DIRECTORS' REPORT

Your Directors present their Tenth Report together with the audited financial statements of your Company for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS AND STATE OF THE COMPANY AFFAIRS:

(` in Crores)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016*
Income		
Revenue from Operations	**2,588.69**	1,994.96
Other Income	**8.96**	12.85
Total Income	**2,597.65**	2,007.81
Expenses		
Employee Benefit Expenses	**182.28**	144.90
Other Expenses	**2,338.52**	1,798.79
Depreciation and Amortization Expenses	**8.91**	6.62
Finance Costs	**0.26**	0.15
Total Expenses	**2,529.97**	1,950.46
Profit/(Loss) before Tax	**67.68**	57.35
Provision for Tax	**22.87**	20.04
Profit/ (Loss) after Tax	**44.81**	37.31
Other comprehensive income		
Remeasurements of the defined benefit plans – Gains/(Losses)	**(0.72)**	(0.42)
Income tax relating to items that will not be reclassified to profit or loss	**0.25**	0.14
Total Other Comprehensive Income	**(0.47)**	(0.28)
Total comprehensive income for the period	**44.34**	37.03
Balance of Profit from Earlier Years	**141.35**	104.32
Balance carried Forward to Reserve	**185.69**	141.35
	–	–
Net worth	**348.82**	303.77

* *Previous year's figures have been restated in pursuance of provisions of Indian Accounting Standards (IND AS) specified in Companies Act, 2013.*

No material changes and commitments have occurred after the closure of the year under review till the date of this report which would affect the financial position of the Company.

OPERATIONS OF THE COMPANY

Your Company recorded gross income of Rs. 2,597.65 crores for the year under review as against gross income of Rs. 2,007.81 crores in the previous year registering a growth of 29.38%. The total comprehensive income for the current financial year is Rs. 44.34 crores (after accounting of deferred tax income of Rs. 2.94 crores) as compared to Rs. 37.03 crores in the previous year (after accounting of deferred tax income of Rs. 1.56 crores) registering an increase of 19.74%.

The Non-Mahindra Group Supply Chain Business grew by over 89% in the current year from Rs. 466 Crores in the previous financial year to Rs. 882 Crores in the current financial year. The supply chain business has been positively impacted by winning large customer accounts. Further, brisk account penetration in major supply chain management customers has improved significantly, as efforts centered on operating excellence and better responsiveness paid dividends.

The consolidated gross income of the year is at Rs. 2,676.25 crores as compared to Rs. 2,077.12 crores in the previous year registering a growth of 28.84%. The total consolidated comprehensive income for the current financial year is Rs. 45.68 crores (after accounting of deferred tax income and MAT credit of Rs. 4.39 crores) as compared to Rs. 35.60 crores in the previous year (after accounting of deferred tax income of Rs. 1.67 crores).

DIVIDEND:

Your Directors do not recommend dividend with a view to conserve resources for the future growth of your Company.

SUBSIDIARIES:

During the year, there were no additions/ deletions in subsidiary or associate or joint venture.

Lords Freight (India) Private Limited ("Lords")

Lords has recorded a gross income of Rs. 66.77 crores for the year under review as against Rs. 75.02 crores in the previous year registering a decline of around 11%. Inspite of decrease in revenue, the company operations yielded a positive total comprehensive income of Rs. 2.08 crores (after accounting of deferred tax income of Rs. 0.82 crores) as compared to loss of Rs. 1.37 crores (after accounting of deferred tax income of Rs. 0.08 crores) witnessed in the previous year.

2X2 Logistics Private Limited ("2X2")

During the year 2X2 has purchased 39 cars carriers in addition to 88 car carriers purchased in the previous year and also engaged market vehicles to increase the business in automotive logistics services. 2X2 has recorded gross income of Rs. 37.78 crores and total negative comprehensive income of Rs. 0.73 crores for the year under review as against gross income of Rs. 16 crores and total negative comprehensive income of Rs. 0.07 crores in the previous year.

During the year, 2X2 had made a Right issue of shares of Rs. 3.00 crores to its existing shareholders. As result, our investments in 2 X 2 has increased by Rs. 1.65 crores.

CONSOLIDATION OF ACCOUNTS:

In accordance with Section 134(7) of the Companies Act, 2013 and Indian Accounting Standards (IND AS) - 27, the audited consolidated financial statements of your Company form part of this Annual Report.

A report on the performance and financial position of each of the subsidiaries included in the Consolidated Financial Statements and their contribution to the overall performance of the Company is provided in Form AOC-1 which forms part of this Annual Report.

SHARE CAPITAL:

The Authorized Share Capital of your Company is Rs. 105,00,00,000 divided into 10,50,00,000 Equity shares of the face value of Rs. 10/- each

The Issued, Subscribed and Paid-up Capital of your Company as on 31st March, 2017 stood at Rs. 67,99,92,791 comprising of 6,78,32,997 Equity shares of the face value of Rs. 10 each, fully paid-up, 40,774 Equity shares of the face value of Rs. 10 each, Rs. 2 paid up and 15,81,273 Equity shares of the face value of 10 each, Rs. 1 paid up.

During the year, 81,77,184 (0.001%) Non-cumulative compulsory convertible preference shares have been converted into 81,77,184 equity shares of Rs. 10 each.

BOARD OF DIRECTORS

Composition:

Sr. No.	Name of the Director	DIN	Executive/ Non-Executive	Independent/ Non-Independent	No. of Board Meetings attended
1	Mr. Anjanikumar Choudhari	00234208	Non-Executive	Non-Independent	4
2	Mr. Zhooben Bhiwandiwala	00110373	Non-Executive	Non-Independent	2
3	Mr. K Chandrasekar	01084215	Non-Executive	Non-Independent	5
4	Mr. Parag Shah	00374944	Non-Executive	Non-Independent	5
5	Mr. Ruzbeh Irani	01831944	Non-Executive	Non-Independent	3
6	Mr. Sanjeev Aga	00022065	Non-Executive	Non-Independent	4
7	Mr. Sunish Sharma	00274432	Non-Executive	Non-Independent	4
8	Ms. Neelam Deo	02817083	Non-Executive	Independent	2
9	Mr. Ajay Mehta	07102804	Non-Executive	Independent	5

NUMBER OF BOARD MEETINGS:

The Board met five times during the year under review, i.e. on 29th April, 2016, 29th July, 2016, 27th October, 2016, 3rd February, 2017 and 27th March, 2017.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013, your Directors, based on representation from the operating management and after due enquiry, confirm that:

(a) In the preparation of the annual financial statements for the year ended 31st March, 2017 the applicable accounting standards have been followed;

(b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2017 and of the profit of the Company for the financial year ended on that date;

(c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) They have prepared the annual accounts on a going concern basis;

(e) They had ensured that there exist adequate internal financial controls with reference to financial statements; and

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EVALUATION OF PERFORMANCE:

The Board of Directors has adopted a process for annual evaluation of its own performance and that of its committees and individual directors. Questionnaires/Feedback templates for annual evaluation, were circulated to each Board member and responses were submitted to the Chairman of the Board for facilitating the formal annual evaluation.

CODES OF CONDUCT:

Your Company has in place Codes of Conduct for Corporate Governance ("the Codes") for its Directors and Senior Management Personnel and Employees. These Codes enunciate the underlying principles governing the conduct of your Company's business and seek to reiterate the fundamental precept that good governance must and would always be an integral part of your Company's ethos.

Your Company has for the year under review, received declarations under the Codes from the Board of Directors and the Senior Management Personnel and Employees affirming compliance with the respective Codes.

KEY MANAGERIAL PERSONNEL:

Pursuant to provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Key Managerial Personnel of your Company are as below:

1. Mr. Pirojshaw Sarkari, Chief Executive Officer
2. Mr. Nikhil Nayak, Chief Financial Officer
3. Ms. Brijbala Batwal, Company Secretary

   (Appointed w.e.f. 29th July, 2016 in place of Mr. Vilas Chaubal, erstwhile Company Secretary, who resigned w.e.f. 15th July 2016).

COMMITTEES OF THE BOARD:

Audit Committee

The Composition of Audit Committee ("AC") is follows:-

Director	Designation	No. of AC Meetings attended
Mr. Ajay Mehta	Member	3
Ms. Neelam Deo	Member	2
Mr. K Chandrasekar	Member	3
Mr. Sanjeev Aga	Permanent Invitee	3

The AC met thrice during year under review, i.e. on 29th April, 2016, 27th October, 2016 and 3rd February, 2017.

Nomination and Remuneration Committee

The composition of Nomination and Remuneration Committee ("NRC") is follows: -

Director	Designation	No. of NRC Meetings attended
Mr. Ajay Mehta	Member	1
Ms. Neelam Deo	Member	0
Mr. Sanjeev Aga	Member	1
Mr. Anjanikumar Choudhari	Member	1

The NRC met once during year under review, i.e. on 29th April, 2016.

Corporate Social Responsibility Committee

The composition of Corporate Social Responsibility Committee ("CSR") is follows: -

Director	Designation	No. of CSR committee Meetings attended
Mr. Ajay Mehta	Member	2
Mr. Ruzbeh Irani	Member	1
Mr. Sanjeev Aga	Member	2

The Corporate Social Responsibility Committee met twice during year under review, i.e. on 29th April, 2016 and on 27th March, 2017.

MLL Key Executives Stock Option Scheme Committee

The Composition of MLL Key Executives Stock Option Scheme ("MLL KESO") Committee is follows: -

Director	Designation	No. of MLL KESO committee Meeting attended
Mr. Zhooben Bhiwandiwala	Member	1
Mr. Parag Shah	Member	1
Mr. Ruzbeh Irani	Member	1
Mr. Sunish Sharma	Member	1

The MLL Key Executives Stock Option Scheme Committee met once during year under review, i.e. on 29th July, 2016.

Meeting of the Independent Directors

One meeting of the Independent Directors of the Company was held on 27th December, 2016 without the presence of Non-Independent Directors, Chief Executive Officer and Chief Financial Officer of the Company.

The aforesaid Meeting was conducted in a formal but flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors) and to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have given the declarations and confirmed that they met the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013.

POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND CRITERIA FOR APPOINTMENT/REMOVAL OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

In line with the principles of transparency and consistency and upon recommendation of the Nomination and Remuneration Committee, your Board has approved

- Policy on the appointment/removal of directors and senior management personnel, together with the criteria for determining qualifications, positive attributes and independence of directors
- Policy on the remuneration of directors, Key Managerial Personnel and other employees

These policies are provided as **Annexure I** and form part of this report.

RISK MANAGEMENT POLICY:

The Board has formulated a Risk Management Policy for the Company which identifies elements of risks, if any which may threaten the existence of the Company. Implementation of the Risk Management Policy is expected to be helpful in managing the risks associated with the business of the Company.

STATUTORY AUDITORS:

M/s. B. K. Khare & Co., Chartered Accountants, having Firm Registration No. 105102W, had served maximum tenure as the Statutory Auditors of the Company and hence it is proposed to appoint M/s. Deloitte Haskins & Sells LLP Chartered Accountants, having Firm Registration No. 117366W / W–100018, as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the 10th Annual General Meeting ("AGM") of the Company till the conclusion of the 15th AGM of the Company to be held in the year 2022, subject to their ratification at every AGM of the Company.

M/s. Deloitte Haskins & Sells. LLP, Chartered Accountants have given a written consent to act as Statutory Auditor of your Company, if appointed, and have also confirmed that the said appointment would be in conformity with the provisions of Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The members are requested to appoint statutory auditors of the Company at the ensuing Annual General Meeting and fix their remuneration.

The Auditors' Report for the year ended 31st March 2017 does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR:

Your Company has appointed M/s Sandeep Parekh & Co. (Practicing Company Secretary) (COP No. 7693), the practicing Company Secretary as a Secretarial Auditor of the Company in accordance with Section 204 of Companies Act, 2013 for the financial year 2016-17 and onwards .

In terms of provisions of sub section 1 of Section 204 of Companies Act, 2013, the Company has annexed with this Board Report, a secretarial audit report given by the Secretarial Auditors, and the said secretarial report, in prescribed form MR 3 at **Annexure II**, forms part of this report.

The Secretarial Auditor does not contain any qualification, reservation or adverse opinion.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its officers or employees to the Board/Audit Committee under Section 143(12) of the Companies Act 2013, details of which needs to be mentioned in this Report.

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

The particulars relating to the energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act,2013 read with the Companies Rule 8(3) of The Companies (Accounts) Rules, 2014 are provided in **Annexure III** and form part of this report.

PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Being unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company.

CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility ("CSR") Committee had formulated and recommended a CSR Policy which was approved by the Board and being implemented by the Company. The CSR Policy including a brief overview of the projects or programs proposed to be undertaken can be accessed at the Company's website through the Web-link : http://www.mahindralogistics.com/media/css_images/MLL-CSR%20Policy-19-Dec-16.pdf. Annual Report on CSR containing particulars specified in Annexure to the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure IV** and forms part of this report.

VIGIL MECHANISM:

The Vigil Mechanism as envisaged in the Companies Act, 2013 and the related rules,has been implemented voluntarily as good corporate governance practice, through the Whistleblower policy to provide a mechanism for the employees of the Company to approach CEO of the Company to report genuine concerns and provides for adequate safeguards against victimization of persons who use such mechanism. Till date, no complaints have been received by the Company.

PARTICULARS OF PUBLIC DEPOSITS, LOANS, GUARANTEES OR INVESTMENTS:

Your Company has not accepted any deposits from the public, or its employees, during the year. There were no other deposits falling under Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 at the beginning of the year, during the year and at the end of the year. There are no deposits which are not in compliance with the requirement of Chapter V of the Companies Act, 2013

Particulars of loans given, investments made and guarantees and securities provided pursuant to Section 186 of the Companies Act, 2013 are given under Note No. 6 & Note No. 33 respectively annexed to financial statements and the same forms part of this Report.

Your Company has not made any loans/advances which are required to be disclosed in the annual accounts of the Company pursuant to Regulations 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule V there to applicable to the ultimate holding company, Mahindra & Mahindra Limited.

PARTICULARS OF TRANSACTION WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties of the Company referred to under Section 188(1) of the Companies Act, 2013 are given in Form AOC-2 as Annexure V and the same forms part of this report.

MLL KEY EXECUTIVES STOCK OPTION SCHEME ("Scheme"):

During the year under review, the Company has granted 73,608 Stock Options to the employees under the Scheme. Details of the shares vested, exercised and issued under the aforesaid Scheme, as also the disclosures in compliance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014 are set out in **Annexure VI** and forms part of this Report.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2017 in form MGT-9 is annexed as **Annexure VII** and forms part of this report.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year under review, no complaints were received under the said Act.

INTERNAL FINANCIAL CONTROLS:

Pursuant to Rule 8 of the Companies (Accounts) Rules, 2014, and based on the representation received and after due enquiry, your directors confirm that they have laid down internal financial controls with reference to the Financial Statements and these controls are adequate.

CHANGE OF REGISTRAR & SHARE TRANSFER AGENT

Pursuant to SEBI Order against Sharepro restraining it from buying, selling or dealing in the securities market, the Board of Directors of your Company at their Meeting held on 29th July 2016, approved the appointment of M/s. Karvy Computershare Private Limited, as the Registrar & Share Transfer Agents of the Company.

GENERAL DISCLOSURES:

Your Directors make the following disclosure with respect of the following items during the year under review:

- There were no issue of equity shares with differential rights as to dividend, voting or otherwise.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
- There were no Shares having voting rights not exercised directly by the employees and for the purchase of which or subscription to which loan was given by the Company.

ACKNOWLEDGEMENTS:

Your Directors would like to place on record their sincere thanks for the cooperation and support received from your Company's bankers, stakeholders, employees, business associates and various agencies of the Central and State Governments.

For and on behalf of the Board

Parag Shah
Director

Zhooben Bhiwandiwala
Director

Mumbai, 28th April, 2017

ANNEXURE I TO THE DIRECTORS' REPORT

A. POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

"Board" means Board of Directors of the Company. "Company" means Mahindra Logistics Limited.

"Employee" means employee of the Company including employees in the Senior Management Team of the Company.

"Key Managerial Personnel" (KMP) refers to key managerial personnel as defined under the Companies Act, 2013 and includes:

(i) Chief Executive Officer (CEO);

(ii) Chief Financial Officer (CFO); and

(iii) Company Secretary (CS).

"Nomination and Remuneration Committee" (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

"Senior Management" means personnel of the Company who are members of its Core Management Team excluding Board of Directors comprising of all members of management including the functional heads.

I. APPOINTMENT OF DIRECTORS

- The NRC reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and independence of director:
  1. All Board appointments will be based on merit, in the context of the skills, experience, independence and knowledge, for the Board as a whole to be effective.
  2. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.
  3. Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in sprit by the Independent Directors.
- Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act 2013 and Rules made thereunder.

REMOVAL OF DIRECTORS

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations thereunder or due to non - adherence to the applicable policies of the company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

SENIOR MANAGEMENT PERSONNEL

Senior Management Personnel are appointed or promoted and removed/relieved with the authority of CEO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

II. SUCCESSION PLANNING:

Board:

The successors for the Independent Directors shall be identified by the NRC at least one quarter before expiry of the scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The NRC will accord due consideration for the expertise and other criteria required for the successor.

The Board may also decide not to fill the vacancy caused at its discretion.

Senior Management Personnel:

A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with new talent. It will ensure replacements for key job incumbents in KMPs and senior management positions in the organization. We have a process of identifying Hi-pots and critical positions. Successors are mapped for these positions at the following levels:

- Ready now
- Ready in 1 to 2 years
- Ready in 2 to 5 years
- Ready in more than 5 years

In order to ensure talent readiness as per laddered approach.

B. REMUNERATION POLICY FOR EMPLOYEES AND KEY MANAGERIAL PERSONNEL.

Overall Intent of Compensation Policy

At Mahindra Logistics Ltd. (MLL) we want our employees to understand and appreciate their role in providing value to the business. On its part, the organization recognizes that its success depends upon the skills, competencies and performance of its employees. We also believe that the way in which we compensate, reward and recognize as well as promote our employees is a crucial factor in achieving our business and financial objectives. Towards achievement of these objectives, we promote an entrepreneurial, team-based performance and result oriented culture.

Objectives of the Compensation Policy-

- To attract, motivate and retain employees by compensating them competitively, based on periodic comparison with other companies in relevant industries.
- To provide an overall package of remuneration and benefits which addresses the normal requirements of employees and their families.
- To align levels of compensation with the expected output of employees in terms of role responsibility, skills and experience.
- To link elements of compensation with performance of each individual as well as the business.

Compensation Strategy

The compensation will include all statutory and other retirement benefits. We will regularly track market trends in terms of compensation levels and practices in relevant industries through participation in structured surveys and informal consultation with a select group of comparable organizations. This information will be used to internally review our compensation policies and levels.

- Our package of remuneration and benefits will be designed to provide a degree of flexibility to individual officers to structure key benefits in a way that best suits individual personal and family requirements.
- Recognizing the need for long-term security
- Broad bands of compensation levels will be equitably defined for each grade to reflect levels of responsibility and provide a template when recruiting new employees.
- A pre-determined portion of remuneration of Managers & above employees will be linked directly to the annual performance of each individual and the business. This proportion will vary for each grade as per the levels of responsibility.

Compensation Structure

The compensation structure consists of two categories of elements, summarized below. The details of each are given in subsequent parts.

A. Total Cost to Company

This category consists of elements of compensation that are considered as 'Cost to Company', which includes Fixed Pay & Variable pay.

B. Reimbursements & Benefits

In addition to the above, the company provides certain other reimbursements and benefits. These are applicable to all or certain grades based on business requirements and articulated in the HR policy manual. These are, therefore, kept outside the calculation of Cost to Company. These consist of the following:

1. Group Mediclaim (Hospitalization) insurance policy
2. Group Personal Accident insurance policy
3. Group Term Life policy
4. Workmen Compensation policy
5. Mobile Reimbursement policy
6. Cellular phone handset policy
7. Laptops and data card policy
8. Transfer Relocation allowance policy

Current Levels & Designations

Level	Title
01	CEO
02	COO/Senior Vice President
03	CFO/Vice President
04	Senior General Manager/General Manager
05	Deputy General Manager
06	Senior Manager
07	Manager
08	Deputy Manager
09	Senior Executive
10	Executive
MT	Management Trainee
GT	Graduate Trainee
FTC	Fixed Term Contract

Hiring Process:

For hiring talent from the market, MLL has an Employee Requisition process which has the Job description, candidate profile, grade and the Budgeted CTC. The candidate is given an offer with a maximum increase of 20% on present CTC. Any increase proposed above 20% of CTC for DGM & above position, an approval is taken from CEO. Any increase proposed above 30% of CTC for Senior Manager & below positions, an approval is taken from CEO.

Payment of Salary:

Salaries are credited to (company nominated) employee's salary bank account. A salary slip detailing the total of pay and the various deductions made is also provided. Salary gets credited to the bank between last day of the current month to 7th day of the subsequent month.

Annual Increments / Promotions

Based on annual performance appraisals, competency evaluation and Bell curve guidelines, the permanent employees are given ratings on a 5 point scale and applicable increment percentage on CTC is applicable to derive the revised compensation. Promotion criteria is based movement to a higher responsibility and consistently rated Expectations Surpassed / Superior. For promotions an additional increment is also added.

Appraisal year is April to March. Employees joined till 1st Feb are eligible for Annual increments effective 1st Aug and new joinees from 2nd Feb will be eligible for increments prorated in the next appraisal cycle.

Fixed Term Contract (FTC) Employees

Based on Customer requirement, Fixed Term Contract (FTC) employees are recruited mainly for Operations. The Employment Term of these employees is for one year and it is renewed based on the Customer Agreement for further period. In case of closure of the Customer Agreement, we try to accommodate these employees in other projects based on the requirement else their services are terminated as per the clause mentioned in their appointment letter.

Compensation structure and components of compensation for FTC employees depends on the Location and Customer requirement.

Basic Salary, Provident Fund and Bonus are the mandatory components of the compensation structure, whereas House Rent Allowance, Conveyance Allowance, Child Education Allowance, Bonus, Canteen Allowance, Skill Allowance, Attendance Bonus, Production Incentive are paid on the basis of available budgets for the respective customer.

FTC employees are covered under:

(a) Employee State Insurance (ESI) or Workmen Compensation (WC) based on the location.

(b) Group Mediclaim (Hospitalization) insurance policy.

(c) Group Personal Accident insurance policy.

(d) Group Term Life policy.

For annual increments for FTC's we have 2 cycles of annual increment – 1st Oct and 1st Apr depending on the customer agreement contracts.

Policy on loans / advances to employees

To meet an urgent and specific need of a Permanent and FTC employees, company provides salary advances. The specific needs are hospitalization of self, spouse, children & dependent parents and for payment of housing deposit and children school admission fees in case of transfer of an employees for business requirement. An amount up to three month's monthly gross salary for Permanent employee and an amount up to one month's monthly gross salary for FTC employee who have completed one year is paid as salary advance. The salary advance is recovered in maximum 12 installments. No interest is charged on these salary advances. The salary advances are adjusted against the Mediclaim settlement, if the same are paid for hospitalization. The complete outstanding amount is recovered from employee's full & final settlement, in case of resigned employee. Perquisite is charged to employee as per Income Tax Act, 1961.

Policy for Non- Executive Directors including Independent Directors:

The Nomination and Remuneration Committee shall decide the basis for determining the compensation, both fixed and variable, to the Non-Executive Directors including Independent Directors whether as commission or otherwise. The Committee shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Companies Act 2013 and such other factors as the committee may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the shareholders resolution.

For and on behalf of the Board

Parag Shah Director

Zhooben Bhiwandiwala Director

Mumbai, 28th April, 2017

ANNEXURE II TO THE DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017
[Pursuant to section 204(1) of the Companies Act, 2013
and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MAHINDRA LOGISTICS LIMITED
CIN: U63000MH2007PLC173466
Mahindra Towers,
P. K. Kurne Chowk Worli,
Mumbai, Maharashtra 400018, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MAHINDRA LOGISTICS LIMITED(hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended 31st March, 2017 according to the provisions of:

(1) The Companies Act, 2013 ("the Act") and the rules made there under;

(2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not applicable to the Company during the audit period

(3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment

(5) External Commercial Borrowings –(Not applicable to the Company during the audit period)

(6) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - (Not applicable to the Company during the Audit Period)

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - (Not applicable to the Company during the Audit Period)

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - (Not applicable to the Company during the Audit Period)

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - (Not applicable to the Company during the Audit Period)

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - (Not applicable to the Company during the Audit Period)

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - (Not applicable to the Company during the Audit Period)

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - (Not applicable to the Company during the Audit Period)

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - (Not applicable to the Company during the Audit Period)

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - (Not applicable to the Company during the Audit Period)

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

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

2. The Listing Agreements entered into by the Company with Stock Exchange(s) – Not Applicable

During the period under review the Company has complied with the provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Note: Please report specific non compliances / observations / audit qualification, reservation or adverse remarks in respect of the above para wise. – **Nil**.

We further report that

The Board is constituted with Non-Executive Directors and Independent Directors.

