f March 31, 2019.

Number of meetings of the Board

The Board of Directors must meet at least four times a year, with a maximum time gap of 120 days between two Board meetings. During the financial year 2018-19, the Board met Four times: May 28, 2018, August 10, 2018, October 30, 2018 and January 31, 2019. The necessary quorum was present at all the meetings.

Attendance record of directors

The below table gives the composition of the Board, their attendance at the board meetings held during the year and at the previous Annual General Meeting held on August 10, 2018 and also the shareholding.

Name	Category and Designation	Attendance particulars		No. of Equity Shares @ Rs. 10/-	Relationship with other Director
		Board Meetings	Last AGM (August 10, 2018)		
Dr. Dhanpat Ram Agarwal	Non-Executive-Independent Director - Chairman	4	Yes	-	-
Mr. Mahendra Agarwal	Promoter and Non Executive Director	4	Yes	11619	-
Mr. Sanwar Mal Gourishankar Jalan	Independent Director	4	Yes	-	-
Ms. Meera Madhusudhan Singh	Non Executive Director	3	Yes	-	-

* Mr. R S Agarwala has resigned w.e.f March 31, 2019

**Board of Directors at its meeting held on May 22, 2019 appointed Mr. R S Agarwala as an additional director of the Company subject to the approval of Shareholders in the ensuing Annual General Meeting of the Company.

***There are no convertible instruments issued by the Company

The Companies Act, 2013 read with relevant Rules made there under, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio/video mode. Mr. Sanwarmal Gourishankar Jalan attended the Board Meeting held on January 31, 2019 through Video conferencing.

Disclosure of relationships between directors inter-se

None of the above directors are related to each other

Familiarisation programmes to Independent directors

Pursuant to SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Accordingly, the Company has arranged a technical session to familiarize the Independent Directors about their roles, responsibilities and duties as Independent Directors. The details of the familiarization programme has been disclosed on the website of the Company at: [http://www.tcifl.in/investors/familiarisation Programme](http://www.tcifl.in/investors/familiarisation%20Programme).

Core Skills/Expertise/Competencies

As stipulated under Schedule V to SEBI Listing Regulations, 2015, core skills/expertise/competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors as follows:

List of Core Skills/Expertise/Competencies required and available with the Board

Sr. No	Core skills/Expertise/Competencies
1.	Management and Strategy
2.	Finance, Taxation and Law
3.	Corporate Governance and Ethics
4.	Regulatory, Government and Security matters

Opinion of the Board

The Board hereby confirms that, in its opinion, the independent directors on the Board fulfill the conditions specified in SEBI Listing Regulations, 2015 and Companies Act, 2013 and are independent of the Management.

Confirmation regarding - Independent Director Resigning

No Independent Director resigned during the FY2018-19.

Information given to the Board:

The Company provides the following information to the Board and the Board Committees. Such information is submitted either as part of the agenda papers in advance of the meetings or by way of presentations and discussion materials during the meetings.

- Annual operating plans and budgets, capital budgets, updates and all variances;
- Quarterly, Half yearly, Nine months and Annual results of the Company and its subsidiaries;
- Detailed presentations on the business performance of the Company and its material subsidiaries;
- Inter corporate Loans & Deposits
- Minutes of meetings of the Audit Committee and other Committees
- The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary
- Contract in which Directors are interested;
- Update on the significant legal cases of the Company;
- Subsidiary companies minutes, financial statement and significant investments;
- Reviews the compliance reports of all laws applicable to the Company
- Statutory payment and related party transaction
- Internal Audit Report
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.

During the year 2018-19, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

In the path of digitization and with a view to ensure its commitment to Go-Green initiative of the Government, the Company circulates to its Directors, notes for Board/Committee meetings through an electronic platform thereby ensuring high standards of security and confidentiality, of Board papers.

Code of Conduct

The Board of Directors of the Company has laid down a code of conduct for all Board Members and designated senior management of the Company. The Code of Conduct has also incorporated the duties of Independent Directors as laid down in the Companies Act; 2013. The code of conduct is available on the website of the Company www.tcifl.in. All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Manager to this effect is enclosed at the end of this report.

Declaration by Independent Directors

The independent directors of the Company have submitted the declaration satisfying all criteria of Independent Director under the Companies Act, 2013 and SEBI Regulation.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

Separate meetings of the Independent Directors

During the year under review, the Independent Directors met on January 31, 2019, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of the chairman of the company, taking into account the views of the Executive and Non-Executive Directors.

- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Related party transactions

All Related Party Transactions (RPTs) entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business.

During the year 2018-19, as required under section 177 of Companies Act, 2013 and regulation 23 of SEBI Listing Regulations, 2015, all RPTs were placed before the Audit Committee for approval.

A statement showing the disclosure of transactions with related parties as required under Ind AS 24 is set out separately in this Annual Report (In financial statements in Note no. 24).

Pursuant to Regulation 23(9) of SEBI Listing Regulations, 2015, disclosures of RPTs on a consolidated basis are being submitted to the stock exchanges within the prescribed time limit and are being uploaded on the Company's website www.tcifl.in

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

The Policy on materiality of RPTs also on dealing with RPTs has been formulated by the Board . The said Policy is placed on the Company's website www.tcifl.in

Orderly succession to Board and Senior Management

The Board is periodically updated on the orderly succession to the Board and Senior Management. It has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

Committees of the Board

The Board Committees focus on specific areas and make informed decisions within the authority delegated. Each such Committee is guided by its Charter, which defines the composition, scope and powers. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

The Company has Four Board-level Committees, namely:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

Audit Committee

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI Regulations/ Listing regulations with the Stock Exchanges.

The primary responsibilities of the Audit Committee are to:

1. Supervise the financial reporting process
2. Review the quarterly and annual financial results before placing them to the Board along with related disclosures and filing requirements
3. Review the plan, scope and performance of the internal audit function
4. Discuss with management, the Company's major policies with respect to risk assessment and risk management.

TCI FINANCE LTD.

5. Hold discussions with statutory auditors on the nature and scope of audits and any views that they have about the financial control and reporting processes
6. Ensure compliance with accounting standards and with listing requirements with respect to the financial statements
7. Recommend the appointment and removal of statutory auditors and their fees
8. Review related party transactions

All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management. The Audit Committee invites such of the executives, as it considers appropriate Statutory Auditors and Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at Annual General Meeting to answer shareholder queries. The Company Secretary acts as the secretary to the committee.

During the financial year 2018-19, the Audit Committee met four times viz., on May 28, 2018, August 10, 2018, October 30, 2018 and January 31, 2019. The below table gives the composition and attendance record of the Audit Committee.

S.No	Name	Position	Number of meetings during the year 2018-19	
			Held	Attended
1	Mr. S M Jalan	Chairman	4	4
2	Mr. R S Agarwala**	Member	4	4
3	Dr. D R Agarwal	Member	4	4

* With effect from January 31, 2019, Ms. Meera Madhusudhan Singh has been appointed as Member of the Audit Committee.

** Mr. R S Agarwala has resigned w.e.f March 31, 2019

Nomination and Remuneration Committee:

The Board has constituted Nomination & Remuneration Committee consisting of 2 Independent Directors. The terms of reference of the Committee cover evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), KMP, framing of policies and looking after the issues relating to major HR policies.

S.No	Name	Position	Number of meetings during the year 2018-19	
			Held	Attended
1	Mr. S M Jalan	Chairman	2	2
2	Mr. Mahendra Agarwal	Member	2	2
3	Dr. Dhanpat Ram Agarwal	Member	2	2

During the financial year 2018-19, the Committee the company met Twice viz., on May 28, 2018 and January 31, 2019.

Board Evaluation

In addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained hereunder.

The evaluations based on questionnaire was prepared which assessed the performance of the Board on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors were based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board.

A separate meeting of Independent Directors was also held during the financial year for the evaluation of the performance of Non Independent Director performance of the board as whole and that of the Chairman.

Remuneration policy:

The Nomination and Remuneration (NRC) Committee has adopted a policy which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration.

1. Criteria of Selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Business, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the NRC Committee shall satisfy itself with regard to the criteria of independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The NRC Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The NRC Committee shall consider the following attributes/criteria, while recommending to the Board the candidature for appointment as Director.
 - a) Qualification, expertise and experience of the Directors in their respective fields;
 - b) Personal, Professional or business standing;
 - c) Diversity of the Board.
- e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration of Non-Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

3. Criteria for selection/appointment of CEO & Managing Director

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

4. Remuneration for the CEO & Managing Director

- i. At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

- iii. The remuneration of the CEO & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the NRC Committee shall ensure / consider the following:
 - a) the relationship of remuneration and performance benchmarks is clear;
 - b) balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c) responsibility required to be shouldered by the CEO & Managing Director, the industry benchmarks and the current trends;
 - d) the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

5. Criteria for selection /appointment of Senior Management Employees

For the purpose of selection of the Senior Management Employees, the NRC Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position .

6. Remuneration Policy for the Senior Management Employees

- I. In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the NRC Committee shall ensure / consider the following:
 - i. the relationship of remuneration and performance benchmark is clear;
 - ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.

In accordance with HR recommendation NRC Committee will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the NRC Committee for its review and approval.

Remuneration of directors

a) Pecuniary relationships with non-executive directors

Non Executive Directors including Independent Directors are entitled to payment of sitting fee for the Board and committee meetings attended by them.

b) Criteria of making payments to Non-Executive Directors:

The Sitting fee payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013, and duly considered and approved by the Board.

The details of sitting fee paid to the Non-Executive Directors during the financial year 2018-19 are as follows:

Name of Directors	Sitting fee (₹)
Mr. Mahendra Agarwal	Nil
Mr. R.S. Agarwala	120000
Mr. S.M. Jalan	134000
Dr. D.R. Agarwal	134000
Ms. Meera Madhusudhan Singh	45,000
TOTAL	433000

The Company did not propose commission or stock options during the financial year 2018-19.

Other than above, there are no pecuniary or business relationship between the Non-Executive Directors and company and also between all the Directors.

c) Disclosures with respect to remuneration, in addition to disclosures required under the Companies Act, 2013

- (i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc for the FY 2018-19

Name of Directors	Sitting fee (₹)
Mr. Mahendra Agarwal	Nil
Mr. R.S. Agarwala	120000
Mr. S.M. Jalan	134000
Dr. D.R. Agarwal	134000
Ms. Meera Madhusudan Singh	45,000
TOTAL	433000

- (ii) Details of fixed component and performance linked incentives, along with the performance criteria: No Director is paid any fixed component nor performance linked incentives.
- (iii) Service contracts, notice period, severance fees: Nil
- (iv) Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable: The Company has not issued any stock options

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. It primarily focuses on:

1. Review of investor complaints and their redressal
2. Review of queries received from investors
3. Review the performance of the share transfer agent
4. Review of corporate actions related to shareholder issues
5. Review of stakeholders' queries & grievances

The Committee consists of three Directors, headed by Dr. D R Agarwal, Chairman of the Committee. During the financial year 2018-19, the Investors' Grievance Committee met Four times viz., on May 28, 2018, August 10, 2018, October 30, 2018 and January 31, 2019 and all the members were present for the meeting.

Ms. Meera Madhusudhan Singh was appointed as Member of the Committee with effect from January 31, 2019.

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Ms. Srishti Soni, Company Secretary of the Company, officiates as secretary of the Committee and is also designated as Compliance Officer in terms of the Listing Agreement with the Stock Exchanges.

In order to expedite the process of share transfers, the Board has delegated the powers to officers of the Company. The delegated authority attends to share transfer formalities at least once a fortnight, as required.

An analysis of the investor complaints received and redressed during the financial year 2018-19 is given below:

S.No.	Nature of Complaint	Received	Disposed	Pending	No. of not solved to the satisfaction of shareholders
1	Non receipt of Annual Report	Nil	Nil	NIL	NIL
2	Non receipt of Dividend warrants	01	01	NIL	NIL
3	Non receipt of fully paid stickers against payment of allotment money	NIL	NIL	NIL	NIL
4	Non receipt of Share certificate sent for transfer	04	04	Nil	Nil
	Total	5	5	Nil	Nil

Name, designation and address of Compliance Officer:

Ms. Srishti Soni
Company Secretary,
Investor Relations & Compliance Officer
Email: investors_tcif@gati.com
Address for correspondence

Regd. & Corporate Office:

Plot no.20, Survey no.12, 4th Floor,
Kothaguda, Kondapur,
Hyderabad – 500 084
Tel: +91 040 7120 4284,
Fax: +91 040 2311 2316

Corporate Social Responsibility

The new act has mandated the Corporate Social Responsibility to the applicable Companies.

To be in conformity with the new Companies Act, 2013 and as a step towards the transformation, a CSR policy is framed. During the financial year the Company met once i.e. May 28, 2018. The below table gives the composition and attendance record of the Corporate Social Responsibility Committee:

S No	Name	Designation	No. of meetings during the year 2018-19	
			Held	Attended
1	Ms. Meera Madhusudan Singh	Chairman	1	1
2	Mr. S M Jalan	Member	1	1
3	Dr. D R Agarwal	Member	1	1

The Company has adopted Corporate Social Responsibility Policy containing the activities to be undertaken by the Company as part of its CSR programs. The CSR policy is disclosed on the website of the Company [www. tcifl.in](http://www.tcifl.in) and the web link is <https://www.tcifl.in/investors/>

****The Board of Directors of the Company at its meeting held on May 22, 2019 decided to dissolve the CSR Committee as the profit of the Company for the last three years i.e 2015-16, 2016-17 and 2017-18 is below the threshold limit.**

Compliances regarding insider trading

During the year under review, SEBI has amended SEBI (Prohibition of Insider Trading) Regulations, 2015. To comply with the said amendment effective from 1 April 2019, the Board of Directors, inter alia, at its meeting held on 31st January 2019, approved the following:

- a) Revised Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.
- b) Revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

Code of Conduct

The Board of Directors of the Company has laid down a code of conduct for all Board Members and designated senior management of the Company. The Code of Conduct has also incorporated the duties of Independent Directors as laid down in the Companies Act 2013. The code of conduct is available on the website of the Company (www.tcifl.in). All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Manager and CFO to this effect is enclosed at the end of this report. The Reserve Bank of India vide its circular dated September, 2008 issued guidelines for all NBFCs to adopt Fair Practice Code. Your Company adopted the same and is available on the website of the Company (www.tcifl.in).

General Body Meetings

(a) Annual General Meeting:

Date of AGM	Time	Venue	No. of Special resolutions passed
August 5, 2016	11.00 A.M	Plot no.20, Survey no.12, Near Rainbow Children Hospital, Kothaguda,Kondapur, Hyderabad-500084	-
August 14, 2017	11.00 A.M	Plot no.20, Survey no.12, Near Rainbow Children Hospital, Kothaguda,Kondapur, Hyderabad-500084	3
August 10, 2018	11.00 A.M	Plot no.20, Survey no.12, Near Rainbow Children Hospital, Kothaguda,Kondapur, Hyderabad-500084	-

(b) Extraordinary General Meeting:

During the year, no Extraordinary General Meeting of the Company was held.

Postal Ballot:

During the year and last year the Company has not transacted any business through postal ballot. Further, as on date of the report, no special resolution is proposed to be conducted through postal ballot.

Means of Communication Results

The quarterly and half yearly un-audited and annual results were published in a National language English newspaper(s) as well as regional language newspaper circulating in the state of Telangana. The results are also displayed on the Company's website (www.tcifl.in).

News releases and presentation to Institutional Investors: Nil

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

E-voting

Pursuant to the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

Additional Shareholders' Information**Annual General Meeting:**

Date	: August 14, 2019
Time	: 11:00 a.m
Venue	: Plot no. 20, Survey no.12, Near Rainbow Children Hospital, Kothaguda, Kondapur, Hyderabad-500084

Financial Calendar

Tentative calendar for declaration of financial results in FY 2019-20	
Results for the quarter ended June 30, 2019	July /on or before 14th August, 2019
Results for the quarter ended September 30, 2019	October /on or before 14th November, 2019
Results for the quarter ended December 31, 2019	January / on or before 14th February, 2020
Results for the year ended March 31, 2020	April / on or before 30th May, 2020

Book Closure dates: from 7th August, 2019 to 14th August, 2019 (both days inclusive).

Dividend payment date : Not applicable as no dividend is being paid

Listing on Stock Exchanges

Name	Address
BSE Ltd. (BSE)	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

The listing fee for the year 2018-19 and 2019-20 has been paid to all the above stock exchanges.

Incase the securities are suspended from trading, the directors report shall explain the reason there of : Not applicable

Stock Code:

a) Trading scrip code on Bombay Stock Exchange	: 501242
b) Trading scrip code on National Stock Exchange	: TCIFINANCE

International Securities Identification Number (ISIN):

ISIN is a unique identification number of traded scrip. The Company's' ISIN for equity shares is INE911B01018.

Monthly high / low stock quotations at NSE & BSE

(Amount in ₹)

Months	NSE		BSE	
	High	Low	High	Low
Apr-2018	37.20	24.40	37.05	24.25
May-2018	30.80	23.20	30.25	23.10
Jun-2018	24.80	18.30	25.00	18.55
Jul-2018	27.40	17.80	26.95	17.05
Aug-2018	27.00	22.55	26.80	22.05
Sep-2018	24.40	17.00	24.80	17.00
Oct-2018	18.85	14.90	19.00	14.05
Nov-2018	17.35	16.00	19.45	14.20
Dec-2018	16.55	13.90	17.20	12.20
Jan-2019	18.30	14.00	17.85	12.20
Feb-2019	15.55	12.60	15.14	11.30
Mar-2019	16.35	14.00	16.50	13.50

Share price performance in comparison to broad based indices - BSE Sensex

PARTICULARS	TCIF Share price v/s NSE				TCIF Share price v/s BSE			
	Share	+/-	NSE Price(₹)	+/- NIFTY	Share Price (₹)	+/- Sensex	BSE	+/-
As on April 2, 2018	25.60	-	10211.80		25.55		33255.36	-
As on March 31, 2019	15.2	(40.62)	11623.90	13.82	15.00	(41.29)	38,672.91	16.29

Further details regarding share price, its movement and all other details are available on the website of the Stock Exchange.

Share Transfer System

All queries and requests relating to share/debenture transfers/transmissions may be addressed to our Registrar and Transfer Agent:

Karvy Fintech Private Limited

(Unit: TCI Finance Limited)

Karvy Selenium Tower B, Plot 31-32, Gachibowli

Financial District, Nanakramguda,

Hyderabad - 500 032

Tel. No: 040 67161562

E-mail: mohsin.mohd@karvy.com

Share transfers, if documents are found to be in order, are registered and returned in the normal course within two weeks from the date of receipt of the documents.

Dematerialization of Shares and Liquidity

The Company's scrip forms part of the compulsory dematerialization segment for all investors with effect from August 28, 2000. To facilitate easy access of the dematerialized system to the investors, the Company has signed up with both the depositories namely the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and has established connectivity with the depositories through its Registrar and Transfer Agent, Karvy Fintech Private Limited.

91.67% of the total shares have been dematerialized upto March 31, 2019. Dematerialization of shares is done through Karvy Fintech Private Limited and on an average the dematerialization process is completed within 7 days from the date of receipt of a valid dematerialization request along with the relevant documents.

Particulars	Shares on March 31, 2019	%
Physical Shares	1072420	8.33
NSDL	8799925	68.36
CDSL	3000148	23.31
Total	12872493	100

Secretarial Audit

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

Distribution Schedule as on March 31, 2019:

Srl #	Category	No.of.Cases	% to Cases	Shares	% to Shares
1		19	0.2039	5406115	41.9974
2	1 - 5000	9062	97.2631	4417976	34.3211
3	5001 - 10000	129	1.3846	934273	7.2579
4	10001 - 15000	47	0.5045	570776	4.4341
5	15001 - 20000	24	0.2576	430064	3.341
6	20001 - 25000	10	0.1073	225408	1.7511
7	25001 - 30000	10	0.1073	282624	2.1956
8	30001 - 35000	6	0.0644	188590	1.4651
9	35001 - 40000	5	0.0537	185149	1.4383
10	40001 - 45000	2	0.0215	87514	0.6799
11	45001 - 50000	3	0.0322	144004	1.1187
	Total	9317	100	12872493	100

Distribution of Shareholding on the basis of ownership

No.	Category	No. of shares held	% Shareholding
1	Promoter and Promoter Group	3182360	24.72
2	Non-Resident Indians	108731	0.84
3	Non Resident Indians- Non Repatriable	28840	0.22
3	Bodies Corporate, Bank & HUF	1588541	13.58
4	Resident Individuals	7936765	61.66
5	Clearing Members	24437	0.19
6	Directors and relatives	2819	0.02
	TOTAL	12,872,493	100.00

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity - Not Applicable

Disclosure of commodity price risks and commodity hedging activities: Not Applicable.

The Company has complied with all mandatory requirements of SEBI (LODR) Regulations, 2015.

Plant location: None

Investor Correspondence

For queries relating to shares:

Karvy Fintech Pvt. Ltd.

(Unit TCI Finance Limited)

Karvy Selenium Tower B

Plot 31-32, Gachibowli

Financial District, Nanakramguda

Hyderabad – 500 032

Tel: +91 040 4465 5000- 152

Fax: +91 040 4465 5024

E-mail: mohsin.mohd@karvy.com

For queries relating to Financial Statements and other contents of Annual Report:**TCI Finance Limited**

Secretarial Department

Plot no.20, Survey no.12, 4th Floor,

Kothaguda, Kondapur

Hyderabad – 500 084.

Tel: +91 040 7120 4284

Fax: +91 040 2311 2318

Email: investors_tcif@gati.com

Credit Rating

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad. As such, the Company does not have credit ratings.

Other Disclosures

- i) **Related Party Transactions:** During the financial year under review, there were no materially significant related party transactions made by the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potentially conflict with the interest of the Company at large. Details of all related party transactions are disclosed in Note No. 24 of Financial statements. The policy for dealing with related party transactions is available at website of the Company at www.tcifl.in
- ii) **Details of non-compliances by the listed entity, penalties, strictures imposed on listed entity by Stock Exchange(s) or the Board or any statutory authority:** The Company has received a notice of non-compliance with Regulation 17(1) for the quarter ended December 31, 2018 from BSE & NSE and levied a fine of Rs. 5,42,800/-.

The Company has submitted a detailed reply to the stock exchanges confirming the compliance of Regulation 17 of SEBI (LODR) Regulations, 2015 .

The Company has not received any further correspondence from the stock exchange in this regard.

Further as per the Annual Secretarial Compliance report issued by M/s Tapasvilal Deora & Associates, Practicing Company Secretary, the following Non Compliances were observed by them during the year:

S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 30 of SEBI LODR Regulations, 2015 read with SEBI Circulars C I R / C F D / C M D / 4 / 2015 Disclosure of events or information	Not provided details which needs to be disclosed for material events as per the SEBI Circular	The Company has not submitted the reason for resignation of Director as required under Reg. 30 of SEBI (LODR) Regulations, 2015 We have been informed that the said point was inadvertently missed in the disclosure made to the exchange
2.	Regulation 30 of SEBI LODR Regulations - Disclosure of events or information read with SEBI Circulars CIR/CFD/CMD/4/ 2015	The Company has intimated the stock exchanges details regarding appointment of compliance officer with a delay	The Company has intimated the stock exchanges details regarding appointment of compliance officer with a delay of 2 days without providing explanation. We have been informed that there was an internal administrative issue which led to the said delay.
3.	Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 read with circulars Reconciliation of share capital audit report	Delay in submission of RSCA for March 31, 2018 in	As per the BSE Circular No. LIST/COMP/05/2017-18 dated June 14, 2017, the Company was required to submit RSCA within the prescribed time limit, in both XBRL and PDF mode. The Company has submitted the RSCA in XBRL mode within time, however, there was a delay of 2 days in submitting the PDF version for the quarter ended March 31, 2018.
4.	Regulation 23 of SEBI (LODR) Regulations, 2015 - Related Party Transactions	The Company has not obtained share holders approval for material related party transactions	The Company has not obtained share holders approval for certain material related party transactions as required under Regulation 23 of SEBI (LODR) Regulations, 2015 We have been informed that most of these related party transactions are part of routine NBFC business of the Company and are in the ordinary course of business

(iii) Vigil Mechanism

The Company has put in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. A Policy of vigil Mechanism is available on the website of the Company <https://www.tcifl.in/pdf/VigilMechanismPolicy.pdf>. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

The Company affirms that no personnel have been denied access to the audit committee during the financial year 2018-19.

(iv) Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clause(b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Mandatory Requirements

Company has also ensured implementation of non mandatory items such as :

- Separate posts of Chairman and Managing Director/CEO and reimbursement of expenses in the performance of duties.
 - Unmodified audit opinion/ reporting.
 - The Internal auditor reports directly to the Audit Committee
- (v) The Company has wholly owned subsidiary company (Itag Business Solutions Limited). The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company and the web link is <https://www.tcifl.in/pdf/Policyonmaterialsubsidiaries.pdf>.
- The Company ceased to be a Subsidiary of Company w.e.f March 5, 2019.
- (vi) The policy for dealing with related party transactions is available at website of the Company at www.tcifl.in
- (vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : Nil
- (viii) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately in this report.
- (ix) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year - There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.

(x) Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

(Amount in Rs.)

Type of service	2018-19	2017-18
Statutory Audit	1,75,000	1,78,750
Limited review	90,000	90,000
Certification	-	5,000
Total	2,65,000	2,73,750

(xi) Complaints pertaining to Sexual harassment

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassments is given herein below.

1. No. of Complaints filed during the year	Nil
2. No. of Compliants disposed of during the year	Nil
3. No. of Complaints pending as on the end of the financial year	Nil

(xii) Non-compliance of any requirement of corporate governance report, with reasons thereof: All the corporate governance requirements are complied with except regulation 23 of SEBI (LODR) Regulations as the Company has not obtained shareholders' approval for material related party transactions

(xiii) Compliance with discretionary requirements**Mandatory**

The Company has complied with the mandatory requirements specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing obligations and Disclosure requirements) Regulations, 2015 of SEBI Listing Regulations, 2015.

Discretionary

The Company has also ensured the implementation of non-mandatory items such as:

- Unmodified audit opinions/reporting

The Company confirms that its financial statements are with unmodified audit opinion

- The internal auditor reporting directly to the audit committee.

(xiv) The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report. Except regulation 23 of SEBI (LODR) Regulations as the Company has not obtained shareholders' approval for material related party transactions

(xv) Certificate under regulation 17(8) of SEBI LODR Regulations, 2015:

The manager and CFO who is also heading finance function of the Company has given certification on financial reporting and internal controls to the Board as required under regulation 17(8) of SEBI LODR Regulations, 2015.

(xvi) A Certificate regarding compliance of condition of Corporate Governance is issued by M/s Tapasvi Ial Deora & Associates, Practicing Company Secretary. This certificate is annexed to this Annual Report.

(xvii) The Company is preparing its financial statements in line with the accounting standards issued by the Institute of Chartered Accountants of India and the company has not raised any fresh funds from the public or through Right or Preferential Issue.

(xviii) Code of Conduct for prohibition of Insider trading

Your company had adopted a revised code of Practices and Procedure for fair disclosure of Price sensitive information effective from April 01, 2019 as per SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 and as amended from time to time. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with SEBI (Prohibition of Insider trading) Regulations, 2015.

(xix) Risk management

The details of Risk Management as practiced by the company are provided as part of Management Discussion and Analysis Report which forms part of this Annual Report.

Unclaimed Shares:

As per the provisions of Clause 39 of the Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly,

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unclaimed shares lying with the Company have been transferred and dematerialized in a 'TCI Finance Limited - Unclaimed Suspense Account' of the Company. This Account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said 'Unclaimed Suspense Account' and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the Share Department of the Company by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the Suspense Account as on March 31, 2019 is as under:

S. No.	Particulars	No. of Shareholders	No. of Equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	13	3900
2	Number of shareholders who approached the Company (with complete documentation) for transfer of shares from the Unclaimed Suspense Account during the year	0	0
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	0	0
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	13	3900

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India.

The Institute of Company Secretaries of India (ICSI), one of the India's premier professional bodies has issued Secretarial Standards on important aspects like Board Meetings, and General Meetings under series SS-1 and SS-2 which came into force from 1st July, 2015 upon endorsement of the same by Ministry of Corporate Affairs by notification and your company adheres to these standards where ever applicable. The other standards like , Maintenance of Registers an Records, Transmission of Shares, Passing of resolutions by Circulation, Affixing of Common Seal and Board's report which are as on date of report Recommendatory in nature are also adhered to voluntarily.

Management Discussion and Analysis:

Management Discussion and Analysis forms part of the Annual Report.

SEBI Complaints Redress System (SCORES):

The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints. SEBI vide its Circular dated 26th March, 2018 have streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at https://www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redressmechanism-new-policy-measures_38481.html

CERTIFICATE ON CORPORATE GOVERNANCE

To.

The Members of TCI Finance Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. TCI Finance Limited ("the company") for the year ended March 31, 2019, as per the provisions of regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable **except Regulation 23 of SEBI (LODR) Regulations as the Company has not obtained shareholders' approval for material related party transactions.**

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

Restrictions on Use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For Tapasvilal Deora & Associates
Company Secretaries

Place: Hyderabad
Date: May 22, 2019

Tapasvilal Deora
C.P. No.: 13087
M. No.: F9813

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2019.

for TCI FINANCE LIMITED

Place: Hyderabad
Date: May 22, 2019

Ramesh Sivaraman
Manager and CFO

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of **TCI Finance Limited**, having CIN: L65910TG1973PLC031293, we hereby certify that:

On the basis of the written representation/declaration received from the Directors and taken on record by the Board of Directors, as on 31st March, 2019, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Tapasvilal Deora & Associates
Company Secretaries

Place: Hyderabad
Date: May 22, 2019

Tapasvilal Deora
C.P. No.: 13087
M. No.: F9813

CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER CERTIFICATE (CFO)

- A. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief.
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year.
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For TCI Finance Limited

Place: Hyderabad
Date: May 22, 2019

Ramesh Sivaraman
Manager and CFO

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure and Development

Business Environment

Global growth for 2018 is now estimated at 3.7% as in the October 2018. World Economic Outlook (WEO) forecast, despite weaker performance in some economies, notably Europe and Asia. The global economy is projected to grow at 3.5 percent in 2019 and 3.6 percent in 2020.

At the beginning of FY2019 there was an expectation of higher growth as the economy seemed to have overcome the teething troubles of the Goods and Service Tax (GST). However, a rise in the current account deficit (CAD), concerns relating to rising non-performing assets (NPAs), decline in liquidity, tighter bank credit to industry, and relatively lacklustre sectoral performance contributed to uncertainties around whether India would actually post higher GDP growth. The second advance estimates of national income for financial year 2018-19 (FY2019) released by the Central Statistics Office (CSO) on 28 February 2019 suggest that growth has slowed down. The CSO estimates real GDP growth in FY2019 at 7% versus 7.2% in FY2018. Quarterly growth also reduced - from 8% in Q1 FY2019 to 7% in Q2 and then to 6.6% in Q3.

Table 1: Growth in real GDP and GVA, India

Particulars	FY2016	FY2017	FY2018	FY2019
Real GDP Growth	8.2%	7.1%	7.2%	7.0%
Real GVA Growth	8.1%	7.1%	6.9%	6.8%

Thanks to a widening trade deficit, the current account deficit (CAD) rose to 2.6% of GDP during April-December 2018 - up from 1.8% a year ago. There was a net outflow of US\$ 17.5 billion of foreign currency reserves in April-December 2018, versus a net inflow of US\$ 30.3 billion over the same period a year earlier.

The good news was inflation. In January 2019, the consumer price index (CPI) inflation reached a 19-month low of 1.9%. It picked up marginally in February to 2.6%, thanks to a low base and an uptick in prices of some food categories. Even so, the RBI has projected headline inflation to remain soft in the near term: 2.4% in Q4 FY2019, 2.9% to 3% in H1 FY2020, and 3.5% to 3.8% in H2 FY2020. It has, however, acknowledged the monsoon risk from El Niño conditions and highlighted uncertainties in oil price movement.

That the RBI does not see inflation as a material risk has been underscored by the majority of the members of the RBI's Monetary Policy Committee (MPC) - which recommended two successive cuts of 25 bps each in the policy rates and maintained a neutral monetary stance.