Adequate notice was given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

As informed to us, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.:-

During the year under review, 81,77,184 (0.001%), Non-cumulative, fully paid, Compulsorily Convertible Preference Shares ('CCPS') of the face value of Rs. 50/- each, were converted into 81,77,184 Equity Shares of face value INR 10 each.

During the year under review, Company has altered its Articles of Association at its extra ordinary general meeting held on 4th February, 2017 to make consequential amendments pertaining to conversion of CCPS into equity shares

For Sandeep P Parekh & Co.,
Company Secretaries
FCS No: 7118,
CP No: 7693
Sandeep P. Parekh

Place: Navi Mumbai
Date: 28th April 2017

ANNEXURE III

PARTICULARS AS PER THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2017

STATEMENT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY

(a) The steps taken or impact on conservation of energy: The operations of your Company are not energy intensive. However adequate measures have been initiated to reduce energy consumption.

(b) The steps taken by the Company for utilizing alternate sources of energy: **Nil**

(c) The capital investment on energy conservation equipment's: **Nil**

B. TECHNOLOGY ABSORPTION

(a) The efforts made towards technology absorption–**Nil**

(b) The benefits derived like product improvement, cost reduction, product development or import substitution: **Nil**

(c) Incase of imported technology (imported during the last three years reckoned from the beginning of the financial year) – **Nil**

- (i) The details of technology imported:
- (ii) The year of import:
- (iii) Whether the technology been fully absorbed:
- (iv) If not fully absorbed, areas where absorption has not taken place,and the reasons thereof:

(d) The expenditure incurred on Research and Development: **Nil**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (In terms of actual inflow and outflow)

(Rs. in Lakhs)

Total Foreign Exchange earnings and outgo:	For the Financial Year Ended 31st March, 2017	For the Financial Year ended 31st March, 2016
Total Foreign Exchange Earned	**Nil**	983.78
Total Foreign Exchange Outgo	**10.40**	26.56

For and on behalf of the Board

Parag Shah Director

Zhooben Bhiwandiwala Director

Mumbai, 28th April, 2017

ANNEXURE IV

ANNUAL REPORT ON CSR ACTIVITIES

1) Mahindra Logistics Limited ("MLL") is a subsidiary of Mahindra & Mahindra Limited. The Corporate Social Responsibility ("CSR") vision of MLL is to serve and give back to the communities within which it works. From April 2014, in line with Companies Act, 2013, MLL has pledged to contribute 2% of average net profits made during the three immediately preceding financial years specifically towards CSR initiatives. The commitment to CSR will be manifested by investing resources in the following areas:

   - Community Welfare Program – Under privileged Children Scholarships, Rest Room Facilities, Medical Insurance for the underprivileged.
   - Village Adoption – Infrastructure, Education and Health.
   - MLL employees have been encouraged to volunteer for various CSR projects in the areas of education, health and environment through Employees Social Options program (ESOPS). Some of the projects to which employees have extended their volunteering efforts are skill development of youth, HIV/AIDS awareness, health camps, donations to orphanages and homes for the senior citizens etc.

   Web-link to the CSR policy - http://www.mahindralogistics.com/csr.html

(2) The Composition of the CSR Committee

   The CSR Committee of the Board comprises of the following Board members:

   - Mr. Ajay Mehta (Independent Director)
   - Mr. Ruzbeh Irani
   - Mr. Sanjeev Aga

(3) Average net profit of the company for last three financial years. Rs. 5,798.42 Lakhs

(4) Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) Rs. 115.97 Lakhs

(5) Details of CSR spent during the financial year.

   (a) Total amount spent for the financial year; Rs. 116.01 Lakhs

   (b) Amount unspent, if any; Nil

   (c) Manner in which the amount spent during the financial year is detailed below

S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programme (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget project or programme wise	Amount spent on the project or programme Sub Heads; (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent direct or through implementing agency
					` in Lakhs	` in Lakhs	
1	Nanhi Kali	Education & special education, employment enhancing vocational skills & livelihood enhancement projects	PAN India	115.97	61.98	149.17	Through implementing agency*
2	Gram Vikas	Rural Development	Thane, Maharashtra	115.97	6.19	56.78	Direct
3	Samantar	Health, Safe drinking water, eradicating hunger & poverty & contribution to Swacch Bharat Kosh, education & special education, employment enhancing vocational skills & livelihood enhancement projects, promoting gender equality, homes/ Hostels/ day care for women, orphans, senior citizens	PAN India	115.97	36.48	53.53	Direct
4	Gyandeep	Education & special education, employment enhancing vocational skills & livelihood enhancement projects	PAN India	115.97	9.69	29.46	Direct

S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programme (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget project or programme wise	Amount spent on the project or programme Sub Heads; (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent direct or through implementing agency
5	Sehat	Healthcare including preventive health care, Ecological balance, Promotion of Education	Mumbai (Maharashtra), Nashik (Maharashtra), Chakan (Maharashtra), Rudrapur (Uttar Pradesh)	115.97	1.60	1.78	Direct
6	Swachh Bharat/Green Guardians	Ensuring environmental sustainability	Delhi, Chandigarh and Pune (Maharashtra)	115.97	0.07	0.22	Direct
7	Arogyam	Health, Safe drinking water, eradicating hunger & poverty & contribution to Swacch Bharat Kosh	Haridwar (Uttaranchal), Hyderabad (Andhra Pradesh), Mumbai (Maharashtra), Thane (Maharashtra)	115.97	–	0.59	Direct
		Total			**116.01**	**291.53**	

* Project Nanhi Kali, is implemented and executed through K. C. Mahindra Education Trust.
Address:
K. C. Mahindra Education Trust
3rd Floor, Cecil Court, Mahakavi Bhushan Marg,
Mumbai – 400 001.

(6) In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. - N.A.

(7) A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Pirojshaw Sarkari
Chief Executive Officer

Ruzbeh Irani
Member CSR Committee

Mumbai, 28th April, 2017

ANNEXURE V

FORM NO. AOC-2

(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub section(1) of Section 188 of the Companies Act, 2013 including certain arm’s length transaction under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm’s length basis-Nil**

2. **Details of material Contracts or arrangements or transactions at arm’slength basis.**

<table>
<tr><td>1</td><td>Particulars</td><td></td></tr>
<tr><td>a)</td><td>Name (s) of the related party & nature of relationship</td><td>a. Mahindra & Mahindra Limited (“M&M”) – Holding Company
b. Mahindra Vehicle Manufacturing Limited (“MVML”) – Fellow Subsidiary</td></tr>
<tr><td>b)</td><td>Nature of Contracts/arrangements/transaction</td><td>Transportation services, Stores and Line Feed and warehousing services</td></tr>
<tr><td>c)</td><td>Duration of the contracts/arrangements/transaction</td><td>Ongoing contract</td></tr>
<tr><td>d)</td><td>Salient terms of the contracts or arrangements or transaction including the value, if any</td><td>(Rs. In Lakhs)
<table>
<tr><th>Particulars</th><th>M&M</th><th>MVML</th></tr>
<tr><td>Income from freight, manpower & other charges with management fees</td><td>1,26,053.68</td><td>6,723.89</td></tr>
<tr><td>Expenses include rent, information technology support and training</td><td>596.35</td><td>-</td></tr>
</table></td></tr>
<tr><td>e)</td><td>Date of approval by the Board</td><td>N.A</td></tr>
<tr><td>f)</td><td>Amount Paid as Advances, if any</td><td>Nil</td></tr>
</table>

Note:

1) Contracts/transactions for rendering of services for an amount exceeding 10% of turnover of the Company or Rupees fifty crore, whichever is lower is considered as material for the purpose of this disclosure.

2) All these translations are at arm’s length

For and on behalf of the Board

Parag Shah
Director

Zhooben Bhiwandiwala
Director

Mumbai, 28th April, 2017

ANNEXURE VI

DISCLOSURE PURSUANT TO EMPLOYEE STOCK OPTION SCHEME:

Details for the Financial year 2016-17

(a) Options granted – 73,608 during the current year

(b) Options vested – 3,74,260 during the current year

(c) Options exercised – Nil

(d) The total number of shares arising as a result of exercise of option – Nil

(e) Options lapsed - Nil

(f) The exercise price – NA

(g) Variation of terms of options - Nil

(h) Money realized by exercise of options – Nil

(i) Total number of options in force – 17,97,381

(j) Employee wise details of options granted to:

   (i) Key Managerial Personnel - Nil

   (ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year – Rama Malik (31,436), Shantanu Roy (20,892), Kamal Kapoor (21,280).

   (iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant – Nil

For and on behalf of the Board

Parag Shah
Director

Zhooben Bhiwandiwala
Director

Mumbai, 28th April, 2017

ANNEXURE VII

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2017

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

I. REGISTRATION & OTHER DETAILS:

1.	**CIN**	U63000MH2007PLC173466
2.	**Registration Date**	24th August, 2007
3.	**Name of the Company**	Mahindra Logistics Limited
4.	**Category/Sub-category of the Company**	Public Company Limited by Shares/Indian Non-Government Company
5.	**Address of Registered office and contact details**	Mahindra Towers, P K Kurne Chowk, Worli, Mumbai 400018. Tel : 022-24905976 Email: batwal.brijbala@mahindra.com
6.	**Whether listed company**	No
7.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad,Telangana - 500 032, India. Telephone No. +91 40 67162222, Fax No. 40 2342 0814 Email: einward.ris@karvy.com, Website: karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Supply Chain Management	4912, 4923, 5120, 5210	88.60
2	People Logistics	4922	11.40

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Mahindra & Mahindra Limited	L65990MH1945PLC004558	Holding Company	74.12	2(46)(ii)
2	2x2 Logistics Private limited	U63000MH2012PTC237062	Subsidiary Company	55.00	2(87)(ii)
3	Lords Freight (India) Private limited	U63030MH2011PTC216628	Subsidiary Company	60.00	2(87)(ii)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April 2016]				No. of Shares held at the end of the year [As on 31st March, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		–	–	–	–	–	–	–	–
b) Central Govt		–	–	–	–	–	–	–	–
c) State Govt(s)		–	–	–	–	–	–	–	–
d) Bodies Corp. (M&M, MECP*)	51,478,424	6	51,478,430	84.01	51,478,424	6	51,478,430	74.12	-9.89

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April 2016]				No. of Shares held at the end of the year [As on 31st March, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI		–	–	–	–	–	–	–	–
f) Any other* (MPESOP TRUST)	1,622,047		1,622,047	2.65	1,622,047		1,622,047	2.34	-0.31
Sub Total (A) (1)	53,100,471	6	53,100,477	86.66	53,100,471	6	53,100,477	76.45	-10.20
(2) Foreign	–	–	–	–	–	–	–	–	–
a) NRI Individuals	–	–	–	–	–	–	–	–	–
b) Other Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Any other	–	–	–	–	–	–	–	–	–
Sub Total (A) (2)	–	–	–	–	–	–	–	–	–
TOTAL (A)	53,100,471	6	53,100,477	86.66	53,100,471	6	53,100,477	76.45	-10.20
B. Public Shareholding									
1. Institutions	–	–	–	–	–	–	–	–	–
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks/FI	–	–	–	–	–	–	–	–	–
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds (Kedaara Cap AIF)	334,156	–	334,156	0.55	668,304	–	668,304	0.96	0.42 0.00
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1):-	334,156	–	334,156	0.55	668,304	–	668,304	0.96	0.42
2. Non-Institutions		–	–	–	–	–	–	–	–
a) Bodies Corp.	–	–	–	–	–	–	–	–	–
i) Indian	–	–	–	–	–	–	–	–	–
ii) Overseas (Normandy)	7,843,227	–	7,843,227	12.80	15,686,263	–	15,686,263	22.58	9.79
b) Individuals	–	–	–	–	–	–	–	–	–
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	–	–	–	–	–	–	–	–	–
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	–	–	–	–	–	–	–	–	–
c) Others (specify)	–	–	–	–	–	–	–	–	–
Non Resident Indians	–	–	–	–	–	–	–	–	–
Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	–	–	–	–	–	–	–	–	–
Trusts	–	–	–	–	–	–	–	–	–
Foreign Bodies - D R	–	–	–	–	–	–	–	–	–
Sub-total (B)(2):-	7,843,227	–	7,843,227	12.80	15,686,263	–	15,686,263	22.58	9.79

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April 2016]				No. of Shares held at the end of the year [As on 31st March, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public (B)	8,177,383	–	8,177,383	13.34	16,354,567	–	16,354,567	23.55	10.20
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**61,277,854**	**6**	**61,277,860**	**100.00**	**69,455,038**	**6**	**69,455,044**	**100.00**	–

* Forms part of promoter group of the Company

(ii) Shareholding of Promoter

SN	Shareholder's Name	No. of Shares held at the beginning of the year [As on 1st April 2016]			No. of Shares held at the end of the year [As on 31st March, 2017]			% 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 total shares	
1	Mahindra & Mahindra Limited	51,478,324	84.01	–	51,478,324	74.12	–	-9.89
2	Mahindra Engineering and Chemical products Ltd ^	100	0.00	–	100	0.00	–	0.00
3	Mahindra Partners Employee Options Trust ^	1,622,047	2.65	–	1,622,047	2.34	–	-0.31
4	Mahindra & Mahindra Limited jointly with Mr. Zhooben Bhiwandiwala *	1	0.00	–	1	0.00	–	0.00
5	Mahindra & Mahindra Limited jointly with Mr. K .Chandrasekar *	1	0.00	–	1	0.00	–	0.00
6	Mahindra & Mahindra Limited jointly with Mr. Parag Shah *	1	0.00	–	1	0.00	–	0.00
7	Mahindra & Mahindra Limited jointly with Mr. Ruzbeh Irani *	1	0.00	–	1	0.00	–	0.00
8	Mahindra & Mahindra Limited jointly with Mr. Narayan Shankar *	1	0.00	–	1	0.00	–	0.00
9	Mahindra & Mahindra Limited jointly with Mr. S. V. Rao *	1	0.00	–	1	0.00	–	0.00
	Total	**53,100,477**	**86.66**	–	**53,100,477**	**76.45**	–	**–10.20**

* The joint holders with Mahindra & Mahindra Limited are employees of Mahindra & Mahindra Limited and their names has been added for complying with the statutory provisions.