Gross NPAs of scheduled commercial banks declined from 11.5% in March 2018 to 10.8% in September 2018, thus creating hopes of an orderly resolution in reasonably quick time. However, these were belied when the Supreme Court intervened on 2 April 2019 and set aside the RBI's circular of 12 February 2018 which had asked banks to replace several existing restructuring schemes by a uniform process under the Indian Bankruptcy Code. This decision has created considerable ambiguity regarding bad loans and NPA resolutions. The RBI has issued a statement that it will take necessary steps, including issuing a revised circular for expeditious and effective resolution of stressed assets. Until such a circular is issued, the classification of NPAs and provisioning requirements would be left to individual banks - which may accentuate an already deep malaise.

Banking credit continued to post double-digit growth, registering 14.1% increase on-year as of 15 March 2019. Unfortunately, this growth was not broad-based. Bank credit to industry grew anaemically, while the service sector and the retail segment saw fairly strong growth.

Industry Developments

The NBFC sector in India has undergone a significant transformation over the past few years. It has come to be recognized as one of the systemically important components of the financial system and has shown consistent year-on-year growth. NBFCs play a critical role in the core development of infrastructure, transport, employment generation, wealth creation opportunities, and financial support for economically weaker sections; they also make a huge contribution to

state exchequer.

For a large and diverse country such as India, ensuring financial access to fuel growth and entrepreneurship is critical. With the launch of government-backed schemes (such as the Pradhan Mantri Jan-Dhan Yojana [PMJDY]), there has been a substantial increase in the number of bank accounts; however, a mere 15%5 of adults have reported using an account to make or receive payments. The government and regulatory bodies have taken decisive steps to increase this number (and subsequently financial access) by granting in principal licenses to as many as 21 players to establish specialty banks over the next 18 months. This is over and above the focused approach of the other industry bodies such as the National Payments Corporation of India (NCPI) to further strengthen and augment the payments ecosystem by launching the Unified Payment Interface (UPI) and Bharat Bill Payments System.

The introduction of such specialized players and systems will truly transform the banking value chain in its entirety. This presents a strategic opportunity for NBFCs to ensure sustainable growth over a long term. Partnerships with payments banks, bill payment providers and other financial institutions, such as insurance and asset management companies, will help NBFCs offer the complete proposition-that is, from deposits to lending, investments and transactions. The reach of NBFCs, along with their strong understanding of the market, can help them position themselves as a better alternative to the traditional ways of banking.

The NBFCs saw moderation in rate of asset growth, rising delinquencies resulting in higher provisioning thereby impacting profitability. However, comfortable capitalisation levels and conservative liquidity management, continues to provide comfort to the credit profile of well run NBFCs inspite of the impact on profitability.

Table 2: Growth in advances, asset quality and profitability of NBFCs and SCBs

Particulars	As on March 31, 2018		As on 30th September, 2018	
	NBFCs	SCBs	NBFCs	SCBs
Growth in Advances (%)	19.2%	10.4%	16.3%	13.1%
Gross Non performing Assets (%)	5.8%	11.6%	6.1%	10.8%
Net Non Performing Assets (%)	3.8%	6.1%	3.1%	5.3%
Return on Assets (ROA) (%)	1.7%	-0.2%	1.8%	-0.004%
Return on equity (ROE) (%)	7.5%	-1.9%	4.4%	-0.04%

Opportunities

Reports from the World Bank indicate that Non Banking Financial Institutions act as critical pillars contributing to macroeconomic stability and sustained economic growth and prosperity, due to their ability to finance firms and individuals at a reasonable cost, reduce volatility by providing multiple sources to finance and park funds and enable creation of a competitive environment characterized by a diverse array of products. This has been proven time and again in developed markets.

Non-Banking Finance Companies (NBFCs) continue to play a critical role in making financial Services accessible to a wider set of India's population and are emerging as strong intermediaries in the retail finance space. Going forward, one should expect NBFCs to further Strengthen their presence in retail finance and grow at a reasonably healthy pace.

Threats

The biggest challenge before NBFCs is that they are facing stiff competition from banks and financial institutions, due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. More stringent capital adequacy norms have been stipulated by RBI for NBFCs which is making difficult for them to give cheaper finance.

Ever-increasing competition from commercial counterparts whose capacity to absorb losses is higher, counter-party failures, recommendations being made to increase the purview of monitoring by regulatory authorities increase the threat of losing the essence of Non-banking Finance Companies which are specifically designed to reach out and finance certain target groups.

Segment-wise or product-wise performance of the Company

The Company is a Non Banking Finance Company (NBFC). It is engaged in the business of financing which is the only segment in the Company. Hence, the results for the year under review pertain to only financing activity.

The Company's total Revenue from Operations during the year were Rs.1054.13 Lakhs and the net profit after tax is Rs.427.26 Lakhs as against Rs. 1174.67 Lakhs and Rs. 168.61 lakhs respectively in the previous year.

Outlook

NBFCs have proven their mettle in many other specialized financial services such as factoring, lease finance, venture capital finance, financing road transport and also in the business of securities-based lending such as Loan against Shares , Margin Funding, IPO Financing, Promoter Funding etc. They have also been providing a major boost to Micro, Small and Medium enterprises and other avenues where banks exercise cautious lending. All the above factors further emphasize the potential and opportunities in store for NBFCs and the regulations when designed to provide the right environment, provides impetus to the growth of the sector.

The Company hence wishes to diversify its lending activities in the coming period and shall embark on this path and move forward once the existing investments, which are at an incubating stage begin to bear fruits.

Risks and concerns

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company is a NBFC Company registered under RBI and categorized as loan Company. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks for the Company are financial risks, credit risk, liquidity risk, market risk etc.

Risk mitigation is also an exercise aiming to reduce the loss or injury arising out of various risk exposures. The Company adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. The Company believes that this would ensure mitigating risks proactively and help to achieve stated objectives.

The NBFC industry in general faces the risk of re-entry and new entry of players and existence of several unorganized regional players increasing the competition which mainly affects the asset quality. This is further characterized by captive NBFCs floated by other business houses. The ever existing systemic and delinquency risks and fluctuations in interest rates and risk weight make the companies more vulnerable. Deployment of funds in sensitive and volatile sectors increases the risk exposure while concentration risk increases dependency.

Internal Control Systems and their adequacy

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability.

Business Overview financial performance

Your company is a small sized, BSE and NSE listed, Non Banking Financial Company (NBFC).

The Company's total Revenue from Operations during the year were Rs.1054.13 Lakhs and the net profit after tax is Rs.427.26 Lakhs as against Rs. 1174.67 Lakhs and Rs. 168.61 lakhs respectively in the previous year.

Human Resources

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers rewards and recognition based on merit.

The employee relations have continued to be harmonious throughout the year. The Company has 4 permanent employees as on 31st March 2019.

Financial Ratios

Ratios	2018-19	2017-18
Debtor Turnover	10.22	5.96
Inventory Turnover	NA	NA
Interest coverage Ratio	1.71%	1.20%
Current Ratio	1.76%	1.35%
Debt equity Ratio	0.68%	1.12%
Operating Profit Margin(%)	42%	27%
Net Profit Margin (%)	24%	14%

Explanation

1. **Debtor turnover:** Since company's collection of Accounts receivable is efficient and there is faster recovery of debt, therefore there is increase in debtor turnover ratio.
2. **Interest Coverage Ratio:** There was increase in earnings in the financial year 2018-19 as compared to financial year 2017-18 and the company is capable of meeting its interest obligations.
3. **Current Ratio:** Improvement in ratio was due to a reduction in trade payables.
4. **Debt Equity ratio:** There was repayment of debt during the year and therefore the debt equity ratio has reduced.
5. **Operating Profit Margin:** Increase in operating profit margin is due to increase in revenue for the financial year 2018-19.
6. **Net Profit Margin:** The Net profit after tax for the financial year 2018-19 is 4.27 Cr whereas the Net profit for the year 2017-18 is 1.68 Cr hence there is increase in net profit ratio

Return on Net Worth

The Company recorded a profit after taxes of Rs. 4.2 Crores for FY 2018-19 as compared to Rs. 1.6 crores for FY 2017-18. The Net Worth of the Company increased to ₹51.64 crores (9%) as of 31st March 2019 as compared to ₹ 47.37 crores (4%) as of 31st March 2018, on account of Baddebts realization, sale of flat and sale of investment.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors.

INDEPENDENT AUDITORS' REPORT

To
The Members of
TCI Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of TCI Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information ("here after referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 22.7 of the standalone financial statements regarding Company's financial exposures, as at year ended March 31, 2019, in the form of investments, amounts receivable by the Company and guarantees given by the Company on behalf of Amrit Jal Ventures Private Limited and its subsidiaries as stated in the Emphasis of Matter section below. The factors indicate that a material uncertainty exists in respect of realization of amounts due from these entities and which may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter:

We draw attention to

- a. Note no 22.6 of the standalone financial statements regarding exposures to Amrit Jal Ventures Private Limited and its wholly owned subsidiaries (collectively referred as AJVPL) aggregating to Rs. 5,347.67 Lakhs besides the amounts of guarantees given to the lenders of AJVPL.
- b. Note 22.5 of the standalone financial statement regarding the accounting treatment and presentation and disclosure relating to sale of pledged shares by the lenders of the Company / lenders of the Related Parties.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

S.No	Key Audit Matters	Auditors Response
1	Going Concern	Refer to Material Uncertainty Related to Going Concern paragraph above
2	Accuracy of existence, rights & obligations, completeness, and valuation of the investments given as guarantees to the lenders of the Company / lenders of the related parties - Refer Note 22.5 to the Standalone financial statements - "Investments Sale of Pledged Shares by Lenders".	We reviewed the matters involved in the litigations and also the representations furnished by the Company and also other undertakings by the counter parties.
3	Recoverability of the exposures As at March 31, 2019 the Company has got the exposures of Amrit Jal Ventures Private Limited and its wholly owned subsidiaries (collectively referred as AJVPL) aggregating to Rs. 5,347.67 Lakhs besides the amounts of guarantees given to the lenders of AJVPL -Refer Note 22.6 to the Standalone financial statements	Valuation estimates of the respective entities, to whom these loans were given / guarantees extended, prepared by the management and approved by the Board of Directors / Audit Committee. These estimates have been considered and in view of the uncertainties involved in the estimates, the same has been reported under "Emphasis of Matter" section of this report

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Financial and Operational Review, Director's Report, Corporate Governance Report, Annual Report on CSR activities, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with The Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 standalone 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 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 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 Company's ability 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 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 Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

We communicate with those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the applicable.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss and the Statement of cash Flow dealt with by this Report are in agreement with the books of the account.
- d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note No. 22.1 to the standalone financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2019.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S

V K Muralidhar
Partner
Membership No. 201570

Hyderabad, May 22, 2019

Re: TCI Finance Limited

Annexure B to the Independent Auditors' report

(Referred to in paragraph '2.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of TCI Finance Limited of even date)

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

We have audited the internal financial controls over financial reporting of TCI Finance Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and

maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2019.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S

V K Muralidhar
Partner

Hyderabad, May 22, 2019

Membership No.201570

Re: TCI Finance Limited**Annexure A to the Independent Auditors' Report**

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of TCI Finance Limited of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, all the fixed assets have been physically verified by the management during the year in accordance with programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of the immovable properties are held in the name of the Company.
- ii. Having regard to the nature of the Company's business, paragraph 3(ii) of the Order relating to inventories is not applicable.
- iii. In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - a. The term and conditions of the loans granted by the Company to two parties covered in the register maintained under Section 189 of the Companies Act, 2013 amounting to Rs. 3,411.63 Lakhs and the balance outstanding as at March 31, 2019 Rs. 2,920.51 Lakhs are not prejudicial to the interests of the Company.
 - b. Schedule of repayment of principal and payment of interest has been stipulated by the Company. The Company is in regular receipt of principal and interest from the parties mentioned as per the register 189 of the Companies Act, 2013.
 - c. There are no over dues towards principal and interest for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, provisions of Section 185 and Section 186 of the Companies Act 2013 are not applicable to the Company being a Non Banking Financial Institution - a Loan Company. Hence, reporting under the provisions of paragraph 3(iv) of the Order does not arise. Refer Note No 22.3 of the standalone financial statements for the details of the transactions with the parties covered under Section 185 and Section 186 of the Companies Act 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Accordingly, the provisions of paragraph 3(v) of the Order does not arise.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the activities of the Company.
- vii. (a) According to the information and explanations given to us and based on the examination of records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Wealth Tax, Sales-tax, Service Tax, Customs duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities during the year except as following:

S. No	The outstanding demand pertains to the AY	Demand Raised u/s	Demand Amount	Demand uploaded by
1	2015-2016	220(2)	₹ 9,99,996	CPC
2	2017-2018	143(1a)	₹ 53,39,450	CPC

- (b) Details of dues of Income Tax, Sales tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2019 on account of disputes are as below:

Nature of statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Karnataka Sales Tax	Tax/Penalty	63,661	1996-1997	Joint Commissioner of Commercial Taxes (Appeals)

- viii. In our opinion and according to the information and explanations given to us and based on the examination of records of the Company, the Company has not defaulted in repayment of dues to financial institutions except as stated below:

Particulars	Amount of default (Rs.)	Period of default (days)	Remarks
HDFC Limited	22,36,911	6-34	Principal
HDFC Limited	38,58,225	6-34	Interest

- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans availed by the Company during the year were, prima facie, applied by the Company for the purposes for which they were obtained.
- x. During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- xi. In our opinion and according to the information and explanations given to us and based on the examination of records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with the Schedule V of the Companies Act, 2013.
- xii. According to the information and explanations given to us and based on our examination of the records, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on the examination of records of the Company, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on the examination of records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly Convertible debentures during the year. Hence, reporting under the provisions of paragraph 3(xiv) of the Order does not arise.
- xv. According to the information and explanations given to us and based on the examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. The Company is a Non-Banking Financial Institutions as per Section 45I(a) of the Reserve Bank of India Act, 1934 and obtained the Certificate of Registration.

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No. 000459S

V K Muralidhar
Partner
Membership No: 201570

Hyderabad, May 22, 2019

TCI FINANCE LIMITED**Balance Sheet as at March 31, 2019**

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES		₹	₹
Shareholders' Funds			
(a) Share Capital	3	141,963,050	141,963,050
(b) Reserves and Surplus	4	374,489,454	331,762,724
		516,452,504	473,725,774
Non-Current Liabilities			
(a) Long Term Borrowings	5	145,010,979	163,440,658
(b) Long Term Provisions	6	1,411,686	1,535,038
		146,422,665	164,975,696
Current Liabilities			
(a) Short-Term Borrowings	7	151,250,000	322,300,000
(b) Trade Payables	8		
(A) Micro, Small, Medium Enterprises (MSMEs)		-	-
(B) Other than MSMEs		4,281,404	4,886,063
(c) Other Current Liabilities	9	50,351,320	37,577,250
(d) Short Term Provisions	10	8,260	138,750
		205,890,984	364,902,063
TOTAL		868,766,153	1,003,603,533
ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11A	12,769,313	5,182,004
(ii) Intangible Assets	11B	11,602	-
(b) Non-Current Investments	12	479,240,352	494,704,856
(c) Deferred Tax Assets (Net)	24.2	261,307	566,353
(d) Long Term Loans and Advances	13	13,597,058	10,285,197
		505,879,632	510,738,410
Current Assets			
(a) Cash and Cash Equivalents	14	681,313	1,783,236
(b) Short Term Loans and Advances	15	292,251,454	469,323,667
(c) Other Current Assets	16	69,953,754	21,758,220
		362,886,521	492,865,123
TOTAL		868,766,153	1,003,603,533
Corporate Information and Significant Accounting Policies	1 & 2		
Other Explanatory Information / Notes	22 to 26		

Accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached.

For M.Bhaskara Rao & Co.

Chartered Accountants

For and on behalf of the Board

V K Muralidhar

Partner

D R AgarwalChairman
DIN No : 00322861**S M Jalan**Director
DIN No : 00324182**Srishti Soni**Company Secretary
M.No. : A46395**Ramesh Sivaraman**

Manager and CFO

Hyderabad, May 22, 2019

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	2018- 19	2017-18
		₹	₹
Income			
Revenue from Operations	17	105,413,706	117,467,310
Other Income	18	20,216,929	347,600
Total Revenue		125,630,634	117,814,910
Expenses			
(a) Employee Benefits Expense	19	6,272,460	6,249,370
(b) Finance Costs	20	60,678,255	85,990,385
(c) Depreciation and Amortisation	11C	208,929	214,074
(d) Other Expenses	21	5,833,045	4,788,801
(e) Provision for Standard Assets / Non-Performing Assets	22.4	(411,000)	(35,000)
Total Expenses		72,581,689	97,207,630
Profit Before Tax		53,048,945	20,607,279
Tax Expense:			
(a) Current Tax		10,017,170	3,650,000
(b) Deferred Tax		305,046	96,036
		10,322,216	3,746,036
Profit After Tax		42,726,729	16,861,243
Earnings per Equity Share of ₹ 10/- each			
Basic and Diluted	23.1	3.32	1.31

Accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached.