^ Forms part of promoter group of the Company

(iii) Change in Promoters' Shareholding

	Particulars	Date	Reason	No. of Shares held at the beginning of the year [As on 1 April 2016]		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Promoters shareholding	5th February, 2017	Dilution of stake due to increase in Total No. of Equity shares as a result of Conversion of Cumulative Compulsorily Convertible Preference Shares into equity shares	53,100,477	86.66	53,100,477	76.45

Note: The No. of shares held have remain unchanged but the shareholding % has decreased from 86.66% to 76.45% due to increase in total No. of Equity shares as a result of Conversion of Cumulative Compulsorily Convertible Preference Shares into equity shares. Mahindra Engineering and Chemical Products Limited and Mahindra Partners Employee Options Trust forms part of promoter group of the Company.

(iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	No. of Shares held at the beginning of the year [As on 1 April 2016]		Increase/Decrease in no. of shares *	Cumulative Shareholding during the year	
			No. of shares	% of total shares		No. of shares	% of total shares
1	Normandy Holdings Limited	5th February, 2017	7,843,227	12.80%	7,843,036	15,686,263	22.58%
2	Kedaara Capital Alternative Investment Fund - Kedaara Capital AIF 1	5th February, 2017	334,156	0.55%	334,148	668,304	0.96%

Reason for Change * : Issue of Equity shares on Conversion of Cumulative Compulsorily Convertible Preference Shares, converted into equity shares

(v) Shareholding of Directors and Key Managerial Personnel: NIL

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Nil	Nil	Nil				

V. INDEBTEDNESS

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

(Rs. in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	–	–
Change in Indebtedness during the financial year				
* Addition	–	–	–	–
* Reduction	–	–	–	–
Net Change	–	–	–	–
Indebtedness at the end of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	–	–

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil

SN	Particulars of Remuneration	Name Designation	Name of MD/WTD/Manager		Total Amount (Rs. in Lakhs)
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		–	–	–
	(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		–	–	–

SN	Particulars of Remuneration / Name / Designation	Name of MD/WTD/Manager		Total Amount (Rs. in Lakhs)
3	Sweat Equity	–	–	–
4	Commission – as % of profit – others, specify	–	–	–
5	Others, please specify	–	–	–
	Total (A)	–	–	–
	Ceiling as per the Act	5% of the net profits of the Company		**Nil**

B. Remuneration to other Directors

SN	Particulars of Remuneration	Name of Directors			Total Amount (Rs. in Lakhs)
		Mr. Ajay Mehta	**Ms. Neelam Deo**	**Nil**	
1	Independent Directors				
	Fee for attending board committee meetings	1.74	0.67		2.41
	Commission (for F.Y. 16-17)	5.38	5.39		10.77
	Others, please specify				–
	Total (1)	7.12	6.06	–	13.18
2	Other Non-Executive Directors				–
	Fee for attending board committee meetings				–
	Commission				–
	Others, please specify				–
	Total (2)	–	–	–	–
	Total (B)=(1+2)	7.12	6.06	–	13.18
	Total Managerial Remuneration				13.18
	Overall Ceiling as per the Act	1% of the Net Profit of the Company			70.70

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs. In Lakhs)
		CEO	**CFO**	**CS**	
1	Gross Salary	–	–	–	–
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	159.75	67.16	–	226.91
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	–	–	0.40
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–	–	–
2	Stock Option	–	–	–	–

SN	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs. In Lakhs)
		CEO	CFO	CS	
3	Sweat Equity	–	–	–	–
4	Commission – as % of profit – others, specify	–	–	–	–
5	Others, (Contribution to Provident Fund)	6.31	2.60	–	8.91
6	Others (Professional Fees)	–	–	1.25	1.25
	Total	**166.46**	**69.76**	**1.25**	**237.47**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
B. DIRECTORS					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

For and on behalf of the Board

Parag Shah
Director

Zhooben Bhiwandiwala
Director

Mumbai, 28th April, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of **MAHINDRA LOGISTICS LIMITED**

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of **MAHINDRA LOGISTICS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2017, and the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

   This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the company as at March 31, 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year then ended on that date.

Other matter

9. The comparative standalone financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standard) Rules, 2006, as amended audited by us and on which we expressed an unmodified opinion in our report dated April 29, 2016, as adjusted for the differences in accounting principles while the adoption of Ind AS financial statements and which have also been audited by us.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

    a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c. the Balance Sheet, the Statement of Profit and Loss, statement of Cash Flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

    d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

    e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure II.

    g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements.

        ii. The Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable losses.

        iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

        iv. According to the information and explanations given to us and as indicated in Note 36 to the standalone financial statements, management has represented that the Company neither has any cash transactions nor does it hold any cash, and accordingly, the disclosure requirements specified in Rule 11(d) of the Companies (Audit and Auditors Rules), 2014, as amended, are not applicable. Based on our audit procedures and relying on the management representation as aforesaid, we report that the same is as per the books of account of the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration Number: 105102W

H. P. Mahajani
Partner
Membership Number: 030168

Mumbai
April 28, 2017

ANNEXURE I TO THE AUDITOR'S REPORT

Referred to in Paragraph 10 of our report of even date on the standalone Ind AS financial statements of Mahindra Logistics Limited for the year ended March 31, 2017

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   ii. The Company has a phased programme for physical verification of its fixed assets designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The fixed assets have been physically verified by the management during the year. According to the information and explanation given to us, the discrepancies observed on such verification were not material and have been properly dealt with in the books of accounts.

   iii. The title deeds of the immovable properties are held in the name of the Company.

2. The company did not have any inventories as at 31st March 2017 and hence no Physical verification of inventories was conducted by the management.

3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of para 3(iii) of the Order are not applicable to the Company.

4. The Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Sections 185 & 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the company.

5. The Company has not accepted any deposits within the meaning of sections 73 to 76 the Act, and the rules framed thereunder and hence the provisions of para 3(v) of the Order are not applicable to the Company.

6. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

7. (i) The Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts in respect of the above were outstanding, as on March 31, 2017 for a period of more than 6 months from the date they became payable.

   (ii) According to the information and explanations given to us and records of the Company examined by us, there are no disputed dues of income tax or sales tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute except for:

Nature of statute	Nature of dues	Amount (Rs in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	77.77	2008-09	CIT(A)
The Income Tax Act, 1961	Income Tax	59.51	2009-10	CIT(A)
The Income Tax Act, 1961	Income Tax	47.60	2010-11	CIT(A)
The Income Tax Act, 1961	Income Tax	638.70	2011-12	CIT(A)
The Income Tax Act, 1961	Income Tax	1197.13	2012-13	CIT(A)
The Income Tax Act, 1961	Income Tax	464.40	2013-14	CIT(A)
Service Tax Laws	Service Tax	41.33	2001-02	Mumbai High Court
Service Tax Laws	Service Tax	28.98	2002-03	Mumbai High Court
Service Tax Laws	Service Tax	15.17	2004-05	Commissioner Of Appeals - Mumbai Zone - I
Service Tax Laws	Service Tax	28.78	2005-06	Commissioner Of Appeals - Mumbai Zone - I
Service Tax Laws	Service Tax	45.89	2006-07	Commissioner Of Appeals - Mumbai Zone - I
Service Tax Laws	Service Tax	85.38	2008-09	Commissioner Customs, Central Excise and Service Tax - Nagpur
Service Tax Laws	Service Tax	167.79	2009-10	Commissioner Customs, Central Excise and Service Tax - Nagpur
Maharashtra Value Added Tax Act	VAT	218.73	2009-10	Deputy Commissioner Of Sales Tax (Appeals) - I Mumbai
Bihar Value Added Tax Act	VAT	8.23	2014-15	Joint Commissioner-Commercial Taxes Bihar
Bihar Value Added Tax Act	VAT	3.38	2013-14	Joint Commissioner-Commercial Taxes Bihar
Bihar Value Added Tax Act	CST	1.16	2014-15	Joint Commissioner-Commercial Taxes Bihar

8. The Company has not defaulted in repayment of loans taken from banks. According to the information and explanations given to us, the Company has not taken any loans or borrowings from a financial institution or from the Government and it has not issued any debentures.

9. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year, and accordingly, Para 3(ix) of the Order is not applicable to the Company.

10. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither noticed any instance of material fraud by the Company or by the officers or employees on the Company nor has any such instance been reported.

11. According to the information and explanations given to us the Company has not paid any remuneration to managerial personnel as defined in the Act and accordingly the provisions of para 3(xi) of the Order are not applicable to the Company.

12. According to the information and explanations given to us the Company is not a nidhi company and hence the provisions of para 3(xii) of the Order are not applicable to the Company.

13. On the basis of examination of relevant records and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable. The Company has disclosed the details of transactions with related parties in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or of fully or partly convertible debentures during the year and hence the provisions of para 3(xiv) of the Order are not applicable.

15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and accordingly, the provisions of para 3(xv) of the Order are not applicable.

16. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions of para 3(xvi) of the Order are not applicable.

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration Number: 105102W

H. P. Mahajani
Partner
Membership Number: 030168

Mumbai
April 28, 2017

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MAHINDRA LOGISTICS LIMITED

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 Mahindra Logistics Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration Number: 105102W

H. P. Mahajani
Partner
Membership Number: 030168

Mumbai
April 28, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

` in lacs

	Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	ASSETS				
I	**NON-CURRENT ASSETS**				
	(a) Property, Plant and Equipment	4	**2,678.18**	2,079.39	1,967.07
	(b) Capital Work-in-Progress	4	**69.45**	1.01	1.78
	(c) Intangible Assets	5	**116.21**	38.19	57.60
	(d) Intangible Assets Under Development	5	–	42.11	–
	(e) Financial Assets				
	(i) Investments	6	**1,186.86**	1,021.82	1,021.90
	(ii) Other Financial Assets	9	**1,020.76**	1,630.58	579.16
	(f) Deferred Tax Assets (Net)	10	**1,152.24**	857.74	701.99
	(g) Other Assets	11	**101.67**	106.64	136.85
	SUB-TOTAL		**6,325.37**	5,777.48	4,466.35
II	**CURRENT ASSETS**				
	(a) Financial Assets				
	(i) Investments	6	**5,804.23**	6,808.75	11,032.55
	(ii) Trade Receivables	7	**40,025.98**	23,484.70	18,715.00
	(iii) Cash and Cash Equivalents	12	**5,731.68**	3,757.85	4,744.01
	(iv) Bank Balances other than (iii) above	12	–	4,500.00	5,000.00
	(v) Loans	8	**2,500.00**	2,700.00	1,000.00
	(vi) Other Financial Assets	9	**5,100.08**	1,505.29	1,244.81
	(b) Current Tax Assets (Net)	13	**5,210.06**	2,469.22	876.86
	(c) Other Assets	11	**6,013.31**	4,138.32	2,984.14
	SUB-TOTAL		**70,385.34**	49,364.13	45,597.37
III	**Non-Current Assets Classified as Held for Sale**	14	**190.90**	190.90	190.90
	TOTAL ASSETS		**76,901.61**	55,332.51	50,254.62
	EQUITY AND LIABILITIES				
	EQUITY				
	(a) Equity Share Capital	15	**6,799.93**	5,982.21	5,982.21
	(b) Other Equity	16	**28,081.85**	24,395.04	20,603.24
	SUB-TOTAL		**34,881.78**	30,377.25	26,585.45
	LIABILITIES				
I	**NON-CURRENT LIABILITIES**				
	(a) Financial Liabilities	18	**2.00**	177.54	172.23
	(b) Provisions	19	**1,270.61**	1,166.23	875.55
	(c) Other Liabilities	20	–	22.74	36.37
	SUB-TOTAL		**1,272.61**	1,366.51	1,084.15
II	**CURRENT LIABILITIES**				
	(a) Financial Liabilities				
	(i) Trade Payables	17	**37,717.74**	21,495.31	21,020.92
	(ii) Other Financial Liabilities	18	**1,758.99**	1,183.96	1,025.85
	(b) Provisions	19	**605.70**	443.31	247.92
	(c) Current Tax Liabilities (Net)		–	–	0.61
	(d) Other Liabilities	20	**664.79**	466.17	289.72
	SUB-TOTAL		**40,747.22**	23,588.75	22,585.02
	TOTAL		**76,901.61**	55,332.51	50,254.62

The accompanying notes 1 to 37 are an integral part of the Financial Statements

As per our Report of Even Date

For **B. K. Khare & Co.**

Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

For and on behalf of Board of Directors

Mahindra Logistics Limited

Anjanikumar Choudhari
Chairman

Parag Shah
Director

Nikhil Nayak
Chief Financial Officer

Brijbala Batwal
Company Secretary

Place : Mumbai
Date : 28th April, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

` in lacs

	Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
I	Revenue from operations	21	**258,868.71**	199,496.20
II	Other Income	22	**896.37**	1,284.80
III	**Total Revenue (I + II)**		**259,765.08**	200,781.00
IV	**Expenses**			
	(a) Employee benefit expense	23	**18,228.13**	14,489.69
	(b) Finance costs	24	**25.85**	14.55
	(c) Depreciation and amortisation expense	4&5	**891.42**	662.33
	(d) Other expenses	25	**233,852.27**	179,879.74
	Total Expenses		**252,997.67**	195,046.31
V	**Profit/(loss) before tax (III - IV)**		**6,767.41**	5,734.69
VI	**Tax Expenses**			
	(1) Current tax	26	**2,581.38**	2,159.79
	(2) Deferred tax	26	**(294.48)**	(155.74)
	Total Tax Expense		**2,286.90**	2,004.05
VII	**Profit/(loss) After Tax (V - VI)**		**4,480.51**	3,730.64
VIII	**Other comprehensive income**			
A	(i) Items that will not be reclassified to profit or loss		**–**	–
	Remeasurements of the defined benefit plans- Gains/(Losses)		**(71.72)**	(41.66)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**24.82**	14.42
B	(i) Items that may be reclassified to profit or loss		**–**	–
	(ii) Income tax on items that may be reclassified to profit or loss		**–**	–
	Total Other Comprehensive Income		**(46.90)**	(27.24)
IX	**Total comprehensive income for the period (VII + VIII)**		**4,433.61**	3,703.40
X	**Earnings per equity share**			
	(1) Basic	27	**6.59**	5.45
	(2) Diluted	27	**6.59**	5.45

The accompanying notes 1 to 37 are an integral part of the Financial Statements

As per our Report of Even Date

For **B. K. Khare & Co.**

Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

For and on behalf of Board of Directors

Mahindra Logistics Limited

Anjanikumar Choudhari
Chairman

Parag Shah
Director

Nikhil Nayak
Chief Financial Officer

Brijbala Batwal
Company Secretary

Place : Mumbai
Date : 28th April, 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

(a) Equity Share Capital

` in lacs

Particulars	Number of Shares	Equity share capital
As at 1st April, 2015	61,277,860	5,982.21
Changes in equity share capital during the year	–	–
As at 31st March, 2016	61,277,860	5,982.21
Changes in equity share capital during the year	8,177,184	817.72
As at 31st March, 2017	**69,455,044**	**6,799.93**

(b) Other Equity

Particulars	Equity component of compound financial instruments*	Reserves & Surplus: Securities premium reserve	Reserves & Surplus: Equity-settled employee benefits reserve	Reserves & Surplus: Retained earnings	Total
Balance at 1st April, 2015	4,088.59	5,995.92	87.18	10,431.56	20,603.26
Total Comprehensive income for the year					
- Addition to equity settled employee benefit reserve	–	–	88.40	–	88.40
- Profit for the year	–	–	–	3,730.64	3,730.64
- Actuarial gain/(loss) transferred to retained earnings	–	–	–	(27.24)	(27.24)
Balance at 31st March, 2016	4,088.59	5,995.92	175.58	14,134.96	24,395.06
Conversion of CCPS into Equity shares	(4,088.59)	3,270.87	–	–	(817.72)
Total Comprehensive income for the year					–
- Addition to equity settled employee benefit reserve	–	–	70.90	–	70.90
- Profit for the year	–	–	–	4,480.52	4,480.52
- Actuarial gain/(loss) transferred to retained earnings	–	–	–	(46.90)	(46.90)
Balance at 31st March, 2017	**–**	**9,266.79**	**246.48**	**18,568.58**	**28,081.85**

*Note: The equity component of compound financial instruments represents the 0.001% Compulsorily Convertible Preference Shares (CCPS). For details, please refer note 15.

As per our Report of Even Date

For **B. K. Khare & Co.**

Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 28th April, 2017

For and on behalf of Board of Directors

Mahindra Logistics Limited

Anjanikumar Choudhari
Chairman

Parag Shah
Director

Nikhil Nayak
Chief Financial Officer

Brijbala Batwal
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

` in lacs

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A.	**Cash flows from operating activities**		
	Profit before tax for the year	**6,767.41**	5,734.69
	Adjustments for:		
	Loss on disposal of property, plant and equipment	**10.66**	1.62
	Provision for expected credit loss recognised on trade receivables	**244.72**	139.25
	Provision for doubtful advances	**62.31**	(71.76)
	Depreciation and amortisation of non-current assets	**891.42**	662.33
	Finance Charges	**10.76**	0.64
	Dividend Income	**(53.01)**	(153.25)
	Interest Income	**(637.69)**	(871.02)
	Profit on sale of mutual funds	**(56.69)**	(174.86)
	Employees Compensation expense {ESOP FV-Intrinsic Value}	**70.90**	88.40
	(Profit)/loss on fair valuation of mutual funds	**3.07**	13.52
	Actuarial Gain/(Loss)	**(71.71)**	(41.66)
	Operating profit before working capital changes	**7,242.14**	5,327.90
	Movements in working capital:		
	Increase in trade and other receivables	**(22,261.56)**	(8,175.36)
	Decrease in trade and other payables	**17,064.57**	1,286.69
	Cash generated from operations	**2,045.15**	(1,560.77)
	Income taxes paid	**(5,297.41)**	(3,737.72)
	Net cash generated by/(used in) operating activities	**(3,252.26)**	(5,298.49)
B.	**Cash flows from investing activities**		
	Net proceeds from investments in mutual funds and others	**1,801.41**	3,410.36
	Investment in subsidiary	**(165.00)**	–
	Profit on sale of mutual funds	**56.69**	174.86
	Dividend Income	**53.01**	153.25
	Interest income	**637.69**	871.02
	Payments for property, plant and equipment	**(1,654.51)**	(808.54)
	Proceeds from disposal of property, plant and equipment	**7.56**	12.02
	Net cash generated by/(used in) investing activities	**736.85**	3,812.97
C.	**Cash flows from financing activities**		
	Interest paid	**(10.76)**	(0.64)
	Net cash generated by/(used in) financing activities	**(10.76)**	(0.64)
	Net increase in cash and cash equivalents (A+B+C)	**(2,526.17)**	(1,486.16)
	Cash and cash equivalents at the beginning of the year	**8,257.85**	9,744.01
	Cash and cash equivalents at the end of the year	**5,731.68**	8,257.85
	Components of cash and cash equivalents		
	Cash/Cheques on hand	**53.53**	7.70
	With Banks – on Current account/Balance in Cash Credit Accounts	**5,678.15**	3,750.15
	Other Bank Balances	**–**	4,500.00
		5,731.68	8,257.85

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method set out in IND AS 7.

2 Figures in bracket indicates cash outgo.

3 Additions to property, plant and equipment and inangible assets include movements in capital work-in-progress and intangible assets under development respectively during the year.

As per our Report of Even Date

For **B. K. Khare & Co.**

Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

For and on behalf of Board of Directors

Mahindra Logistics Limited

Anjanikumar Choudhari
Chairman

Parag Shah
Director

Nikhil Nayak
Chief Financial Officer

Brijbala Batwal
Company Secretary

Place : Mumbai
Date : 28th April, 2017

NOTES ACCOMPANYING FINANCIAL STATEMENTS

1. Corporate information

Mahindra Logistics Limited is a public limited company incorporated on 24th August, 2007 under the Companies Act, 1956. The Company is a 3PL service provider mainly engaged in transportation warehousing, cargo logistics, supply chain solution and people logistics services.

The financial statements for the year ended 31st march, 2017 are approved for issue in accordance with a resolution of the directors on 28th April, 2017.

2. Significant accounting policies

2.1. Statement of compliance

The financial statements have been prepared in accordance with the provisions of Companies Act, 2013 and the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, specified under Section 133 of the Act. The financial statements are separate financial statements.

Upto the year ended 31 March 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2015. Refer Note 2.20 for the details of first-time adoption exemptions availed by the Company.

2.2. Basis of preparation and presentation

The financial statements have been prepared on accrual basis and the historical cost basis as a going concern except for certain financial instruments that are measured at fair values or at amortised cost, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this financial statement is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and Company's Normal Operating Cycle. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

The financial statements are prepared in Indian Rupee(INR) and denominated in lakhs.

The principal accounting policies are set out below.

2.3. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.4. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

2.4.1. Rendering of services

Incomes from logistics services rendered are recognised on the completion of the services as per the terms of contract. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

2.4.2. Dividend and interest income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4.3. Sale of Goods

Sale of products are recognised when the products are despatched which coincides with the transfer of risk and rewards to the buyer of products. Sales are exclusive of sales tax & sales returns.

2.5. Leasing

The Company's significant operating leasing arrangements are in respect of office premises, warehouse, warehouse equipments and IT related equipments. Lease rentals are recognised as per the terms of lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.6. Foreign currencies

i. Initial recognition

In preparing the financial statements of the company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

ii. Conversion

a. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

b. Non-monetary items, if any are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

a. Realized gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

b. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

2.7. Borrowing costs

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue in the year of incurrence.

2.8. Employee benefits

2.8.1. Retirement benefit costs and termination benefits

i. **Defined Contribution Plan**:

Company's contributions paid/payable during the year to the Superannuation Fund, ESIC, Provident Fund and Labour Welfare Fund are recognised in the Statement of Profit and Loss.

ii. **Defined Benefits**:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

2.8.2. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.9. Share-based payment arrangements

Equity-settled share-based payments to employees and others are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 23.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.10. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.10.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.10.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

2.10.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.11. Property, plant and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition is inclusive of purchase price, levies and any directly attributable cost of bringing the assets to its working condition for the intended use. Subsequent costs are included in the assets carrying amount or recognised as separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Depreciation on tangible assets is charged by the Straight Line Method (SLM) in accordance with the useful lives specified in Part – C of Schedule II of the Companies Act, 2013 on a pro-rata basis except in the case of:

i. Certain items of Plant & Machinery individually costing more than ` 5,000 – over their useful lives ranging from 2 years to 10 years as determined by the company and also based on the contractual arrangements wherever applicable.

ii. Assets capitalised which are attached to the leasehold office premises shall be depreciated upto 75% of its value over the lease period assuming a realisable value of 25% after the end of original lease period. In case of an extension of a lease period, the remaining 25% will be depreciated over the extended period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognised in profit or loss.

2.12. Intangible assets

2.12.1. Intangible assets acquired separately

The useful lives of intangible assets are assessed as either finite or infinite. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.12.2. Useful lives of intangible assets

The expenditure incurred is amortised over three financial years equally commencing from the year in which the expenditure is incurred.

2.13. Impairment of tangible and intangible assets other than goodwill

The management of the Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. A reversal of an impairment loss is recognised immediately in profit or loss.

2.14. Provisions, Contingent Liabilities & Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.14.1. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed where an inflow of economic benefits is probable.

2.15. Financial instruments

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.16.1. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 2.16.4

Investments in subsidiaries: All investments in subsidiaries are valued at cost.

All other financial assets are subsequently measured at fair value.