For M.Bhaskara Rao & Co.
Chartered Accountants

For and on behalf of the Board

V K Muralidhar
Partner

D R Agarwal
Chairman
DIN No : 00322861

S M Jalan
Director
DIN No : 00324182

Srishti Soni
Company Secretary
M.No. : A46395

Ramesh Sivaraman
Manager and CFO

Hyderabad, May 22, 2019

TCI FINANCE LTD.**Cash Flow Statement for the year ended March 31, 2019**

Particulars	2018-19	2017-18
	₹	₹
A. Cash Flow From Operating Activities		
Net profit before tax and extra ordinary items	53,048,945	20,607,279
Adjustments for:		
Depreciation and Amortisation	208,929	214,074
Profit on sale of Investments	(10,821,809)	(3,441,553)
Profit on sale of assets	(8,975,599)	-
Dividend received (Long Term Investments)	(4,453,681)	(4,918,396)
	29,006,785	12,461,405
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Short Term Loans and Advances	588,201	21,000
Other Current Assets	(48,195,534)	32,082,595
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(604,659)	1,936,178
Other Current Liabilities	8,911,007	8,550,104
Short Term Provisions	(130,490)	128,760
Long Term Provisions	(123,352)	(18,482)
Cash used in Operations	(10,548,042)	55,161,560
Net Income Tax Refunded	(13,329,031)	(5,552,473)
Net Cash used in Operations	(23,877,073)	49,609,087
Loans Repaid / (Disbursed) (Net)	176,484,012	(17,143,639)
Net Cash from / (used in) Operating Activities (A)	152,606,939	32,465,448
B. Cash Flow from Investing Activities		
Proceeds from Sale of Fixed assets	10,000,000	-
Purchase of Assets	(8,832,240)	-
Sale of Long Term Investments	26,286,312	3,869,701
Dividend received (Long term Investments)	4,453,681	4,918,396
Net cash from / (used in) Investing Activities (B)	31,907,753	8,788,097
C. Cash Flow from Financing Activities		
Repayment of Short Term Borrowings	(185,050,000)	(34,500,000)
Proceeds from Short Term Borrowings	14,000,000	25,000,000
Repayment of Long Term Borrowings	(14,566,616)	(31,922,835)
Net cash from Financing Activities (C)	(185,616,616)	(41,422,835)
Net Increase / Decrease in Cash and Cash Equivalents (A+B+C)	(1,101,924)	(169,291)
Cash and Cash Equivalents at the beginning of the year	1,783,236	1,952,527
Cash and Cash Equivalents at the end of the year	681,313	1,783,236

Accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For M.Bhaskara Rao & Co.

Chartered Accountants

V K Muralidhar

Partner

For and on behalf of the Board

D R Agarwal

Chairman

DIN No : 00322861

Srishti Soni

Company Secretary

M.No. : A46395

S M Jalan

Director

DIN No : 00324182

Ramesh Sivaraman

Manager and CFO

Hyderabad, May 22, 2019

Notes forming part of the Standalone Financial Statements for the year ended Mar 31, 2019

1	Corporate information TCI Finance Limited ("the Company") is a public company domiciled in India. Its shares are listed in Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is a "Loan company" engaged in the business of Non Banking Financial Institution as defined in section 45I(a) of the Reserve Bank of India Act, 1934.
2	Significant Accounting Policies
2.1	Basis of accounting and preparation of financial statements The financial statements of the Company are prepared on accrual basis, under historical cost convention. The Financial Statements of the Company have been prepared in accordance with G.A.A.P in India ("Indian GAAP") to comply with accounting standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Act/ the Companies Act, 1956, as applicable. The accounting policies adopted in the preparation of financial statements are consistent with those of the preceeding year.
2.2	Use of Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.
2.3	Cash Flow Statement The Cash Flow Statement is prepared under "Indirect method" in accordance with Accounting Standard-3 on Cash Flow Statements notified in section 133 of the Companies Act, 2013. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
2.4	Revenue Recognition
2.4.1	Lease Income (i) The income from lease transactions is recognized on accrual basis after netting off the lease equalization charges as recommended by the Institute of Chartered Accountants of India in its Guidance Note - "Accounting for Leases". (ii) The Lease Equalization charge (debit or credit as the case may be in any particular year) represent the difference between the Depreciation as per Schedule XIV and that which is chargeable so as to write off the asset over the primary lease period.
2.4.2	Interest Income Interest income is recognised on accrual basis except in case of non-performing assets. Overdue interest is recognised as income on realisation.
2.5	Fixed Assets:
2.5.1	Tangible Assets: Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.
2.5.2	Intangible Assets: Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.
2.6	Depreciation and Amortisation Depreciable amount of assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight line method as per the useful lives prescribed in schedule II to the Companies Act, 2013 . Intangible assets are amortised, on the straight line method on the useful lives prescribed in schedule II to the Companies Act, 2013.
2.7	Investments Investments are classified as Long term and Current. Long term Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

Notes forming part of the Standalone Financial Statements for the year ended Mar 31, 2019

2.8	Employee Benefits (i) Provident fund is a defined contribution plan and the contributions as required by the statute to Employees Provident Fund Organisation are charged to Statement of Profit and Loss when due. (ii) Gratuity liability is defined benefit obligation and is wholly funded. The Company accounts for liability for future gratuity benefits based on actuarial valuation. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. (iii) Compensated Absences - The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service.
2.9	Reserve Bank of India Prudential Norms The Company follows the guidelines issued by the Reserve Bank of India, in respect of income recognition, asset classification and valuation of investments. Provision for standard assets is made in terms of the notification in Master Direction - DNBR (PD) 007/03.10.119/2016-17 - Updated as on 23.02.2018 issued by Reserve Bank of India.
2.10	Taxes:
2.10.1	Current Tax: Provision for current tax is made based on the taxable income computed for the year under the Income Tax Act, 1961.
2.10.2	Deferred Taxes: Deferred tax is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.
2.11	Earnings Per Share: Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.
2.12	Provisions, Contingent liabilities liabilities and Contingent Assets: The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

3 Share Capital

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	₹	No. of shares	₹
Authorised Equity shares of ₹ 10/- each	20,000,000	200,000,000	20,000,000	200,000,000
Issued Equity shares of ₹ 10/- each	16,000,000	160,000,000	16,000,000	160,000,000
Subscribed and fully paid up Equity shares of ₹ 10/- each	12,872,493	128,724,930	12,872,493	128,724,930
Add : Forfeited Shares (Amount Originally paid up)	-	13,238,120	-	13,238,120
Total		141,963,050		141,963,050

Notes forming part of the Standalone Financial Statements for the year ended Mar 31, 2019**(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

	March 31, 2019		March 31, 2018	
	No. of Shares	₹	No. of Shares	₹
Equity Shares of ₹10/- each				
At the beginning of the year	12,872,493	141,963,050	12,872,493	141,963,050
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	12,872,493	141,963,050	12,872,493	141,963,050

(ii) Rights, Preferences and Restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of Shareholders Holding more than 5% of the shares in the Company

Name of Shareholder	March 31, 2019		March 31, 2018	
	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity Shares of ₹ 10/- each				
Gati Limited	1,600,300	12.43	1,600,300	12.43
Neera Agarwal	950,265	7.38	950,265	7.38

4 Reserves and Surplus

Particulars	March 31, 2019	March 31, 2018
	₹	₹
(a) Securities Premium Account		
Opening Balance	163,086	163,086
(b) General Reserve		
Opening Balance	35,218,685	35,218,685
(c) Reserve Fund		
(As per Section 45 IC of Reserve Bank of India Act, 1934)		
Opening Balance	62,267,922	58,895,673
Add: Transferred from surplus in Statement of Profit and Loss	8,545,346	3,372,249
	70,813,268	62,267,922
(d) Surplus in Statement of Profit and Loss		
Opening Balance	234,113,031	220,624,037
Add: Profit After Tax for the year	42,726,729	16,861,243
Less: Amount transferred to Reserve Fund	8,545,346	3,372,249
	268,294,414	234,113,031
Total	374,489,454	331,762,724

Notes forming part of the Standalone Financial Statements for the year ended Mar 31, 2019

5. Long Term Borrowings - Secured

Particulars	Non-current		Current	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	₹	₹	₹	₹
Term Loans				
From Non Banking Corporate Entities (Refer Note No (ii) below)	145,010,979	163,440,658	16,835,008	12,971,945
Total	145,010,979	163,440,658	16,835,008	12,971,945

(i) Current maturities of Long Term Borrowings have been disclosed under the head "Other Current Liabilities" (Refer Note No. 9)

(ii) Term Loans from Others

Term loan carries interest at a variable rate based on the lender Retail Prime Lending Rate (RPLR), of 13.90% p.a and is repayable in 180 instalments from date of loan viz., April 28, 2013. Presently, rate of interest is 14.35% of the loan. The loan is secured by pledge of 650,000 Equity shares held by Company in Gati Limited, personal guarantee of a director, pledge of property and Investments of a director and pledge of third party property.

(iii) The Company has defaulted in repayment of Term Loans in respect of the following :

Particulars	March 31, 2019		March 31, 2018	
	Period of Default	₹	Period of Default	₹
Term loan from Non banking Corporate Entities				
Principal	34 Days	1,111,808	-	-
	6 Days	1,125,103	-	-
Interest	34 Days	1,935,760	-	-
	6 Days	1,922,465	-	-

6 Long Term Provisions

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Provision for Employee Benefits:		
(i) Provision for Compensated Absences	281,474	220,270
(ii) Provision for gratuity (net) (Refer Note 19.1)	358,212	131,768
Provision - Others:		
(i) Contingent Provision against Standard Assets	772,000	1,183,000
Total	1,411,686	1,535,038

7 Short Term Borrowings

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Secured: From Others (Refer Note No 7.1 below)	103,950,000	248,000,000
Unsecured: From Director	14,800,000	9,300,000
From Corporate Entities	32,500,000	65,000,000
Total	151,250,000	322,300,000

7.1 Security

Name of the lender	Security - Pledge of Shares held by the company in Gati Limited (Number of Shares)
Anand Rathi Global Finance Limited	257,250
Kotak Mahindra Investments Ltd	76,000
Godavari Commercial Services Private Limited (Refer Note no 22(i))	1,100,000
Total	1,433,250

8 Trade Payables

	March 31, 2019	March 31, 2018
	₹	₹
Trade Payables other than Acceptances (Refer Note No. 8.1 below)		
(A) Micro, Small, Medium Enterprises (MSMEs)	-	-
(B) Other than MSMEs*	4,281,404	4,886,063
Total	4,281,404	4,886,063

*Includes ₹ 389,700/- (Previous year: Nil) payable towards Directors.

8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:

	As At March 31, 2019	As At March 31, 2018
a) Principal amount remaining unpaid	Nil	Nil
b) Interest due thereon	Nil	Nil
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payments made to the supplier beyond the appointed day during the year	Nil	Nil
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
e) Interest accrued and remaining unpaid	Nil	Nil
f) 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.	Nil	Nil

9 Other Current Liabilities

	March 31, 2019	March 31, 2018
	₹	₹
Current Maturities of Long Term Borrowings (Refer Note No. 5)	16,835,008	12,971,945
Interest Accrued and Not Due on short and long term borrowings	24,759,630	20,951,280
Interest Accrued Due on long term borrowings	4,753,095	-
Other Payables		
(i) Statutory Payables	713,461	2,893,752
(ii) Security Deposits	100,457	127,457
(iii) Others (Refer Note No 24.2)	3,189,669	632,816
Total	50,351,320	37,577,250

10 Short Term Provisions

	March 31, 2019	March 31, 2018
	₹	₹
Provision for Employee Benefits:		
Provision for Compensated Absences	8,260	138,750
Total	8,260	138,750

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019
11 Fixed Assets

₹

SI No		PARTICULARS	GROSS BLOCK (At Cost)				DEPRECIATION / AMORTISATION				NET BLOCK	
			As At 01.04. 2018	Additions	Deletions	As At 31.03. 2019	Upto 01.04.2018	For the year	Deletions	Upto 31.03.2019	As at 31.03.2019	As At 31.03.2018
A	i	TANGIBLE ASSETS Owned Assets										
1		Land - Freehold	3,522,514	8,815,840	-	12,338,354	-	-	-	12,338,354	3,522,514	
2		Buildings	1,602,000	-	1,602,000	-	558,814	18,786	577,600	-	1,043,186	
3		Vehicles	1,170,599	-	-	1,170,599	563,652	185,345	-	748,997	606,947	
4		Computer	187,130	-	-	187,130	177,773	-	-	177,773	9,357	
		Total Tangible Assets	6,482,243	8,815,840	1,602,000	13,696,083	1,300,239	204,131	577,600	926,770	5,182,004	
		Previous Year	6,489,045	-	-	6,489,045	1,094,611	212,430	-	1,307,041	5,394,434	
B		INTANGIBLE ASSETS										
1		Computer Software	33,038	16,400	-	49,438	33,038	4,798	-	37,836	-	
		Total Intangible Assets	33,038	16,400	-	49,438	33,038	4,798	-	37,836	-	
		Previous Year	33,038	-	-	33,038	31,394	1,644	-	33,038	1,644	

C Depreciation / Amortisation charged to Statement of Profit and Loss

		2018-19	2017-18
		₹	₹
Tangible Assets		204,131	212,430
Intangible Assets		4,798	1,644
Total		208,929	214,074

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019
12 Non Current Investments
NON TRADE INVESTMENTS (AT COST)
₹

NAME OF THE COMPANY	March 31, 2019			March 31, 2018		
	No. of shares	Face value	Amount	No. of shares	Face value	Amount
A EQUITY SHARES (QUOTED)						
Gati Limited (Refer Note No. 12.1 and 22.5)	7,827,455	2	87,230,113	8,067,455	2	90,028,513
TCI Industries Limited	30,236	10	2,128,390	30,236	10	2,128,390
Karnataka Bank Limited	7,860	10	623,100	7,860	10	623,100
ATI Limited	10,000	10	200,000	10,000	10	200,000
Less: Provision for decline, other than temporary, in the value of long term investments			(200,000)			(86,206)
Net			-			113,794
Lloyds Finance Limited	4,200	10	2,310	4,200	10	2,310
Less: Provision for decline, other than temporary, in the value of long term investments			(2,310)			-
			-			2,310
Tech Mahindra Limited	400	5	173,612	400	5	173,612
Total			90,155,215			93,069,719
B EQUITY SHARES (UNQUOTED)						
Gati Intellect Systems Limited	1,000	100	100,000	1,000	100	100,000
Coast-To-Coast Shipping Limited	9,500	10	95,000	9,500	10	95,000
TCI Hi-Ways Private Limited	27,451	10	274,510	27,451	10	274,510
Giri Roadlines and Commercial Trading Private Limited	42,000	100	157,527	42,000	100	157,527
Amrit Jal Ventures Private Limited (Refer Note No. 22.5 (ii) & (iii))	15,014,100	10	150,000,000	15,014,100	10	150,000,000
Bangalore Stock Exchange Limited	32,500	1	30,000	32,500	1	30,000
ITAG Infrastructure Limited	-	-	-	5,000	10	50,000
Total			150,657,037			150,707,037
C SUBSIDIARY - EQUITY SHARES (UNQUOTED)						
ITAG Business Solutions Limited	-	-	-	1,250,000	10	12,500,000
Total			-			12,500,000
D PREFERENCE SHARES (UNQUOTED)						
Capital Fortunes Limited	350,000	10	3,500,000	350,000	10	3,500,000
8% Non Cumulative 15 Year Redeemable						
Total			3,500,000			3,500,000
E DEBENTURES (OPTIONALLY CONVERTIBLE) (UNQUOTED)						
14.50% - Amrit Jal Ventures Private Limited (Refer Note No. 22.5 (ii) & (iii) and 22.6)	2,349,281	100	234,928,100	2,349,281	100	234,928,100
Total			234,928,100			234,928,100
Grand Total			479,240,352			494,704,856
Book Value of Quoted Investments			90,155,215			93,069,719
Market Value of Quoted Investments (Refer Note No. 12.2)			708,139,929			733,837,144