2.16.2. Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.16.3. Financial assets at Fair value through Profit and Loss

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

2.16.4. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.16.5. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.16.6. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.17. Financial liabilities and equity instruments

2.17.1. Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.17.2. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.17.3. Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

2.17.4. Financial liabilities

All financial liabilities are subsequently measured at amortised cost.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.18. Segment Accounting:

The CEO monitors the operating results of the business segments separately for the purpose of making decisions about the allocation of resources and performance assessment. Segment performance is measured based on profit or loss and is measured consistently with profit or loss in financial statements

2.18.1. Identification of Operating Segments

The operating segments have been identified based on its services and has two reportable segments, as follows:

i. **Supply Chain Management-** Goods Transportation service, including warehouse management service and line-feeding activity etc

ii. **People Logistics-** People Transportation service

2.18.2. Accounting of Operating Segments

Accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenues and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis and inter-segment revenue and expenses, have been included under "Unallocated Corporate Expenses/Eliminations".

2.19. Earnings Per Share:

Basic and diluted earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year, in accordance with IND AS 33.

2.20. First-time adoption – mandatory exceptions, optional exemptions

2.20.1. Overall Principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

2.20.2. Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has not opted the exemption of using previous GAAP carrying value of all its Property, Plant and Equipment, and Intangible Assets recognised as of 1 April 2015 (transition date) as deemed cost.

2.20.3. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 determining whether an arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

2.20.4. Derecognition of financial assets and financial liabilities

The company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2015 (the transition date).

2.20.5. Impairment of financial assets

The entity has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the entity has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

2.21 Previous year figures have been regrouped/reclassified wherever necessary.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1. Useful lives of Property, plant and equipment

As described in note 3 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. During the financial year, the management determined that the useful lives of Global positioning system units (GPS units) needs to be revised from 5 years to 2 years based on the experience.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to increase/(decrease) the depreciation expense in the current financial year and for the subsequent 3 years, by the following amounts:

Year ending March 31,	` in lacs
2017	57.67
2018	12.55
2019	(13.11)
2020	(28.54)

3.2. Defined Benefit Plans

The cost of the defined benefit plans and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note No. 4 – Property, Plant and Equipment

For the year ended 31st March, 2017

` in lacs

Description of Assets	Plant and Machinery	Office Equipment	Furniture & Fittings	Vehicles	Total	CWIP
A. Gross Carrying Amount						
a) Balance as at 1st April, 2016	**1,485.05**	**1,231.91**	**633.71**	**137.64**	**3,488.31**	**1.01**
b) Additions	**444.27**	**556.43**	**328.67**	**103.11**	**1,432.48**	**69.45**
Less: Disposals/Reclassifications	**112.81**	**(152.95)**	**(14.00)**	**(75.06)**	**(129.20)**	**(1.01)**
Balance as at 31st March, 2017	**2,042.13**	**1,635.39**	**948.38**	**165.69**	**4,791.59**	**69.45**
B. Accumulated depreciation and impairment						
a) Balance as at 1st April, 2016	**567.53**	**522.64**	**203.86**	**114.90**	**1,408.93**	**–**
b) Depreciation expense for the year	**322.12**	**354.88**	**129.61**	**8.85**	**815.46**	**–**
Less: Eliminated on disposal of assets/reclassifications	**85.17**	**(116.07)**	**(8.77)**	**(71.31)**	**(110.98)**	**–**
Balance as at 31st March, 2017	**974.82**	**761.45**	**324.70**	**52.44**	**2,113.41**	**–**
C. Net carrying amount (A-B)	**1,067.31**	**873.94**	**623.68**	**113.25**	**2,678.18**	**69.45**

For the year ended 31st March, 2016

` in lacs

Description of Assets	Plant and Equipment	Office Equipment	Furniture & Fittings	Vehicles	Total	CWIP
A. Gross Carrying Amount						
a) Balance as at 1st April, 2015	1,305.84	882.90	482.83	182.46	2,854.03	1.78
b) Additions	179.66	394.53	153.98	–	728.17	1.01
Less: Disposals/Reclassifications	(0.45)	(45.51)	(3.10)	(44.82)	(93.88)	(1.78)
Balance as at 31st March, 2016	1,485.05	1,231.92	633.71	137.64	3,488.32	1.01
B. Accumulated depreciation and impairment						
a) Balance as at 1st April, 2015	321.36	311.19	122.02	132.39	886.96	–
b) Depreciation expense for the year	246.41	249.98	84.43	21.40	602.22	–
Less: Eliminated on disposal of assets/reclassifications	(0.24)	(38.53)	(2.59)	(38.89)	(80.25)	–
Balance as at 31st March, 2016	567.53	522.64	203.86	114.90	1,408.93	–
C. Net carrying amount (A-B)	917.52	709.28	429.85	22.74	2,079.39	1.01

Notes:

i) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2017 is ` 139.62 lakhs (2016: ` 17.63 lakhs).

ii) Based on experience,during the year ended 31st March 2017, the estimated useful life of Global Positioning System (GPS) unit has been revised from 5 years to 2 years. The impact of change in estimate in current period and future periods is mentioned in note 3.1.

iii) During the year, Company has capitalised ` 1.01 lakhs (2016: ` 1.78 lakhs) from capital work-in progress.

iv) Reclassifications of GPS units from office equipment to plant and machinery have been shown under 'Disposals/Reclassifications'.

Note No. 5 – Intangible Assets

For the year ended 31st March, 2017

` in lacs

Description of Assets	Computer Software	Intangible assets under development
A. Gross Carrying Amount		
a) Balance as at 1st April 2016	**1,108.54**	**42.11**
b) Additions	**153.98**	**–**
Less: Disposals/Reclassifications	**–**	**(42.11)**
Balance as at 31st March 2017	**1,262.52**	**–**
B. Accumulated depreciation and impairment		
a) Balance as at 1st April 2016	**1,070.35**	**–**
b) Amortisation expense for the year	**75.96**	**–**
Less: Eliminated on disposal of assets/ reclassification	**–**	**–**
Balance as at 31st March 2017	**1,146.31**	**–**
C. Net carrying amount (A-B)	**116.21**	**–**

For the year ended 31st March, 2016

` in lacs

Description of Assets	Computer Software	Intangible assets under development
Intangible Assets		
A. Gross Carrying Amount		
a) Balance as at 1st April 2015	1,067.84	–
b) Additions	40.70	42.11
Less: Disposals/Reclassifications	–	–
Balance as at 31st March 2016	1,108.54	42.11
B. Accumulated depreciation and impairment		
a) Balance as at 1st April 2015	1,010.24	–
b) Amortisation expense for the year	60.11	–
Less: Eliminated on disposal of assets/ reclassification	–	–
Balance as at 31st March 2016	1,070.35	–
C. Net carrying amount (A-B)	38.19	42.11

Notes:

i) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2017 is ` 1.24 Lakhs (2016: ` 26.50 lakhs).

ii) During the year, Company has capitalised ` 42.11 lakhs (2016: Nil) from intangible assets under development.

Note No. 6 – Investments

` in lacs

Particulars	Quantity	As at 31st March, 2017 Amount Current	Amount Non Current	Quantity	As at 31st March, 2016 Amount Current	Amount Non Current	Quantity	As at 1st April, 2015 Amount Current	Amount Non Current
I. COST									
Unquoted Investments (fully paid)									
– Investments in Equity Instruments of Subsidiaries									
i) Equity Shares of 2x2 Logistics Private Limited of ` 10 each fully paid up	**38,55,500**	–	**385.55**	22,05,500	–	220.55	22,05,500	–	220.55
ii) Equity Shares of LORDS Freight India Private limited of ` 10 each fully paid up	**14,17,509**	–	**799.99**	14,17,509	–	799.99	14,17,509	–	799.99
Total Unquoted Investments	–	–	**1,185.54**	–	–	1,020.54	–	–	1,020.54
TOTAL INVESTMENTS CARRIED AT COST [I]	–	–	**1,185.54**	–	–	1,020.54	–	–	1,020.54
II. AMORTISED COST									
Unquoted									
– National Saving Certificates (lien to Sales Tax Dept.)	–	**0.30**	**0.32**	–	0.25	0.28	–	0.17	0.36
Total Unquoted Investments	–	**0.30**	**0.32**	–	0.25	0.28	–	0.17	0.36
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [II]	–	**0.30**	**0.32**	–	0.25	0.28	–	0.17	0.36
III. FAIR VALUE THROUGH PROFIT AND LOSS									
A. Quoted Investments (fully paid)									
a) Investments in Mutual Funds	–	**5,803.93**	–	–	6,808.50	–	–	11,032.38	–
Total Quoted Investments	–	**5,803.93**	–	–	6,808.50	–	–	11,032.38	–
B. Unquoted Investments (fully paid)									
Investments in Equity Instruments									
– The Zoroastrian Co-Operative Bank Limited	**4,000**	–	**1.00**	4,000	–	1.00	4,000	–	1.00
Total Unquoted Investments	–	–	**1.00**	–	–	1.00	–	–	1.00
TOTAL INVESTMENTS CARRIED AT FVTPL [III]	–	**5,803.93**	**1.00**	–	6,808.50	1.00	–	11,032.38	1.00
Of the above, investments designated at FVTPL	–	–	–	–	–	–	–	–	–
Of the above, investments held for trading	–	**5,803.93**	–	–	6,808.50	–	–	11,032.38	–
Other investments carried at FVTPL	–	–	**1.00**	–	–	1.00	–	–	1.00
TOTAL INVESTMENTS (I) + (II)+ (III)	–	**5,804.23**	**1,186.86**	–	6,808.75	1,021.82	–	11,032.55	1,021.90
TOTAL IMPAIRMENT VALUE OF INVESTMENTS (IV)	–	–	–	–	–	–	–	–	–
TOTAL INVESTMENTS CARRYING VALUE (I) + (II) + (III) - (IV)	–	**5,804.23**	**1,186.86**	–	6,808.75	1,021.82	–	11,032.55	1,021.90
Other disclosures									
Aggregate amount of quoted investments		**5,803.93**	–	–	6,808.50	–		11,032.38	–
Aggregate amount of Market value of investments		**5,803.93**	–	–	6,808.50	–		11,032.38	–
Aggregate amount of unquoted investments		**0.30**	**1,186.86**	–	0.25	1,021.82		0.17	1,021.90
Aggregate amount of impairment in value of investments		–	–		–	–		–	–

(i) The major portion of investments represent investment in equity instruments of subsidiaries and investment in growth-oriented liquid mutual funds.

Note No. 7 – Trade receivables

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables			
a) Secured, considered good	–	–	–
b) Unsecured, considered good	**40,896.13**	24,110.13	19,201.18
	40,896.13	24,110.13	19,201.18
Less: Allowance for Credit Losses	**870.15**	625.43	486.18
Total	**40,025.98**	23,484.70	18,715.00
Of the above, trade receivables from:			
a) Related Parties	**7,121.01**	7,188.45	6,218.38
b) Others	**32,904.97**	16,296.25	12,496.62
Total	**40,025.98**	23,484.70	18,715.00

Notes:

i) Refer Note 28 (III) for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

ii) Trade Receivables are subject to confirmation and Reconciliations. Provision is however made for doubtful debt based on lifetime expected credit loss method as specified under simplied approach.

Note No. 8 – Loans

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans to related parties			
a) Secured, considered good	–	–	–
b) Unsecured, considered good	**2,500.00**	2,700.00	1,000.00
c) Doubtful	–	–	–
Less: Allowance for Credit Losses	–	–	–
	2,500.00	2,700.00	1,000.00

Notes:

i) Refer Note 28 (III) for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

Note No. 9 – Other financial assets

` in lacs

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
Financial assets at amortised cost						
a) Bank Deposit with more than 12 months maturity	–	0.42	–	800.67	–	0.67
Total	–	0.42	–	800.67	–	0.67
b) Security Deposits						
i. Secured, considered good	–	–	–	–	–	–
ii. Unsecured, considered good	1,226.29	1,020.34	755.88	829.91	709.05	578.49
iii. Doubtful	–	–	13.93	–	–	–
Less: Allowance for Credit Losses	–	–	(13.93)	–	–	–
Total	1,226.29	1,020.34	755.88	829.91	709.05	578.49
c) Other items						
i. Interest Accrued	103.26	–	306.10	–	21.36	–
ii. Accrued Sales	3,770.53	–	443.31	–	514.40	–
Total	3,873.79	–	749.41	–	535.76	–
Total (a+b+c)	5,100.08	1,020.76	1,505.29	1,630.58	1,244.81	579.16

Notes:

i) Refer Note 28 (III) for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

Note No. 10 – Deferred Tax Assets

(a) Movement in deferred tax balances

` in lacs

For the Year ended 31st March 2017

Particulars	Opening Balance	Recognised in profit and Loss	Closing Balance
A. Tax effect of items constituting deferred tax liabilities			
a) VAT allowed u/s 43B of Indian Income tax act, 1961	108.34	–	108.34
b) Deposits received	1.09	(0.51)	0.58
c) Mutual Funds	2.25	(1.06)	1.19
Total	111.68	(1.57)	110.11
B. Tax effect of items constituting deferred tax assets			
a) Property, Plant and Equipment	176.63	30.57	207.20
b) Employee benefits	486.91	63.98	550.89
c) Expected credit loss on financial assets and provision for doubtful advances	303.86	106.26	410.12
d) ESOP Expenses	–	88.21	88.21
e) Others	2.02	3.91	5.93
Total	969.42	292.93	1,262.35
Net Tax Asset/(Liabilities) (A-B)	857.74	294.50	1,152.24

` in lacs

For the Year ended 31st March 2016

Particulars	Opening Balance	Recognised in profit and Loss	Closing Balance
A. Tax effect of items constituting deferred tax liabilities			
a) VAT allowed u/s 43B of Indian Income tax act, 1961	108.34	–	108.34
b) Deposits received	1.19	(0.10)	1.09
c) Mutual Funds	6.93	(4.68)	2.25
Total	116.46	(4.78)	111.68
B. Tax effect of items constituting deferred tax assets			
a) Property, Plant and Equipment	169.65	6.97	176.62
b) Employee benefits	366.67	120.25	486.92
c) Expected credit loss on financial assets and provision for doubtful advances	280.50	23.36	303.86
d) Others	1.63	0.39	2.02
Total	818.45	150.97	969.42
Net Tax Asset/(Liabilities) (A-B)	701.99	155.75	857.74

Note No. 11 – Other assets

` in lacs

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
A. Capital advances						
a) For Capital work in progress	–	38.85	–	0.91	–	1.96
b) For intangible asset under development	–	3.78	–	–	–	0.62
Total (A)	–	42.63	–	0.91	–	2.58
B. Advances other than capital advances						
a) Advances to suppliers - considered good	5,343.52	–	3,421.21	–	2,453.43	–
b) Advances to suppliers - considered doubtful	314.89	–	238.65	–	324.34	–
c) Advances to related parties	–	–	51.83	–	51.83	–
d) Balances with government authorities (other than income taxes)	194.75	–	369.19	–	234.44	–
e) Prepaid Expenses	263.21	59.04	149.63	105.73	152.76	134.27
f) Advances to employees	110.56	–	97.40	–	82.33	–
g) Other advances	101.27	–	49.06	–	9.35	–

` in lacs

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
Total (B)	**6,328.20**	**59.04**	4,376.97	105.73	3,308.48	134.27
Total (A+B)	**6,328.20**	**101.67**	4,376.97	106.64	3,308.48	136.85
Less: Provision for doubtful advances	**(314.89)**	**–**	(238.65)	–	(324.34)	–
Total (C)	**(314.89)**	**–**	(238.65)	–	(324.34)	–
Total (A+B+C)	**6,013.31**	**101.67**	4,138.32	106.64	2,984.14	136.85

Note No. 12 – Cash and cash equivalents

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. Cash and cash equivalents			
a) Balances with banks	**2,177.90**	2,250.15	1,722.63
b) Cheques, drafts on hand	**53.53**	4.44	59.74
c) Cash on hand	–	3.26	6.66
d) Bank deposits with maturity of less than 3 months	**3,500.25**	1,500.00	2,954.98
Total	**5,731.68**	3,757.85	4,744.01
B. Other Bank Balances			
Fixed Deposits with maturity greater than 3 months	–	4,500.00	5,000.00
Total	–	4,500.00	5,000.00

Reconciliation of Cash and Cash Equivalents

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Cash and Cash Equivalents as per Balance Sheet	**5,731.68**	3,757.85	4,744.01
Add: Bank Overdraft	–	–	–
Total Cash and Cash Equivalents as per Statement of Cashflow	**5,731.68**	3,757.85	4,744.01

Notes

i) Cash Credit facilities are repayable on demand and carry interest based on applicable rate plus agreed spreads and/or negotiated rates. The rates of interest during the year ranged between 8.45% to 11.55%.

Note No. 13 – Current Tax Assets

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance Income Tax/TDS Receivable (Net off Provision for Tax)	**5,210.06**	2,469.22	876.86
Total	**5,210.06**	2,469.22	876.86

Note No. 14 – Assets classified as held for sale

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Land held for sale	**190.90**	190.90	190.90
Total	**190.90**	190.90	190.90
Liabilities associated with assets held for sale	–	–	–

Notes:

i) During the financial year 2011-2012, cost of land situated at Sembiya Manali Village, Ponneri taluka, Tiruvallore District, amounting to ` 189.42 Lakhs and related development costs of the land amounting to ` 1.48 Lakhs was classified as Non-Current Asset held for sale.

ii) Being a non-core asset, the management decided to sell the land. The Company is looking for a prospective buyer including advertisements through print media. The property is available for immediate sale in its present condition.

Note No. 15 - Share Capital

` in lacs

Particulars	As at 31st March, 2017 No. of shares	As at 31st March, 2017 Amount	As at 31st March, 2016 No. of shares	As at 31st March, 2016 Amount	As at 1st April, 2015 No. of shares	As at 1st April, 2015 Amount
A. Authorised:						
a) Equity shares of ` 10 each with voting rights	**105,000,000**	**10,500.00**	64,000,000	6,400.00	64,000,000	6,400.00
b) 0.001% Non Cumulative fully paid Compulsorily Convertible Preference shares of ` 50 each	**–**	**–**	8,200,000	4,100.00	8,200,000	4,100.00
Total		**10,500.00**		10,500.00		10,500.00
B. Issued, Subscribed and Fully Paid:						
a) Equity shares of ` 10 each with voting rights	**67,832,997**	**6,783.30**	59,655,813	5,965.58	59,655,813	5,965.58
b) 0.001% Non Cumulative fully paid Compulsorily Convertible Preference shares of ` 50 each	**–**	**–**	8,177,184	4,088.59	8,177,184	4,088.59
Total		**6,783.30**		10,054.17		10,054.17
C. Issued, Subscribed and Partly Paid:						
a) Equity shares of ` 10 each with voting rights ` 2 paid up	**40,774**	**0.82**	40,774	0.82	40,774	0.82
b) Equity shares of ` 10 each with voting rights ` 1 paid up	**1,581,273**	**15.81**	1,581,273	15.81	1,581,273	15.81
Total		**16.63**		16.63		16.63
Total (B+C)		**6,799.93**		10,070.80		10,070.80

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

` in lacs

Particulars		Opening Balance	Fresh Issue	Other Changes*	Closing Balance
A. Equity Shares with Voting rights					
a) Year Ended 31st March 2017					
	No. of Shares	61,277,860	8,177,184	–	69,455,044
	Amount	5,982.21	817.72	–	6,799.93
b) Year Ended 31st March 2016					
	No. of Shares	61,277,860	–	–	61,277,860
	Amount	5,982.21	–	–	5,982.21
c) Year Ended 1st April 2015					
	No. of Shares	61,277,860	–	–	61,277,860
	Amount	5,982.21	–	–	5,982.21
B. 0.001% Non Cumulative fully paid Compulsorily Convertible Preference of ` 50 each					
a) Year Ended 31st March 2017					
	No. of Shares	8,177,184	–	(8,177,184)	–
	Amount	4,088.59	–	(4,088.59)	–
b) Year Ended 31st March 2016					
	No. of Shares	8,177,184	–	–	8,177,184
	Amount	4,088.59	–	–	4,088.59
c) Year Ended 1st April 2015					
	No. of Shares	8,177,184	–	–	8,177,184
	Amount	4,088.59	–	–	4,088.59

Notes:

i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Rights, preferences and restrictions attached to preference shares

Each CCPS is issued at subscription price of ` 122.29 having a par value of ` 50 Each. Each CCPS shall convert into one equity share of ` 10/- each subject to the terms provided under the agreement with the holder of CCPS. CCPS shall be convertible into equity share (a) at any time at the option of the holders, or (b) at the option of the Company on and after completion of 5 (five) years from the date of investment by holder of CCPS i.e. 19th March 2014. Each CCPS shall be entitled to a preferred dividend of 0.001% (zero point zero zero one percent) per annum, in priority to the holders of the the equity shares. In any given financial year the Company may not declare any dividend or other distribution to its holders of equity shares unless it has first declared the preferential dividend of such financial year to the holders of the CCPS. If the Company declares any dividend or other distribution to its holders of equity shares, in cash or otherwise, each holder of the CCPS shall have right, in priority to the holders of the equity shares, to receive the aggregate amount of dividend or other distribution which such holder of CCPS would have received if, on the record date for each distribution made during the financial year during which the dividend or other distribution is made (including the record date for the dividend or distribution at stake), it were the holder of the maximum number of equity shares representing deemed shareholding into which its CCPS can be converted on the record date for such distribution.

* During the year, 81,77,184 0.001% Non cumulative compulsory convertible preference shares have been converted into 81,77,184 fully paid up equity shares.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	**As at 31st March, 2017** Number of shares held	**As at 31st March, 2017** % holding in that class of shares	As at 31st March, 2016 Number of shares held	As at 31st March, 2016 % holding in that class of shares	As at 1st April, 2015 Number of shares held	As at 1st April, 2015 % holding in that class of shares
A. Equity shares with voting rights						
a) Mahindra & Mahindra Limited	**51,478,330**	**74.12%**	51,478,330	84.01%	51,478,330	84.01%
b) Normandy Holdings Limited	**15,686,263**	**22.58%**	7,843,227	12.80%	7,843,227	12.80%
B. 0.001% Non Cumulative fully paid Compulsorily Convertible Preference shares of ` 50 each						
a) Normandy Holdings Limited	**–**	**–**	7,843,036	95.91%	7,843,036	95.91%

Notes:

i) For details of shares reserved or issuance under options, please refer note no. 23.

Note No. 16 – Other Equity

` in lacs

Paticulars	31st March, 2017	31st March, 2016	1st April, 2015
Equity component of compound financial instruments (CCPS)	–	4,088.59	4,088.59
Securities premium reserve	9,266.80	5,995.92	5,995.92
Equity-settled employee benefits reserve	246.48	175.58	87.18
Retained earnings	18,568.57	14,134.95	10,431.55
Total	**28,081.85**	24,395.05	20,603.24

Movement in Reserves

` in lacs

Paticulars	31st March, 2017	31st March, 2016	1st April, 2015
(A) Securities Premium			
Balance as at the beginning of the year	5,995.92	5,995.92	5,995.92
Add: Additions during the year	3,270.87	–	–
Less: Deletion during the year	–	–	–
Balance as at the end of the year	**9,266.79**	5,995.92	5,995.92
(B) Equity-settled Employee benefits reserve			
Balance as at the beginning of the year	175.58	87.18	–
Add: Additions during the year	70.90	88.40	87.18
Less: Deletion during the year	–	–	–
Balance as at the end of the year	**246.48**	175.58	87.18
(C) Retained Earnings			
Balance as at the beginning of the year	14,134.95	10,431.55	10,578.49
Add: Profit for the year	4,480.52	3,730.64	–
Less: Actuarial gain/(loss) for the year	(46.90)	(27.24)	(146.94)
Balance as at the end of the year	**18,568.57**	14,134.95	10,431.55

Nature and purpose of other reserves:

Retained earnings:

Retained earnings represents the surplus during the year to be retained in business and not for appropriation.

Securities Premium:

Securities premium account is created when shares are issued at premium. The reserve can be utilized in accordance with the provisions of the Indian Companies Act, 2013.

Equity-settled employee benefits reserve:

Equity settled employee benefit reserve represents reserve towards the premium for the equity shares to be issued against the options granted.

Note No. 17 – Trade Payables

` in lacs

Paticulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Trade Payable- Micro and Small Enterprises	–	–	–
b) Trade payable - Other than Micro and Small Enterprises	37,717.74	21,495.31	21,020.92
Total	**37,717.74**	21,495.31	21,020.92

Notes:

i) Trade Payables are payables in respect of the amount due on account of goods purchased or services availed in the normal course of business.

ii) Based on the information available with the Company, no trade payables have been registered as 'supplier' within the meaning of 'Micro Small & Medium Enterprises Development Act, 2006 as on 31st March 2017.