12.1. Includes

- 2,083,250 (Previous year: 4,603,900) Equity Shares pledged with lenders of the Company as security for Long and Short Term Borrowings (Refer Note No.5 (ii), 7.1 and 22.5 (i)),
- 805,000 (Previous year: 805,000) Equity Shares pledged with IFCI Venture capital limited towards loan availed by M/s Amrit Jal Ventures Private Limited (Refer Note No.22.5 (iii)),
- 1,580,000 (Previous year : 1,580,000) shares pledged with IDFC Bank Limited for the loan availed by Gati Infrastructure Private Limited (Refer Note No.22.5 (ii)) and
- 33,47,440 (Previous year : Nil) shares pledged with Thiagarajar Mills Private Limited for the loan availed by Mahendra Investment Advisors Private Limited (Refer Note No.22.5 (iv))

12.2. Book value has been taken in the absence of Stock Exchange quotations

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

13 Long Term Loans and Advances - Unsecured, considered good

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Advance Tax (Net of provision of ₹ 35,011,921/- and Previous year ₹ 29,192,890)	13,597,058	10,285,197
Total	13,597,058	10,285,197

14 Cash and Cash Equivalents

	March 31, 2019	March 31, 2018
	₹	₹
Balances with Banks		
In Current Accounts	664,944	1,782,165
Cash on hand	16,369	1,071
Total	681,313	1,783,236

15 Short Term Loans and Advances - Unsecured, considered good

	March 31, 2019	March 31, 2018
	₹	₹
Inter corporate Loans (Refer Note No. 22.3 and 22.6)	292,250,655	468,734,667
Other Advances recoverable in cash or kind	799	589,000
Total	292,251,454	469,323,667

16 Other Current Assets

	March 31, 2019	March 31, 2018
	₹	₹
Interest accrued on Debentures (Refer Note No. 22.6)	34,148,719	17,470,933
Interest accrued on Short Term Loans and Advances (Refer Note No. 22.6)	16,445,721	4,192,247
Other Receivables (Refer Note No. 22.5 (iv) and 24)	19,359,314	95,040
Total	69,953,754	21,758,220

17 Revenue from Operations

	2018-19	2017-18
	₹	₹
Interest Income (Refer Note No. 17.1)	90,138,216	109,107,361
Other Operating Revenue (Refer Note No. 17.2)	15,275,490	8,359,949
Total	105,413,706	117,467,310

17.1 Interest Income

	2018-19	2017-18
	₹	₹
Interest Income from:		
(i) Loans and Advances	56,083,631	75,042,776
(ii) Investments	34,054,585	34,064,585
Total	90,138,216	109,107,361

17.2 Other Operating Revenue

	2018-19	2017-18
	₹	₹
Profit on sale of Long Term Investments	17,996,809	3,441,553
Loss on sale of Long Term Investments	(7,175,000)	-
Dividend income from Long Term Investments	4,453,681	4,918,396
Total	15,275,490	8,359,949

18 Other Income

	2018-19	2017-18
	₹	₹
Rental Income	176,000	264,000
Other Non-Operating Income (Refer Note No. 18.1)	20,040,929	83,600
Total	20,216,929	347,600

18.1 Other Non-Operating Income

	2018-19	2017-18
	₹	₹
Profit on sale of Fixed Assets	8,975,599	-
Miscellaneous income	2,950,030	83,600
Bad debts written off earlier realised now	8,115,300	-
Total	20,040,929	83,600

19 Employee Benefits Expense

	2018-19	2017-18
	₹	₹
Salaries and wages	5,699,217	5,802,331
Contributions to provident and other funds (Refer Note No. 19.1)	522,002	447,039
Staff welfare expenses	51,241	-
Total	6,272,460	6,249,370

19.1 Employee Benefit Plans
a. Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 147,594/- (Previous year ₹ 168,771/-) for Provident Fund contributions and ₹ 150,000/- (Previous year ₹ 146,500/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b. Defined benefit plans

Consequent to the application of Accounting Standard (AS) 15 "Employee Benefits" all employee benefits have been determined in accordance with the Standard. The gratuity liability as per Actuarial Valuation has been deposited with the group gratuity Fund before March 31, 2019.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

Particulars	March 31, 2019	March 31, 2018
	₹	₹
	Gratuity (Funded)	Gratuity (Funded)
Present Value of Defined Benefit Obligation	1,139,650	2,075,675
Fair Value of Plan Assets	781,438	1,943,907
Funded Status [Surplus/(Deficit)]	(358,212)	(131,768)
Net Asset / (Liability) recognized in the Balance Sheet	-	-
Present Value of DBO at the beginning of the year	2,075,675	1,834,856
Current Service Cost	56,070	80,395
Interest Cost	157,751	133,027
Actuarial Losses / (Gains)	80,034	(83,630)
Benefits paid	(1,229,880)	111,027
Present Value of DBO at the end of the year	1,139,650	2,075,675
Plan Assets at the beginning of the year	1,943,907	1,869,093
Expected Return on Plan Assets	146,765	149,527
Actuarial Gain / (Loss)	(79,354)	(74,713)
Benefits Paid	(1,229,880)	-
Plan Assets at the end of the year	781,438	1,943,907
Current Service Cost	56,070	80,395
Interest Cost	157,751	133,027
Expected Return on Plan Assets	(146,765)	(149,527)
Actuarial Loss / (Gains)	159,388	(8,917)
Expense recognized in the Statement of Profit and Loss	226,444	166,005
Actual Benefit Payments	-	-
Experience History		
(1) Defined Benefit Obligation at end of the period	2,075,675	1,834,856
(2) Plan Assets at end of the period	1,139,650	2,075,675
(3) Surplus / (Deficit)	(936,025)	240,819
(4) Experience (Gain) / Loss adjustments on plan liabilities	80,034	(64,955)
(5) Experience Gain / (Loss) adjustments on plan assets	(79,354)	(74,713)
Division of Defined Benefit Obligation (Current / Non-Current)		
(1) Current Defined Benefit Obligation at end of the period	33,616	1,131,573
(2) Non-Current Defined Benefit Obligation at end of the period	1,106,034	944,102
(3) Total Defined Benefit Obligation at end of the period	1,139,650	2,075,675
Best Estimate of Contribution During Next year	433,544	240,236
Assumptions		
Discount Rate %	7.60%	7.60%
Expected Return on Plan Assets %	7.55%	7.55%
Salary Escalation %	6.00%	6.00%
Mortality	IALM 06-08	IALM 06-08
Attrition rate	2.00%	2.00%
The major categories of plan assets as a percentage of total plan - Funded with LIC	118.40%	65.01%

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019
20 Finance Costs

	2018-19	2017-18
	₹	₹
Interest expense on:		
Term Loans	59,515,281	84,019,068
Other borrowing costs	1,162,974	1,971,317
Total	60,678,255	85,990,385

21 Other Expenses

	2018-19	2017-18
	₹	₹
Rates and taxes	2,500	42,664
Service tax and Cess paid	-	12,968
Travelling and conveyance	159,339	195,950
Printing and stationery	298,089	269,460
Legal and professional	2,541,948	2,109,332
Rent Paid	277,536	256,368
Auditors' Remuneration (Refer Note No. 21.1)	283,200	288,050
Listing Fee and Demat charges	741,945	616,781
Provision for diminution in value of Investments	116,104	-
Miscellaneous	1,412,384	997,228
Total	5,833,045	4,788,801

21.1 Auditors' Remuneration

	2018-19	2017-18
	₹	₹
Fee towards		
Statutory Audit	150,000	150,000
Limited Review	90,000	90,000
Certification	-	5,000
Service Tax / GST	43,200	43,050
Total	283,200	288,050

22 Additional information to the Financial Statements

	March 31, 2019	March 31, 2018
	₹	₹
22.1 Contingent liabilities and commitments (to the extent not provided for)		
Contingent liabilities		
(a) Disputed Sales Tax demand	63,661	63,661
(b) Corporate Guarantees (Refer Note No. 24)	3,433,671,135	2,983,160,041
The Company has provided Guarantee for: (A) redemption / buyback of the Optionally convertible Debentures subscribed by IFCI Venture Capital Funds Limited in Amrit Jal Ventures Private Limited (B). To the lenders of Gati Infrastructure Bhasmey Power Private Limited (C) Given to Mahendra Investment Advisors Private Limited.		

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

22.2 No disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges as the entire investment in "ITAG Business Solutions Limited (subsidiary)" has been disposed with effect from 05.03.2019

22.3 Inter-Company loans/deposits given by the Company are on the basis that one of the main objects of the Company is to lend and is categorised as Loan Company. Accordingly, the Company has been advised that Section 186 of the Companies Act, 2013 is not applicable to the Company.

22.4 The Provision for standard assets during the year is as below:

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Provision (Reversal of Provision) for Standard Assets	(411,000)	(35,000)
Total	(411,000)	(35,000)

22.5 Investments - Sale of pledged shares by lenders

- (i) During the year 2015-2016, the Company took a loan of Rs.5 Crores from Godavari Commercial Services Private Limited (Godavari) on the security of 1,000,000 equity shares of Gati Limited held by the Company. At the request of Godavari, the said shares were pledged with a third party. The said shares were invoked by the third party in the year 2016-2017 on default by Godavari without there being any default by the Company. The Company took necessary legal recourse for restoration of the pledged shares and in terms of the settlement arrived at, Godavari agreed to restore the said invoked shares. In view of the same, the said 1,000,000 equity shares in Gati Limited have been continued to be disclosed as "Long term Investments".
- (ii) During the year 2015-2016, the Company has pledged 1,580,000 shares of Gati Limited held by the Company as Investments in favour of IDFC Bank Limited (IDFC) for facilities availed by M/s Gati Infrastructure Private Limited (GIPL) on receipt of Letter of Comfort from M/s Amrit Jal Ventures Private Limited (AJVPL) being the holding company of GIPL (Refer Note no 12.1.c). The said shares were invoked by IDFC in the year 2016-2017 due to default made by GIPL. The Company also has taken necessary legal recourse for the restoration of the invoked shares. AJVPL vide its Letter of Comfort informed that it would restore such invoked shares to the Company. In view of the above, the invoked 1,580,000 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".
- (iii) During the year 2014-2015, the Company has pledged 805,000 equity shares of Gati Limited held by the Company as Investments in favour of IFCI Ventures Limited (IFCIV) for facilities availed by M/s Amrit Jal Ventures Private Limited (AJVPL) (Refer Note 12.1.b). AJVPL had repaid the said loan, the Company had made request to IFCIV for release of pledged shares. However, during the year ended March 31, 2018 IFCIV invoked the said shares in the and transferred the same to Green India Ventures Fund (GIVF) for certain dues payable by AJVPL. The Company has taken necessary legal recourse for the restoration of the invoked shares. In view of the above, the invoked 805,000 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".
- (iv) During the year 2018-19, the Company has pledged 35,71,440 equity shares of Gati Limited held by the Company as Investments in favour of M/s Thiagarajar Mills Pvt Ltd (TMPL) for facilities availed by M/s Mahendra Investment Advisors Private Limited (MIAPL) (A Related Party) (Refer Note 12.1.d). All these pledged shares have been initially invoked by TMPL in its favour. Out of these invoked shares 2,24,000 shares have been sold by TMPL. Profit on sale of said shares sold has been considered as Operating Income and disclosed in Note 17 to the Standalone Financial Statements. Gross amount receivable on these sold shares is disclosed as "Other Receivables "in Note 16 to the Standalone Financial Statements. Balance unsold 33,47,440 shares have been restored back in the name of the company by TMPL during 2019. In view of the restoration, the unsold 33,47,440 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

22.6 The Company has various exposures to Amrit Jal Ventures Pvt Ltd (AJVPL) in the form of Equity, Optionally convertible Debentures, Inter Corporate Deposit, Interest accrued thereon and tax deducted at source aggregating to Rs. 5347.67 Lakhs and guarantees given to the lenders of AJVPL and its subsidiaries. A Case has been filed by one of the Financial Creditors against AJVPL before NCLT, Hyderabad which has been admitted but appeal is pending before NCLAT, Delhi. The Management is however confident about realisation of all dues recoverable to it particularly in view of operating profit from Gati Infrastructure Private Limited, one of the wholly owned subsidiary of AJVPL through its hydro power project

22.7 Going Concern : The financial statements of the company have been prepared on a going concern basis despite financial exposures of the company towards investments in, receivables from, guarantees given on behalf of Amrit Jal Ventures Private Limited and its subsidiaries (refer note 22.6 above).

23 Other Disclosures under Accounting Standards

		2018-19	2017-18
		₹	₹
23.1	Earnings per share		
	Net profit for the year attributable to the equity shareholders (₹)	42,726,729	16,861,243
	Weighted average number of equity shares	12,872,493	12,872,493
	Face value per share (₹)	10	10
	Earnings per share - Basic and Diluted (₹)	3.32	1.31
23.2	Deferred Tax (Liability) / Asset		
	Tax effect of items constituting deferred tax liability :		
	On difference between book balance and tax balance of fixed assets	-	-
	Tax effect of items constituting deferred tax liability	-	-
	Tax effect of items constituting deferred tax assets :		
	On difference between book balance and tax balance of fixed assets	62,517	261,730
	Provision for Standard assets	198,790	304,623
	Tax effect of items constituting deferred tax assets	261,307	566,353
	Net Deferred Tax - Asset /(Liability)	261,307	566,353

24.1 Related party transactions (Disclosures as required by AS 18 - Related Party Dsiclosures)
Details of related parties:

Description of relationship	Names of related parties
Key Managerial Personnel (KMP) (Para 3 of AS 18) Manager	Mr. Ramesh Sivaraman
Enterprises under significant influence (Para 3 of AS 18)	Mahendra Kumar Agarwal & Sons HUF
	Mahendra Investment Advisors Private Limited
	Amritjal Ventures Private Limited

Note: Related parties have been identified by the Management.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

24.2 Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019 : ₹

Particulars	KMP	Enterprises under significant influence	Total
Transactions during the year			
Managerial Remuneration			
Manager	3,725,575 (3,305,817)		3,725,575 (3,305,817)
Other Receivables			
Mahendra Investment Advisors Private Limited	-	19,359,314	19,359,314
Other Payables			
Mahendra Kumar Agarwal & Sons HUF	-	2,633,862	2,633,862
Corporate Guarantees Given			-
Amritjal Ventures Private Limited & its Subsidiaries		150,511,094 (225,977,168)	150,511,094 (225,977,168)
Mahendra Investment Advisors Private Limited	-	300,000,000	300,000,000
Balances at the year end			
Other Receivables			
Mahendra Investment Advisors Private Limited	-	19,359,314	19,359,314
Other Current Liabilities -others			
Mahendra Kumar Agarwal & Sons HUF	-	2,633,862	2,633,862
Corporate Guarantees Given			
Amritjal Ventures Private Limited & its Subsidiaries		3,133,671,135 (2,983,160,041)	3,133,671,135 (2,983,160,041)
Mahendra Investment Advisors Private Limited	-	300,000,000	300,000,000
Other current liabilities - Others			
Managerial Remuneration Payable	368,549 (349,179)		368,549 (349,179)

Note: Figures in bracket relates to the previous year

25 Schedule to the Balance sheet of a Non Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2015) : ₹

Particulars	Amount outstanding	Amount Overdue
25.1 Liabilities Side:		
Loans and advances availed by the Non- Banking Financial Company inclusive of interest accrued thereon but not paid:		
a. Debentures	-	-
b. Term Loans	161,845,987	-
c. Inter Corporate loans and borrowings \$	180,762,725	4,753,095
Total	342,608,712	4,753,095

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

25.2	Assets Side:	
	Break-up of Loans and Advances including bills receivables (Other than those included in (4) below:)	Amount outstanding
	a. Secured	-
	b. Unsecured#	328,055,690
25.3	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:	
	(i) Lease assets including lease rentals under sundry debtors:	
	a. Financial Lease	-
	b. Operating Lease	-
	(ii) Stock on hire including hire charges under Sundry Debtors:	
	a. Assets on hire	-
	b. Repossessed Assets	-
	(iii) Other Loans Counting towards AFC Activities	
	a. Loans where assets have been repossessed	-
	b. Loans other than (a) above	-
25.4	Break up of Investments:	
	Current Investments	-
	Long Term Investments:	
	1. Quoted:	
	(i) Equity Shares **	90,155,215
	(ii) Debentures and Bonds	-
	2. Un Quoted:	
	(i) Equity Shares	150,657,037
	(ii) Preference	3,500,000
	(iii) Debentures and Bonds	269,076,819*

\$ includes ₹ 29,512,725/- of interest accrued and not due and interest accrued and due on Secured and Unsecured Long term and short term borrowings

includes ₹ 16,445,721/- towards Interest accrued on advances.

* includes ₹ 34,148,719/- towards Interest accrued on Investments

** Refer Note No 22.5

25.5 Borrower group-wise classification of assets financed as in 26.2 and 26.3 above:					₹
	Category	Amount net of provisions			
		Secured	Unsecured	Total	
	1. Related Parties				
	(a) Subsidiaries	-	-	-	
	(b) Companies in the same Group	-	-	-	
	2. Other than Related parties #	-	327,283,690*	327,283,690*	
	Total	-	327,283,690	327,283,690	

* includes interest accrued on advances of ₹ 16,445,721

includes other receivables of Rs. 19,359,314 - Refer Note No 22.5 (iv)

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2019

25.6	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			₹
	Category	Market Value/Breakup or Fair value or NAV	Book Value (Net of Provisions)	
	1. Related parties			
	(a) Subsidiaries	-	-	
	(b) Companies in the same Group	706,778,198	89,358,503	
	(c) Other Related parties	-	-	
	2. Other than related parties	424,595,587*	424,030,568*	
	Total	1,131,373,785	513,389,071	
	* includes ₹ 34,148,719/- towards Interest accrued on Investments			
25.7	Other Information			₹
	Particulars			
	(i) Gross Non-Performing assets			-
	(a) Related parties			-
	(b) Other than related parties			-
	(ii) Net Non-Performing assets			-
	(a) Related parties			-
	(b) Other than related parties			-
	(iii) Assets acquired in satisfaction of debt			-
26	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.			

Signature to note 1 to 26

For and on behalf of the Board

D R Agarwal
Chairman
DIN No : 00322861

S M Jalan
Director
DIN No : 00324182

Srishti Soni
Company Secretary
M. No. : A46395

Ramesh Sivaraman
Manager and CFO

Hyderabad, May 22, 2019

INDEPENDENT AUDITORS' REPORT

To
**The Members of
TCI FINANCE LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of TCI Finance Limited and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss and the Statement of Cash Flow for the year then ended and notes to the Consolidated financial statements, including a summary of the significant accounting policies and other explanatory information ("here after referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Consolidated financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 23.7 of the Consolidated financial statements regarding Company's financial exposures, as at year ended March 31, 2019, in the form of investments, in amounts receivable from and guarantees given on behalf of AJVPL and its subsidiaries as stated in the Emphasis of Matter section below. The factors indicate that a material uncertainty exists in respect of realization of amounts due from these company which may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter:

We draw attention to

- a. Note no 23.6 of the Consolidated financial statements regarding exposures to Amrit Jal Ventures Private Limited and its wholly owned subsidiaries (collectively referred as AJVPL) aggregating to Rs. 5,347.67 Lakhs besides the amounts of guarantees given to the lenders of AJVPL.
- b. Note 23.5 of the Consolidated financial statement regarding the accounting treatment and presentation and disclosure relating to sale of pledged shares by the lenders of the Company / lenders of the Related Parties

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

S.No	Key Audit Matters	Auditors Response
1	Going Concern	Refer to Material Uncertainty Related to Going Concern paragraph above
2	Accuracy of existence, rights & obligations, completeness, and valuation of the investments given as guarantees to the lenders of the Company / lenders of the related parties - Refer Note 22.5 to the Standalone financial statements - "Investments Sale of Pledged Shares by Lenders".	We reviewed the matters involved in the litigations and also the representations furnished by the Company and also other undertakings by the counter parties.
3	Recoverability of the exposures As at March 31, 2019 the Company has got the exposures of Amrit Jal Ventures Private Limited and its wholly owned subsidiaries (collectively referred as AJVPL) aggregating to Rs. 5,347.67 Lakhs besides the amounts of guarantees given to the lenders of AJVPL - Refer Note 22.6 to the Standalone financial statements	Valuation estimates of the respective entities, to whom these loans were given / guarantees extended, prepared by the management and approved by the Board of Directors / Audit Committee. These estimates have been considered and in view of the uncertainties involved in the estimates, the same has been reported under "Emphasis of Matter" section of this report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Financial and Operational Review, Director's Report, Corporate Governance Report, Annual Report on CSR activities, but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit, or 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with The Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, management is responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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.

TCI FINANCE LTD.

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 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 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 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 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 Company's ability 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 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 Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements

We communicate with those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 1. As required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

- b) in our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
- c) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Statement of cash Flow dealt with by this Report are in agreement with the books of the accounts maintained for the purpose of preparation of the consolidated financial statements..
- d) in our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. Our report expresses unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements - Refer Note No. 23.1 to the Consolidated financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2019.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No. 000459 S

V K Muralidhar
Partner
Membership No. 201570

Hyderabad, May 22, 2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph '2.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of TCI Finance Limited of even date)

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

We have audited the internal financial controls over financial reporting of TCI Finance Limited ("the Company") and its subsidiary as of March 31, 2019 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its subsidiary 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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company and its subsidiary has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2019.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No. 000459 S

V K Muralidhar
Partner
Membership No.201570

Hyderabad, May 22, 2019

TCI FINANCE LIMITED

Consolidated Balance Sheet as at March 31, 2019

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES		₹	₹
Shareholders' Funds			
(a) Share Capital	3	141,963,050	141,963,050
(b) Reserves and Surplus	4	374,489,455	324,722,352
		516,452,505	466,685,402
Non-Current Liabilities			
(a) Long Term Borrowings	5	145,010,979	163,440,658
(b) Long Term Provisions	6	1,411,686	1,703,318
		146,422,665	165,143,976
Current Liabilities			
(a) Short Term Borrowings	7	151,250,000	322,300,000
(b) Trade Payables	8		
(A) Micro, Small, Medium Enterprises (MSMEs)		-	-
(B) Other than MSMEs		4,281,404	6,303,753
(c) Other Current Liabilities	9	50,351,320	38,302,941
(d) Short Term Provisions	10	8,260	143,579
		205,890,984	367,050,273
TOTAL		868,766,153	998,879,651
ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11A	12,769,314	5,672,650
(ii) Intangible Assets	11B	11,602	-
(b) Non-Current Investments	12	479,240,352	482,204,856
(c) Deferred Tax Assets (Net)	24.4	261,307	701,094
(d) Long Term Loans and Advances	13	13,597,057	10,864,556
		505,879,632	499,443,156
Current Assets			
(a) Trade Receivables	14	-	3,678,274
(b) Cash and Cash Equivalents	15	681,313	3,729,280
(c) Short Term Loans and Advances	16	292,251,454	470,240,747
(d) Other Current Assets	17	69,953,754	21,788,195
		362,886,521	499,436,496
TOTAL		868,766,153	998,879,651
Corporate Information and Significant Accounting Policies	1 & 2		

Accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached.

For M.Bhaskara Rao & Co.

Chartered Accountants

V K Muralidhar

Partner

For and on behalf of the Board

D R Agarwal, Chairman

DIN No : 00322861

S M Jalan, Director

DIN No : 00324182

Hyderabad, May 22, 2019

Srishti Soni

Company Secretary

M.No: A46395

Ramesh Sivaraman

Manager and CFO

TCI FINANCE LIMITED**Consolidated Statement of Profit and Loss for the year ended March 31, 2019**

Particulars	Note No.	2018-19	2017-18
		₹	₹
Continuing Operations :			
Income			
Revenue from Operations	18	123,584,500	130,079,895
Other Income	18	20,278,577	458,616
Total Revenue		143,863,077	130,538,511
Expenses			
(a) Employee Benefits Expense	20	8,753,979	9,229,162
(b) Finance Costs	21	60,678,255	85,990,385
(c) Depreciation and Amortisation	11C	319,700	430,627
(d) Other Expenses	22	14,755,446	14,438,751
(e) Provision for Standard Assets / Non-Performing Assets	23.4	(411,000)	(35,000)
Total Expenses		84,096,380	110,053,924
Profit Before Exceptional Item and Tax		59,766,697	20,484,586
Profit Before Tax		59,766,697	20,484,586
Tax Expense:			
(a) Current Tax		10,017,170	3,650,000
(b) Deferred Tax		352,512	98,468
		10,369,682	3,748,468
Profit After Tax from Continuing Operation		49,397,015	16,736,118
Earnings per Equity Share of ₹ 10/- each			
Basic and Diluted			
(i) Continuing Operations	24.3	3.84	1.30
Corporate Information and Significant Accounting Policies	1 & 2		

Accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached.

For M.Bhaskara Rao & Co.

Chartered Accountants

V K Muralidhar

Partner

Hyderabad, May 22, 2019

D R Agarwal

Chairman

DIN No : 00322861

Srishti Soni

Company Secretary

M.No: A46395

For and on behalf of the Board

S M Jalan

Director

DIN No : 00324182

Ramesh Sivaraman

Manager and CFO

TCI FINANCE LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2019

	2018-19	2017-18
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra ordinary items	59,766,697	20,484,586
Adjustments for:		
Depreciation and Amortisation	208,929	430,627
Loss on sale of assets	-	-
Profit on sale of Fixed Assets	(8,975,599)	-
Profit on sale of Long Term Investments	(17,996,809)	(3,441,553)
Profit/Loss on sale of Long term Investments	-	-
Dividend received (Long term Investments)	(4,453,681)	(4,918,396)
Interest Income	-	94,176
Sundry Debtors Written Off	-	1,045
	28,549,537	12,650,486
Changes in Working Capital:		
Adjustments for (increase) / decrease in Operating Assets:		
Trade Receivables	-	161,375
Short Term Loans and Advances	1,381,092	(130,055)
Other Current Assets	(48,165,559)	32,086,185
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(2,022,349)	2,027,085
Other Current Liabilities	8,185,316	8,560,312
Short Term Provisions	(130,490)	130,927
Long Term Provisions	(291,632)	(13,047)
Cash used in Operations	(12,494,085)	55,473,268
Net Income Tax Paid	(13,329,031)	(5,677,931)
Net Cash from / (used in) Operations	(25,823,116)	49,795,337
Loans (Disbursed) / Repaid (Net)	176,484,012	(17,143,639)
Net Cash from / (used in) Operating Activities (A)	150,660,896	32,651,698
B. Cash Flow from Investing Activities		
Proceeds from Sale of Fixed Assets	10,000,000	-
Purchase of Fixed Assets	(8,832,240)	(17,700)
Sale of Long Term Investments	26,286,312	3,869,701
Interest Received - Others	-	(94,176)
Dividend received (Long term Investments)	4,453,681	4,918,396
Net cash from / (used in) Investing Activities (B)	31,907,753	8,676,221
C. Cash Flow from Financing Activities		
Repayment of Short Term Borrowings	(185,050,000)	(34,500,000)
Proceeds from Short Term Borrowings	14,000,000	25,000,000
Repayment of Long Term Borrowings	(14,566,616)	(31,922,835)
Net cash (used in) / from Financing Activities (C)	(185,616,616)	(41,422,835)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(3,047,967)	(94,916)
Cash and Cash Equivalents at the beginning of the year	3,729,280	3,824,196
Cash and Cash Equivalents at the end of the year	681,313	3,729,280

Accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached.

For M.Bhaskara Rao & Co.

Chartered Accountants

V K Muralidhar

Partner

For and on behalf of the Board

D R Agarwal, Chairman

DIN No : 00322861

S M Jalan, Director

DIN No : 00324182

Srishti Soni

Company Secretary

M.No: A46395

Ramesh Sivaraman

Manager and CFO

Hyderabad, May 22, 2019

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

1	Corporate information 'TCI Finance Limited ("the Company") is a public company domiciled in India. Its shares are listed in Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is a "Loan company" engaged in the business of Non Banking Financial Institution as defined in section 45I(a) of the Reserve Bank of India Act, 1934.
2.1	Basis of Accounting and Preparation of Financial Statements 'The consolidated financial statements of the Company and its subsidiary (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") /Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention.
2.2	Principles of Consolidation The consolidated financial statements have been prepared on the following basis: a) The financial statements of the Company and its wholly owned subsidiary company (Itag Business Solutions Ltd) has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting and unrealised profits or losses on intra-group transactions as per Accounting Standard (AS) 21 - "Consolidated Financial Statements" specified under Section 133 of Companies Act, 2013. b) Intra-group balances and intra-group transactions and resulting unrealised profits / loss has been eliminated. c) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements.
2.3	Use of Estimates The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
2.4	Cash Flow Statement Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information. Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
2.5	Revenue Recognition
2.5.1	Lease Income (i) The income from lease transactions is recognized on accrual basis after netting off the lease equalization charges as recommended by the Institute of Chartered Accountants of India in its Guidance Note - "Accounting for Leases". (ii) The Lease Equalization charge (debit or credit as the case may be in any particular year) represent the difference between the Depreciation as per Schedule XIV and that which is chargeable so as to write off the asset over the primary lease period.
2.5.2	Interest Income Interest income is recognised on accrual basis except in case of non-performing assets. Overdue interest is recognised as income on realisation.
2.5.3	Consultancy income Consultancy Revenue is recognized on accrual basis.
2.5.4	Sponsorship and Delegate Fee Income Revenue from sponsorship and delegate fees is recognised on accrual basis.
2.5.5	Other Income Dividend income is accounted on an accrual basis when the Company's right to receive the dividend is established. Income from Services is recognised on accrual basis.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

2.6	Fixed Assets:
2.6.1	Tangible Assets: Fixed Assets are carried at cost less accumulated depreciation/amortization and impairment losses, if any. The cost of fixed assets comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.
2.6.2	Intangible Assets: Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.
2.7	Depreciation and Amortisation Depreciable amount of assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight line method as per the useful lives prescribed in schedule II to the Companies Act, 2013 . Intangible assets are amortised, on the straight line method on the useful lives prescribed in schedule II to the Companies Act, 2013 .
2.8	Investments Investments are classified as non current and current investments. Non Current Investments are carried individually at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried individually at lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees, and duties.
2.9	Employee Benefits (i) Provident fund is a defined contribution plan and the contributions as required by the statute to Employees Provident Fund Organisation are charged to Statement of Profit and Loss when due. (ii) Gratuity liability is defined benefit obligation and is wholly funded. The Company accounts for liability for future gratuity benefits based on actuarial valuation. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. (iii) Compensated Absences - The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service.
2.10	Reserve Bank of India Prudential Norms The Company follows the guidelines issued by the Reserve Bank of India, in respect of income recognition, asset classification and valuation of investments. Provision for standard assets is made in terms of the notification in Master Direction - DNBR (PD) 007/03.10.119/2016-17 - Updated as on 23.02.2018 issued by Reserve Bank of India.
2.11	Foreign currency transactions Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date, are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement / translation of monetary assets and liabilities are recognized in the Statement of Profit and Loss.
2.22	Taxes on Income
2.22.1	Current Tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
2.22.2	Deferred Tax : Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.
2.13	Earnings per share Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.
2.14	Provision, Contingent Liabilities and Contingent Assets The Group recognised provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

3 Share Capital

	March 31, 2019		March 31, 2018	
	No. of shares	₹	No. of shares	₹
Authorised				
Equity Shares of ₹ 10/- each	20,000,000	200,000,000	20,000,000	200,000,000
Issued				
Equity Shares of ₹ 10/- each	16,000,000	160,000,000	16,000,000	160,000,000
Subscribed and Fully Paid Up				
Equity Shares of ₹ 10/- each	12,872,493	128,724,930	12,872,493	128,724,930
Add : Forfeited Shares	-	13,238,120	-	13,238,120
(Amount Originally paid up)				
Total	12,872,493	141,963,050	12,872,493	141,963,050

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	March 31, 2019		March 31, 2018	
	No. of shares	₹	No. of shares	₹
Equity Shares of ₹ 10/- each				
At the beginning of the year	12,872,493	141,963,050	12,872,493	141,963,050
Add : Issued during the year	-	-	-	-
At the end of the year	12,872,493	141,963,050	12,872,493	141,963,050

(ii) Rights, Preferences and Restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of Shareholders Holding more than 5% shares in the Company

Name of Shareholder	March 31, 2019		March 31, 2018	
	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity Shares of ₹ 10/- each				
Gati Limited	1,600,300	12.43	1,600,300	12.43
Neera Agarwal	950,265	7.38	950,265	7.38

4 Reserves and Surplus

	March 31, 2019	March 31, 2018
	₹	₹
(a) Securities Premium Account		
Opening Balance	163,086	163,086
(b) General Reserve		
Opening Balance	35,218,685	35,218,685
(c) Reserve Fund		
(As per Section 45 IC of Reserve Bank of India Act, 1934)		
Opening Balance	62,267,923	58,895,674
Add : Transferred from surplus in Statement of Profit and Loss	8,545,346	3,372,249
	70,813,269	62,267,923
(d) Capital Reserve		
Opening Balance		
Add : on account of sale of investments in subsidiary	370,088	-
Less: Transferred to Surplus in statement of Profit or Loss	370,088	-
Closing balance	-	-
(e) Surplus in Statement of Profit and Loss		
Opening Balance	227,072,658	213,708,789
Add: Profit After Tax for the year	49,397,015	16,736,118
Add: Adjustment on account of sale of investments in subsidiary	370,088	-
Less : Amount transferred to Reserve Fund	(8,545,346)	(3,372,249)
	268,294,415	227,072,658
Total	374,489,455	324,722,352

5 Long-Term Borrowings - Secured

	Non-current		Current	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Term Loans	₹	₹	₹	₹
From Non Banking Corporate Entities (Refer (ii) below)	145,010,979	163,440,658	16,835,008	12,971,945
Total	145,010,979	163,440,658	16,835,008	12,971,945

(i) Current maturities of Long Term Borrowings have been disclosed under the head "Other Current Liabilities" (Refer Note No. 8)

(ii) **Term Loans**

Term loan carries interest at a variable rate based on the lender Retail Prime Lending Rate (RPLR), of 13.90% p.a and is repayable in 180 instalments from date of loan viz., April 28, 2013. Presently, rate of interest is 14.35% of the loan. The loan is secured by pledge of 650,000 Equity shares held by Company in Gati Limited, personal guarantee of a director, pledge of property and Investments of a director and pledge of third party property.

(iii) The Company has defaulted in repayment of Term Loans in respect of the following :

	March 31, 2019		March 31, 2018	
	Period of Default	₹	Period of Default	₹
Term loan from Non banking Corporate Entities				
Principal	34 Days	1,111,808	-	-
	6 Days	1,125,103	-	-
Interest	34 Days	1,935,760	-	-
	6 Days	1,922,465	-	-

6 Long Term Provisions

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Provision for Employee Benefits:		
(i) Provision for Compensated Absences	281,474	220,270
(ii) Provision for gratuity (net) (Refer Note 24.1)	-	-
(iii) Provision for Gratuity	358,212	300,048
Provision - Others:		
(i) Contingent Provision against Standard Assets	772,000	1,183,000
(ii) Non Performing Assets	-	-
Total	1,411,686	1,703,318

7 Short-Term Borrowings

	March 31, 2019	March 31, 2018
	₹	₹
Secured: From Corporate Entities	103,950,000	248,000,000
Unsecured: From Director	14,800,000	9,300,000
From Corporate Entities	32,500,000	65,000,000
Total	151,250,000	322,300,000

7.1 Security

Name of the lender	Security - Pledge of shares held by the company in gati Limited (Number)
Anand Rathi Global Finance Limited	257,250
Kotak Mahindra Investments Ltd	76,000
Godavari Commercial Services Private Limited	1,100,000
Total	1,433,250

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

8 Trade Payables

	March 31, 2019	March 31, 2018
	₹	₹
Trade Payables other than Acceptances (Refer Note No. 8.1 below)		
(A) Micro, Small, Medium Enterprises (MSMEs)	-	-
(B) Other than MSMEs	4,281,404	6,303,753
Total	4,281,404	6,303,753

8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

According to the records available with the Company, there are no dues payable to entities that are classified as Micro, Small and Medium Enterprises Development Act, 2006 during the period. Hence disclosures, if any, relating to amounts unpaid as at the period end together with the interest paid / payable as required under the Act have not been given.

	As At March 31, 2019	As At March 31, 2018
a) Principal amount remaining unpaid	Nil	Nil
b) Interest due thereon	Nil	Nil
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payments made to the supplier beyond the appointed day during the year	Nil	Nil
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
e) Interest accrued and remaining unpaid	Nil	Nil
f) 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.	Nil	Nil

9 Other Current Liabilities

	March 31, 2019	March 31, 2018
	₹	₹
Current maturities of Long Term Borrowings (Refer Note No. 5)	16,835,008	12,971,945
Interest Accrued and Not Due on short and long term borrowings	24,759,630	20,951,280
Interest Accrued Due on long term borrowings	4,753,095	-
Other payables		
(i) Statutory Payables	713,461	2,991,442
(ii) Security Deposits	100,457	127,457
(iii) Others (Refer Note No. 24)	3,189,669	1,260,817
Total	50,351,320	38,302,941

10 Short Term Provisions

	March 31, 2019	March 31, 2018
	₹	₹
Provision for Employee Benefits:		
(i) Provision for Compensated Absences	8,260	138,750
(ii) Provision for Gratuity	-	4,829
Total	8,260	143,579

TCI Finance Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019
11. Fixed Assets

₹

PARTICULARS		GROSS BLOCK (At Cost)			DEPRECIATION / AMORTISATION				NET BLOCK		
SI No		As At 01.04. 2018	Additions	Deletions	As At 31.03. 2019	Upto 01.04.2018	For the year	Deletions	Upto 31.03.2019	As at 31.03.2019	As At 31.03.2018
A	TANGIBLE ASSETS										
I	Owned Assets										
1	Land - Freehold	3,522,514	8,815,840	-	12,338,354	-	-	-	-	12,338,354	3,522,514
2	Buildings	1,602,000	-	1,602,000	-	558,814	18,786	577,600	-	-	1,043,186
3	Furniture and Fixtures	-	-	-	-	-	-	-	-	-	339,490
4	Plant and Machinery	-	-	-	-	-	-	-	-	-	-
5	Motor Trucks	1,170,599	-	-	1,170,599	563,651	185,345	-	748,996	421,603	606,948
6	Office Equipment & Computers	187,130	-	-	187,130	177,773	-	-	177,773	9,357	160,512
	Total	6,482,243	8,815,840	1,602,000	13,696,083	1,300,238	204,131	577,600	926,769	12,769,314	5,672,650
II	Leased Assets										
1	Plant and Machinery	40,318,442	-	40,318,442	-	-	-	-	-	-	-
2	Motor Trucks	506,218	-	506,218	-	-	-	-	-	-	-
3	Computers	5,710,000	-	5,710,000	-	-	-	-	-	-	-
	Total	46,534,660	-	46,534,660	-	-	-	-	-	-	-
	Total Tangible Assets	53,016,903	8,815,840	48,136,660	13,696,083	1,300,238	204,131	577,600	926,769	12,769,314	8,173,905
	Previous Year	13,697,410	209,952	3,218,771	10,688,591	5,582,941	622,801	1,601,084	4,604,658	6,083,933	8,114,469
B	INTANGIBLE ASSETS										
1	Computer Software Goodwill	33,038	16,400	-	49,438	33,038	4,798	-	37,836	11,602	-
	Total Intangible Assets	33,038	16,400	-	49,438	33,038	4,798	-	37,836	11,602	-
	Previous Year	33,038	-	-	33,038	31,394	-	-	33,038	1,644	1,644

C Depreciation / Amortisation charged to Statement of Profit and Loss

	2018-19		2017-18	
	₹	₹	₹	₹
Tangible Assets	204,131	428,983		
Intangible Assets	4,798	1,644		
Total	208,929	430,627		

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

12 Non-Current Investments

NON TRADE INVESTMENTS (AT COST)

₹

NAME OF THE COMPANY	March 31, 2019			March 31, 2018		
	No. of shares	Face value	Amount	No. of shares	Face value	Amount
A EQUITY SHARES (QUOTED)						
Gati Limited (Refer Note No. 12.1 and 23.5)	7,827,455	2	87,230,113	8,067,455	2	90,028,513
TCI Industries Limited	30,236	10	2,128,390	30,236	10	2,128,390
Karnataka Bank Limited	7,860	10	623,100	7,860	10	623,100
ATI Limited	10,000	10	200,000	10,000	10	200,000
Less: Provision for decline, other than temporary, in the value of long term investments			(200,000)			(86,206)
Net			-			113,794
Lloyds Finance Limited	4,200	10	2,310	4,200	10	2,310
Less: Provision for decline, other than temporary, in the value of long term investments			(2,310)			
Tech Mahindra Limited	400	5	173,612	400	5	173,612
Total			90,155,215			93,069,719
B EQUITY SHARES (UNQUOTED)						
Gati Intellect Systems Limited	1,000	100	100,000	1,000	100	100,000
Coast-To-Coast Shipping Limited	9,500	10	95,000	9,500	10	95,000
TCI Hi-Ways Private Limited	27,451	10	274,510	27,451	10	274,510
Giri Roadlines and Commercial Trading Private Limited	42,000	100	157,527	42,000	100	157,527
Amrit Jal Ventures Private Limited (Refer Note No. 23.5 (ii) (iii) & 23.6)	15,014,100	10	150,000,000	15,014,100	10	150,000,000
Bangalore Stock Exchange Limited	30,000	1	30,000	30,000	1	30,000
ITAG Infrastructure Limited	0	0	0	5,000	10	50,000
Total			150,657,037			150,707,037
C PREFERENCE SHARES (UNQUOTED)						
Capital Fortunes Limited	350,000	10	3,500,000	350,000	10	3,500,000
8% Non Cumulative 15 Year Redeemable						
Total			3,500,000			3,500,000
D DEBENTURES (OPTIONALLY CONVERTIBLE) (UNQUOTED)						
14.50% - Amrit Jal Ventures Private Limited (Refer Note No. 23.5 (ii) (iii) and 23.6)	2,349,281	100	234,928,100	2,349,281	100	234,928,100
Total			234,928,100			234,928,100
Grand Total			479,240,352			482,204,856
Book Value of Quoted Investments			90,155,215			93,069,719
Market Value of Quoted Investments (Refer Note No. 12.2)			708,139,929			733,837,144

12.1. Includes

- 2,083,250 (Previous year: 4,603,900) Equity Shares pledged with lenders of the Company as security for Long and Short Term Borrowings (Refer Note No.5 (ii), 7.1 and 23.5 (i))
- 805,000 (Previous year: 805,000) Equity Shares pledged with IFCI Venture capital limited towards loan availed by M/s Amrit Jal Ventures Private Limited (Refer Note No.23.5 (iii))
- 1,580,000 (Previous year : 1,580,000) shares pledged with IDFC Bank Limited for loan availed by Gati Infrastructure Private Limited (Refer Note No.23.5 (ii))
- 33,47,440 (Previous year : Nil) shares pledged with Thiagarajar Mills Private Limited for the loan availed by Mahendra Investment Advisors Private Limited (Refer Note No.23.5 (iv))

12.2. Book value has been taken in the absence of Stock Exchange quotations

13 Long Term Loans and Advances - Unsecured, considered good

	March 31, 2019	March 31, 2018
	₹	₹
Advance Tax (Net of Provision ₹3,50,11,921 /-) (Previous year ₹2,68,46,890/-)	13,597,058	10,864,556
Total	13,597,058	10,864,556

14 Trade Receivables - Unsecured

	March 31, 2019	March 31, 2018
	₹	₹
Debts outstanding over six months	-	3,180,091
Others	-	498,183
Total	-	3,678,274

15 Cash and Cash Equivalents

	March 31, 2019	March 31, 2018
	₹	₹
Balances with banks		
In current accounts	664,944	2,182,235
In deposit accounts	-	1,529,331
Cash on hand	16,369	17,714
Total	681,313	3,729,280

16 Short Term Loans and Advances - Unsecured, considered good

	March 31, 2019	March 31, 2018
	₹	₹
Inter Corporate Loans (Refer Note No 23.2 and 23.6)	292,250,655	468,734,667
Other Advances recoverable in cash or kind	799	1,506,080
Total	292,251,454	470,240,747

17 Other Current Assets

	March 31, 2019	March 31, 2018
	₹	₹
Interest accrued on debentures (Refer Note No 23.6)	34,148,719	17,470,933
Interest accrued on Short Term Loan and Advances (Refer Note No 23.6)	16,445,721	4,192,247
Interest accrued on Deposits	-	29,975
Others (Refer Note No 23.5(iv) and 24)	19,359,314	
(i) Other Receivables	-	95,040
(ii) Other Advances recoverable in cash or kind-Unsecured (Refer Note No. 17.1)	-	3,302,693
Less: Provision for doubtful loans and advances	-	(3,302,693)
Total	69,953,754	21,788,195

- 17.1** Represents amount misappropriated by employee during the year 2010-11 and 2011-12 by way of embezzlement of cash and fraudulent encashment of the Company's cheques. The Company filed a First Information Report (FIR) on October 13, 2011 against the employee with the designated police authority and has initiated legal proceedings.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

18 Revenue from Operations

	2018-19	2017-18
	₹	₹
Interest Income (Refer Note No.18.1)	90,138,216	109,107,361
Consultancy Fees	789,365	1,612,091
Other Operating Revenue (Refer Note No.18.2)	32,718,919	19,360,443
Total	123,646,500	130,079,895

18.1 Interest Income

	2018-19	2017-18
	₹	₹
Interest on Loans and Advances		
(i) Banks	-	-
(ii) Loans and Advances	56,083,631	75,042,776
(iii) Investments	34,054,585	34,064,585
Total	90,138,216	109,107,361

18.2 Other Operating Revenue

	2018-19	2017-18
	₹	₹
Upfront Fee / Guarantee Commission	-	-
Profit on sale of Long Term Investments	17,996,809	3,441,553
Dividend income from Long Term Investments	4,453,681	4,918,396
Sponsorship and Delegate Fees	10,268,429	11,000,494
Total	32,718,919	19,360,443

19 Other Income

	2018-19	2017-18
	₹	₹
Rental Income	176,000	264,000
Other Non-Operating Income (Refer Note No.19.1)	20,102,577	191,660
Gain on Foreign Currency Transaction	-	2,956
Total	20,278,577	458,616

19.1 Other Non-Operating Income

	2018-19	2017-18
	₹	₹
Profit on sale of Fixed Assets	8,975,599	-
Bad debts written off earlier realised now	8,115,300	-
Miscellaneous income	3,011,678	83,774
Bad debts recovered now	-	94,176
Interest on IT refund	-	13,710
Total	20,102,577	191,660

20 Employee Benefit Expense

	2018-19	2017-18
	₹	₹
Salaries and wages	8,456,480	8,736,846
Contributions to provident and other funds	522,002	454,641
Staff welfare expenses	54,571	37,675
Total	9,033,053	9,229,162

21 Finance Costs

	2018-19	2017-18
	₹	₹
Interest expense on:		
(i) Term Loans	59,515,281	84,019,068
Other borrowing cost	1,162,974	1,971,317
Total	60,678,255	85,990,385

22 Other Expenses

	2018-19	2017-18
	₹	₹
Rent	997,536	1,036,368
Rates and taxes	103,015	96,725
Service tax and Cess paid	-	12,968
Office maintenance	292,425	295,755
Legal and Professional	3,984,898	3,669,548
Travelling and Conveyance	818,729	928,199
Telephone and Communication Expenses	260,495	489,070
Electricity	171,440	182,195
Printing and Stationery	334,286	319,121
Postage and Telegrams	193,236	106,022
Software Expenses	-	-
Conferences and Seminars	4,995,175	5,298,989
Subscription and Membership	40,451	20,550
Listing Fee	721,009	615,317
Demat charges	20,936	1,464
Auditors' Remuneration (Refer Note No.22.1)	308,200	316,800
Bad debts Written off	69,960	1,045
Provision for diminution in value of Investments Written back	116,104	
Miscellaneous expenses	1,506,286	1,018,616
Total	14,934,179	14,408,751

22.1 Auditors' Remuneration

	2018-19	2017-18
	₹	₹
Fee towards		
Statutory Audit	175,000	178,750
Limited Review	90,000	90,000
Certification	-	5,000
GST	43,200	43,050
Total	308,200	316,800

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

23 Additional information to the Financial Statements

	March 31, 2019	March 31, 2018
	₹	₹
23.1 Contingent liabilities and commitments (to the extent not provided for)		
Contingent Liabilities		
(a) Disputed sale tax demand	63,661	63,661
(b) Corporate Guarantees (Refer Note 23.6 and 24)	3,433,671,135	2,983,160,041
The Company has provided Guarantee for (A). redemption / buyback of the Optionally convertible Debentures subscribed by IFCI Venture Capital Funds Limited in Amrit Jal Ventures Private Limited and (B). To the lenders of Gati Infrastructure Bhasmey Power Private Limited (C) Given to Mahendra Investment Advisors Private Limited.		

23.2 Inter-Company loans/deposits given by the Company are on the basis that one of the main objects of the Company is to lend and is categorised as Loan Company. Accordingly, the Company has been advised that Section 186 of the Companies Act, 2013 is not applicable to the Company.

23.3 No disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges as the entire investment in "ITAG Business Solutions Limited (wholly owned subsidiary)" has been disposed on 05 March, 2019.

23.4 The Provision for standard assets during the year is as given below:

	March 31, 2019	March 31, 2018
	₹	₹
Provision (Reversal of Provision) for Standard Assets	(411,000)	(35,000)
Total	(411,000)	(35,000)

23.5 Investments - Sale of pledged shares by lenders

- (i) During the year 2015-2016, the Company took a loan of Rs.5 Crores from Godavari Commercial Services Private Limited (Godavari) on the security of 1,000,000 equity shares of Gati Limited held by the Company as Investments. At the request of Godavari, the said shares were pledged with a third party. The said shares were invoked by the third party in the year 2016-2017 on default by Godavari without there being any default by the Company. The Company took necessary legal recourse for restoration of the pledged shares and in terms of the settlement arrived at, Godavari agreed to restore the said invoked shares. In view of the same, the said 1,000,000 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".
- (ii) During the year 2015-2016, the Company has pledged 1,580,000 shares of Gati Limited held by the Company as Investment in favour of IDFC Bank Limited (IDFC) for facilities availed by M/s Gati Infrastructure Private Limited (GIPL) on receipt of Letter of Comfort from M/s Amrit Jal Ventures Private Limited (AJVPL) being the holding company of GIPL (Refer Note no 12.1.c). The said shares were invoked by IDFC in the year 2016-2017 due to default made by GIPL. The Company also has taken necessary legal recourse for the restoration of the invoked shares. AJVPL vide its Letter of Comfort informed that it would restore such invoked shares to the Company. In view of the above, the invoked 1,580,000 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".
- (iii) During the year 2014-2015, the Company has pledged 805,000 equity shares of Gati Limited held by the Company as Investments in favour of IFCI Ventures Limited (IFCIV) for facilities availed by M/s Amrit Jal Ventures Private Limited (AJVPL) (Refer Note 12.1.b). AJVPL had repaid the said loan, the Company had made request to IFCIV for release of pledged shares. However, during the year ended March 31, 2018 IFCIV invoked the said shares in the and transferred the same to Green India Ventures Fund (GIVF) for certain dues payable by AJVPL. The Company has taken necessary legal recourse for the restoration of the invoked shares. In view of the above, the invoked 805,000 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".
- (iv) During the year 2018-19, the Company has pledged 35,71,440 equity shares of Gati Limited held by the Company as Investments in favour of M/s Thiagarajar Mills Pvt Ltd (TMPL) for facilities availed by M/s Mahendra Investment Advisors Private Limited (MIAPL) (A Related Party) (Refer Note 12.1.d). All these pledged shares have been initially

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

invoked by TMPL in its favour. Out of these invoked shares 2,24,000 shares have been sold by TMPL . Profit on sale of said shares sold has been considered has Operating Income and disclosed in Note 17 to the Financial Statements. Gross amount receivable on these sold shares is disclosed as "Other Receivables "in Note 16 to the Financial Statements. Balance unsold 33,47,440 shares have been restored back in the name of the company by TMPL during 2019. In view of the restoration, the unsold 33,47,440 equity shares in Gati Limited have been continued to be disclosed as "Long Term Investments".

- 23.6** The company has various exposures to Amrit Jal Ventures Pvt Ltd (AJVPL) in the form of Equity, Optionally convertible Debentures, Inter Corporate Deposit, Interest accrued thereon and tax deducted at source aggregating to Rs. 5347.67 Lakhs and guarantees given to the lenders of AJVPL and its subsidiaries. A Case has been filed by one of the Financial Creditors against AJVPL before NCLT, Hyderabad which has been admitted but appeal is pending before NCLAT, Delhi. The Management is however confident about realisation of all dues recoverable by it, particularly in view of operating profit from Gati Infrastructure Private Limited, one of the whollyowned subsidiary of AJVPL, through its hydro power project
- 23.7** Going Concern : The financial statements of the company have been prepared on a going concern basis despite financial exposures of the company towards investments in, receivables from, guarantees given on behalf of Amrit Jal Ventures Private Limited and its subsidiaries (refer note 23.6 above).

24.1 Related party transactions (Disclosures as required by AS 18 - Related Party Disclosures)**a. Details of related parties:**

Description of relationship	Names of related parties
Key Managerial Personnel (KMP) (Para 3 of AS 18) Manager Director of Subsidiary	Mr. Ramesh Sivaraman Dr. D R Agarwal
Partnership firm over which KMP is able to exercise significant influence	Agarwal Maheswari & Co
Enterprises under significant influence (Para 3 of AS 18)	Mahendra Kumar Agarwal & Sons HUF Mahendra Investment Advisors Private Limited Amritjal Ventures Private Limited
Enterprises over which the Director of Subsidiary is able to exercise significant influence	Kumpepar Construction Private Limited Institute of International Trade

Note: Related parties have been identified by the Management.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

b. Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019 :

Particulars	Partnership firm over which KMP is able to exercise significant Influence	KMP	Enterprises under significant influence	Total ₹
Transactions during the year				
Managerial remuneration				
Manager		3,725,575 (3,305,817)	- (-)	3,725,575 (3,305,817)
Consultancy fee paid	1,100,000 (1,200,000)	- (-)	- (-)	1,100,000 (1,200,000)
Rent Paid		660,000 (720,000)	- (-)	660,000 (720,000)
Conference Management Fee		- (-)	515,000 (500,436)	515,000 (500,436)
Other Receivables				
Mahendra Investment Advisors Private Limited		- (-)	19,359,314 (-)	19,359,314 (-)
Other Payables				
Mahendra Kumar Agarwal & Sons HUF		- (-)	2,633,862 (-)	2,633,862 (-)
Corporate Guarantees Given				
Amritjal Ventures Private Limited & its Subsidiaries			150,511,094 (225,977,168)	150,511,094 (225,977,168)
Mahendra Investment Advisors Private Limited		- (-)	300,000,000 (-)	300,000,000 (-)
Balances at the year end				
Other Receivables				
Mahendra Investment Advisors Private Limited		- (-)	19,359,314 (-)	19,359,314 (-)
Other Payables				
Mahendra Kumar & Sons HUF		- (-)	2,633,862 (-)	2,633,862 (-)
Trade Payable	- (239,215)	- (-)	- (-)	- (239,215)
Corporate Guarantees Given				
Amritjal Ventures Private Limited & its Subsidiaries			3,133,671,135 (2,983,160,041)	3,133,671,135 (2,983,160,041)
Mahendra Investment Advisors Private Limited		- (-)	300,000,000 (-)	300,000,000 (-)
Other current liabilities - Others				
Managerial Remuneration Payable		368,549 (349,179)	- (-)	368,549 (349,179)

Note: Figures in bracket relates to the previous year

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

	2018-19	2017-18
	₹	₹
24.2 Earnings Per Share		
Basic and Diluted		
Net Profit for the year attributable to the equity shareholders(₹)	49,397,015	16,736,118
Weighted average number of equity shares	12,872,493	12,872,493
Par value per share (₹)	10	10
Earnings Per Share - Basic and Diluted (₹)	3.84	1.30

	2018-19	2017-18
	₹	₹
24.3 Deferred tax (Liability) / Asset		
Tax effect of items constituting deferred tax liability :	-	-
Tax effect of items constituting deferred tax assets :		
On difference between book balance and tax balance of fixed assets	62,517	351,895
Provision for employee benefits - Gratuity	-	44,576
Provision for Standard assets	198,790	304,623
	261,307	701,094
Net Deferred Tax - Asset	261,307	701,094

- 25** The holding Company has sold investments in its wholly owned Subsidiary as on March 05, 2019. Hence the Loss for the period i.e upto the date of sale of investments was considered in the Statement of Profit or Loss . in view of the same, statement of Affairs of the Group as at March 31, 2019 represent the Statement of Affairs of the Holding Company.
- 26** Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

Signature to note 1 to 26

For and on behalf of the Board

D R Agarwal
Chairman
DIN No : 00322861

S M Jalan
Director
DIN No : 00324182

Srishti Soni
Company Secretary
M. No. : A46395

Ramesh Sivaraman
Manager and CFO

Hyderabad, May 22, 2019

Form AOC-I

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)**

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

No.	Particulars	₹
1	Sl. No.	1
2	Name of the subsidiary	ITAG Business Solutions Limited
3	The date since when subsidiary was acquired	05-04-07
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2018 to 05-03-2019
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
6	Capital -	
	a) Authorised Capital	20,000,000
	b) Paid-up Capital	12,500,000
7	Reserves	(7,555,157)
8	Total Assets	6,664,375
9	Total Liabilities	6,664,375
10	Detail Of Investment(Except In case of Investment in the Subsidiaries)	Nil
11	Turnover	10,995,794
12	Profit Before Taxation	(467,319)
13	Provision for Taxation (Including Deffered Tax and Tax relating to earlier years)	47,466
14	Profit After Taxation	(514,785)
15	Proposed Dividend	Nil
16	Extent of shareholding (in percentage)	100%

Notes :

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year

Nil
Itag Business
Solutions Limited

Part B

Details of Associate and Joint Venture

Nil



TCI FINANCE LIMITED

CIN: L65910TG1973PLC031293

Reg. & Corp. Office:: Plot No.20, Survey No.12, 4th Floor, Kothaguda, Kondapur ,Hyderabad-500084

Tel: +91 040-7120 4284 Fax: +91 040-2311 2318 E-mail: investors_tcif@gati.com Website: tcifl.in

ATTENDANCE SLIP

(To be handed over at the registration counter situated near the entrance of the meeting venue) 45th Annual General Meeting -August 14, 2019

Sr No. :

1. Full Name and registered address of the member :
(in BLOCK LETTERS)
2. Name(s) of the Joint Member(s), if any :
3. Registered Folio No. / DP ID No. / Client ID No. :
4. No. of Equity Share held :

I / We, being the registered shareholder / proxy for the registered shareholder** of the Company, hereby record my / our presence at the 45th Annual General Meeting of the company held on Wednesday, August 14, 2019, at 11.00 am, at Plot no. 20, Survey no.12, Ground Floor, Near Rainbow Children Hospital, Kothaguda, Kondapur, Hyderabad - 500 084 and at any adjournment(s) thereof.

Member's / Proxy's signature

* Applicable for investors holding shares in electronic form

** Strike-off whichever is not relevant.

Electronic Voting Particulars

Users who wish to opt for e-voting may use the following login credentials:-

EVEN (E-voting Event Number)	User ID	Password

Notes:

1. Please read the instructions to exercise e-voting option printed under Note number 21 to the Notice convening the 45th Annual General Meeting of the Company printed in the accompanying Annual Report for 2019.
2. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting.

TCI FINANCE LIMITED

CIN: L65910TG1973PLC031293

Registered office: Plot no. 20, Survey no.12, 4th Floor, Kothaguda, Kondapur, Hyderabad – 500 084.

Email: investors_tcif@gati.com, Website: www.tcifl.in, Tel: 040 71204284, Fax: 040 23112318

PROXY FORM

Name of the member (s):		Folio No:	
Registered address & Email ID		Client id /DP Id:	

I/We, being the member(s) of _____ shares of TCI Finance Limited, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company, to be held on Wednesday, the 14th day of August, 2019 at Plot No.20, Survey No.12, Ground Floor, Near Rainbow Children Hospital, Kothaguda, Kondapur, Hyderabad-500084 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below:

	Resolutions	For	Against
	Ordinary business:		
1.	Consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended March 31, 2019 and the Reports of the Directors and Auditors thereon.		
2.	Re-appointment of Ms. Meera Madhusudan Singh (DIN: 00415866) who retire by rotation		
3.	Re-appointment of Statutory Auditor and to fix their remuneration		
	Special Business:		
4.	To re-appoint Mr. Sanwarmal Gourishankar Jalan as an independent director of the company for a second term of five consecutive years		
5.	Appointment of Mr. Radhe Shyam Agarwala as non executive and non-independent director of the company		
6.	Approval for related party transactions		

Affix
Revenue
Stamp

Signed this _____ day of _____ 2019

Signature of shareholder

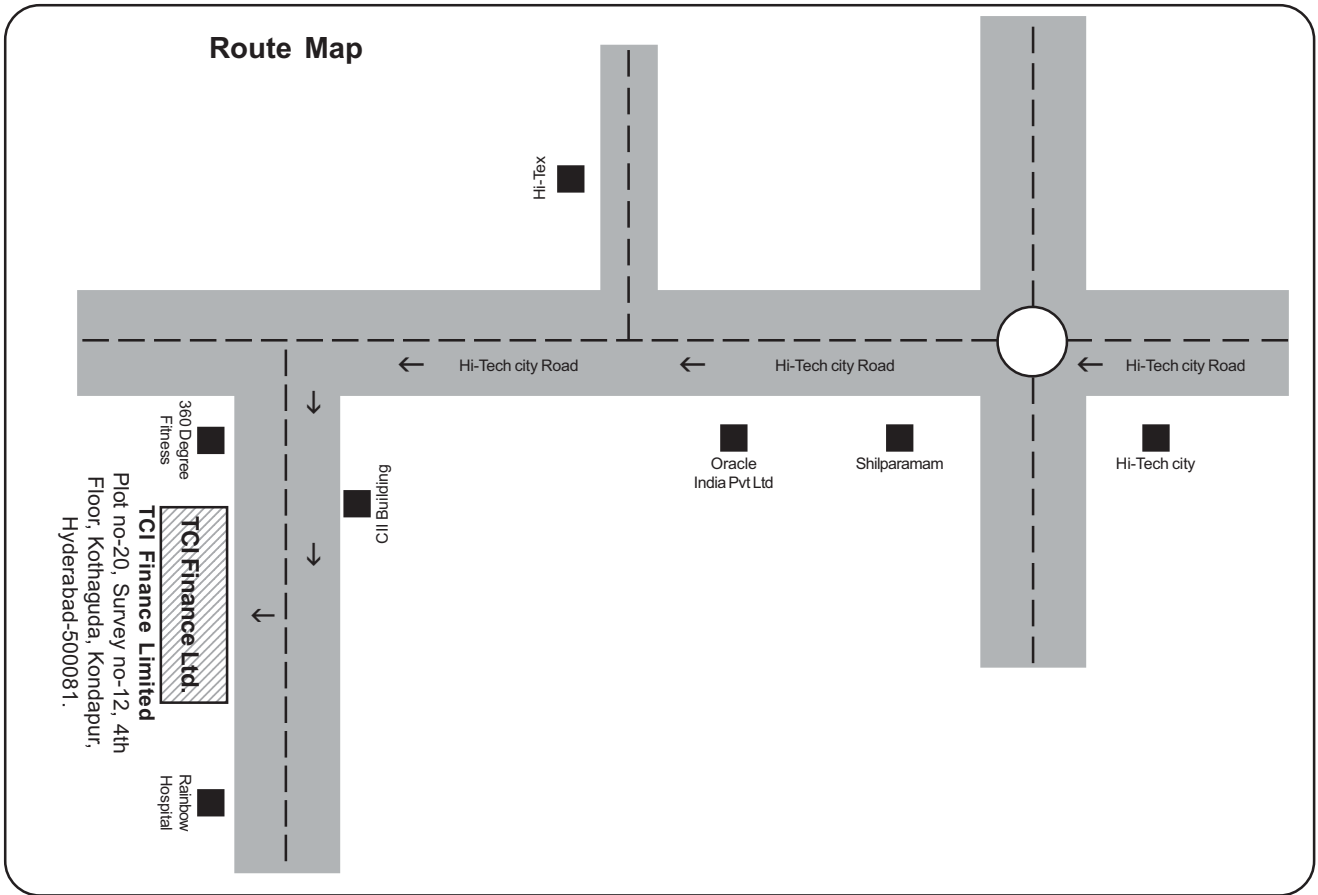
Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not to be a member of the Company.



If Undelivered, please return to :

Karvy Fintech Private Limited

(Unit: TCI Finance Limited)

Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda,
Hyderabad – 500 032

Tel. No: 040 67161562

E-mail: mohsin.mohd@karvy.com