Note No. 18 – Other Financial Liabilities

` in lacs

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
Other Financial Liabilities Measured at Amortised Cost						
(a) Security Deposits	336.29	2.00	202.40	177.54	136.76	172.23
(b) Other liabilities						
- Creditors for capital supplies/services	150.11	–	36.94	–	55.07	–
- Employee Dues	1,272.59	–	944.62	–	834.02	–
Total	**1,758.99**	**2.00**	1,183.96	177.54	1,025.85	172.23

Note No. 19 – Provisions

` in lacs

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
Provision for employee benefits						
(a) Provision for leave encashment	321.17	1,270.61	240.69	1,166.23	183.91	875.55
(b) Post- employment Benefit -Gratuity Liability	284.53	–	202.62	–	64.01	–
Total	**605.70**	**1,270.61**	443.31	1,166.23	247.92	875.55

Notes:

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity liability for the employees. For other disclosures, refer note 32 on employee benefit plans.

Note No. 20 – Other Liabilities

` in lacs

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
A. Advances received from customers						
B. Unearned Income on discounted deposits	9.11	–	–	22.74	–	36.37
C. Statutory dues						
a) Taxes Payable	463.77	–	331.57	–	185.73	–
b) Employee Liabilities	191.91	–	134.60	–	103.99	–
Total	**664.79**	**–**	466.17	22.74	289.72	36.37

Note No. 21 – Revenue from Operations

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Revenue from rendering of services	**258,826.71**	199,389.38
b) Other operating revenue	**42.00**	106.82
Total	**258,868.71**	199,496.20

Note No. 22 – Other Income

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Interest Income	**686.97**	912.49
b) Dividend Income	**53.01**	153.25
c) Miscellaneous Income		
i. Net gain/(loss) arising on financial assets carried at FVTPL	**53.62**	161.34
ii. Net gain/(loss) arising on financial liabilities carried at amortised cost	**13.63**	13.63
iii. Other income	**89.14**	44.09
Total	**896.37**	1,284.80

Note No. 23 – Employee Benefits Expense

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Salaries and wages, including bonus	**15,410.07**	12,299.79
b) Contribution to provident and other funds	**914.03**	656.90
c) Gratuity	**213.28**	163.98
d) Equity-settled share-based payments	**70.90**	88.40
e) Staff welfare expenses	**1,619.85**	1,280.62
Total Employee Benefit Expense	**18,228.13**	14,489.69

Notes:

i) Share based payment

The Company has introduced a MLL - Key Executives Stock Option Scheme, 2012 ("Plan") as approved at its Board Meeting held on 27th April 2012 and subsequently amended on 5th February 2014, 27th October, 2015 and 3rd August, 2017. The plan provides that eligible emloyees and the Mahindra Partners Employees Options Trust (the Trust) as defined in the Plan are granted options to acquire equity shares of the Company that vests in a graded manner. The vested options can be exercised within a specified period from the date on which the shares of the Company get listed on a recognized stock exchange or on happening of an event as specified in the Plan. The number of options granted is calculated in accordance with the performance- based formula approved by the Board As recommneded by the ESOP committee.

ii) Information in respect of options outstanding:

Particulars	Number of Shares	Grant Date	Expiry Date	Exercise Price	Fair value at Grant Date
Equity Settled					
Option 1	1,122,110	25-06-12	30-06-21	13.90	9.04
Option 2	29,931	02-11-12	30-06-21	13.90	8.84
Option 3	231,982	14-10-13	30-06-21	23.38	16.08
Option 4	545,866	27-10-15	30-06-21	44.30	26.83
Option 5	73,608	03-08-16	30-06-21	52.76	35.50

iii) Movement in Share Options

Particulars	Equity-settled share-based payments: Number of Shares	Equity-settled share-based payments: Weighted average exercise price
a) The number and weighted average exercise prices of share options outstanding at the beginning of Period	1,929,889	23.64
b) Granted during the period	73,608	52.76
C) Forfeited during the period	206,116	19.79
d) Exercised during the period	–	–
e) Expired during the period	–	–
f) Outstanding at the end of the period	1,797,381	25.27
g) Exercisable at the end of the period	1,797,381	25.27

iv) No options have been excercised during the year.

v) The share options outstanding at the end of the year had a weighted average exercise price of ` 25.27 and a weighted average remaining contractual life of 1552 days.

vi) The inputs used in the measurement of the fair values at grant date of the employee stock option plans (ESOPs) were as follows.

Grant Date	**25-06-12**		**02-11-12**		**14-10-13**	
Particulars	**2017**	2016	**2017**	2016	**2017**	2016
Share price at grant date	**13.90**	13.90	**13.90**	13.90	**23.38**	23.38
Exercise price	**13.90**	13.90	**13.90**	13.90	**23.38**	23.38
Expected volatility (weighted-average)	**38.88%**	38.88%	**38.88%**	38.88%	**52.62%**	52.62%
Expected life/Option Life (weighted-average)	**9.02**	9.02	**8.66**	8.66	**7.69**	7.69
Expected dividends yield	**0.00%**	0.00%	**0.00%**	0.00%	**0.00%**	0.00%
Risk-free interest rate (based on government bonds)	**8.12%**	8.12%	**8.54%**	8.54%	**9.14%**	9.14%

Grant Date	**27-10-15**		**03-08-16**	
Particulars	**2017**	2016	**2017**	2016
Share price at grant date	**44.30**	44.30	**52.76**	
Exercise price	**44.30**	44.30	**52.76**	
Expected volatility (weighted-average)	**54.03%**	54.03%	**76.78%**	N.A.
Expected life/Option Life (weighted-average)	**5.83**	5.83	**4.91**	
Expected dividends yield	**0.00%**	0.00%	**0.00%**	
Risk-free interest rate (based on government bonds)	**8.19%**	8.19%	**7.26%**	

vii) The fair value of the employee share options has been measured using the Black-Scholes formula . Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

viii) Expected volatility has been based on an evaluation of annual volatility of peer group prevailing in the year of grant.

ix) Salaries and wages includes salaries, wages, bonus, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service.

x) Contribution to provident fund and other funds inludes contributions to other funds like superannuation fund, ESIS etc. pertaining to employees.

Note No. 24 – Finance Cost

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Interest expense on cash credit	**10.76**	0.64
b) Interest expense on unwinding of deposits	**15.09**	13.91
Total	**25.85**	14.55

Notes:

i) Analysis of Interest Expenses by Category

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Interest Expenses		
a) On Financial Liability at Amortised Cost	**25.85**	14.55
b) On Financial Liabilities at FVTPL	–	–
Total	**25.85**	14.55

Note No. 25 – Other Expenses

` in lacs

Particulars		As at 31st March, 2017	As at 31st March, 2016
a) Freight & other related Expense		**206,076.45**	160,403.74
b) Labour & other related Expense		**13,984.46**	9,610.29
c) Rent including lease rentals		**3,925.85**	3,307.23
d) Warehouse and related expense		**2,653.24**	1,686.67
e) Legal and Other professional costs		**2,772.01**	1,307.56
f) Hire and Service Charges		**1,080.32**	923.95
g) Travelling and Conveyance Expenses		**800.12**	610.81
h) Provision for expected credit loss on trade receivables		**244.72**	139.25
i) Provision for doubtful advances		**62.31**	(71.76)
j) Power & Fuel		**332.86**	241.36
k) Expenditure on Corporate Social Responsibilty (CSR)		**116.01**	102.74
l) Advertisement		**64.10**	36.22
m) Net loss/(gain) on sale of property, plant and equipments		**10.66**	1.62
n) Repairs and maintenance:			–
i) Buildings	44.69		
ii) Machinery	199.90		
iii) Others	230.32	**474.91**	407.10
o) Auditors remuneration and out-of-pocket expenses			–
i) As Auditors	9.42		
ii) For Taxation matters	1.78		
iii) For Other services	7.91		
iv) For reimbursement of expenses	0.22	**19.33**	20.29
p) Other expenses			–
i) Miscellaneous Expenses	1066.48		
ii) Loss arising on derecognition of financial assets- Bad debts/advances written off	168.44	**1,234.92**	1,152.67
Total		**233,852.27**	179,879.74

Note No. 26 – Current Tax and Deferred Tax

(a) Income Tax recognised in Profit & Loss

` in lacs

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A. Current Tax:		
a) In respect of current year	**2,580.79**	2,144.84
b) In respect of prior years	**0.59**	14.95
Total	**2,581.38**	2,159.79
B. Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**(294.48)**	(155.74)
Total	**(294.48)**	(155.74)
Total (A+B)	**2,286.90**	2,004.05

(b) Income tax recognised in Other Comprehensive Income

` in lacs

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A. Current Tax:		
Remeasurement of defined benefit obligations	**(24.82)**	(14.42)
Total	**(24.82)**	(14.42)
B. Deferred Tax:		
Total	**–**	–
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	**(24.82)**	(14.42)
Income taxes related to items that will be reclassified to profit or loss	**–**	–
Total	**(24.82)**	(14.42)

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

` in lacs

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
a) Profit Before tax	**6,767.42**	5,734.69
b) Income Tax using the Company's domestic tax rate	**2,342.07**	1,984.79
c) Change in tax rate	**–**	–
d) Expenses not allowed for tax purpose	**(22.01)**	66.21
e) Exempt Income for tax purpose	**(18.34)**	(53.04)
f) Deduction under Income tax	**(10.72)**	(8.86)
	2,291.00	1,989.10
g) Adjustments recognised in the current year in relation to the current tax of prior years	**(4.09)**	14.95
Income tax expense recognised In profit or loss	**2,286.91**	2,004.05

Note:

The tax rate used for 31st March 2017 and 31st March 2016 in reconciliations above is the corporate tax rate of 30% (plus surcharge and cess as applicable) on taxable profits under Income Tax Act, 1961.

(d) Amounts on which deferred tax asset has not been created:

Deferred tax assets have not been recognised in respect of following items since it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Deductible Temporary differences	–	–
b) Unused Tax losses (revenue in nature)	–	–
c) Unused Tax losses (capital in nature)	1,029.27	1,029.27
Total	1,029.27	1,029.27

Note:

The unrecognised tax losses carried forward will expire entirely in FY 2019-2020.

Note No. 27 – Earnings Per Share

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
A. Basic Earnings Per Share	6.59	5.45
Total Basic Earnings Per Share	6.59	5.45
B. Diluted Earnings Per Share	6.59	5.45
Total Diluted Earnings Per Share	6.59	5.45

Notes:

i) Basic Earnings Per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Profit/(loss) for the year attributable to owners of the Company	4,480.52	3,703.41
b) Less: Preference dividend and tax thereon	–	–
Profit/(loss) for the year used in the calculation of basic earnings per share	4,480.52	3,703.41
Weighted average number of equity shares	679.99	679.99
Earnings per share from continuing operations - Basic	6.59	5.45

ii) Diluted Earnings Per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Profit/(loss) for the year used in the calculation of basic earnings per share	4,480.52	3,703.41
b) Add: adjustments on account of dilutive potential equity shares	–	–
Profit/(loss) for the year used in the calculation of diluted earnings per share	4,480.52	3,703.41

iii) Reconciliation of weighted average number of equity shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

` in lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Weighted average number of equity shares used in the calculation of Basic EPS	679.99	679.99
Add: Effect of ESOPs	–	–
Weighted average number of equity shares used in the calculation of Diluted EPS	679.99	679.99

iv) The shares outstanding under ESOP scheme are not taken into consideration for the calculation of diluted EPS since they are anti-dilutive in nature.

Note No. 28 – Financial Instruments

I. Capital management Policy

a) The Company's capital management objectives are:

– to ensure the Company's ability to continue as a going concern.

– to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

b) For the purpose of Company's capital management, capital includes issued share capital, equity as well as preference and all other equity reserves. The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

c) The following table shows the components of capital:

` in lacs

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Equity	34,881.78	30,377.25	26,585.45
Capital	34,881.78	30,377.25	26,585.45

Note:

The above capital management disclosures are based on the information provided internally to key management personnel.

II. Categories of financial assets and financial liabilities

` in lacs

Particulars	Amortised Costs	FVTPL	FVOCI	Total
				As at 31st March 2017
A. Non-current Assets				
a) Investments	**0.32**	**1.00**	**–**	**1.32**
b) Other Financial Assets	**1,020.76**	**–**	**–**	**1,020.76**
Total	**1,021.08**	**1.00**	**–**	**1,022.08**
B. Current Assets				
a) Investments	**0.30**	**5,803.93**	**–**	**5,804.23**
b) Trade Receivables	**40,025.98**	**–**	**–**	**40,025.98**
c) Cash and Bank Balances	**5,731.68**	**–**	**–**	**5,731.68**
d) Loans	**2,500.00**	**–**	**–**	**2,500.00**
e) Other Financial Assets	**5,100.08**	**–**	**–**	**5,100.08**
Total	**53,358.04**	**5,803.93**	**–**	**59,161.97**
C. Non-current Liabilities				
a) Other Financial Liabilities	**2.00**	**–**	**–**	**2.00**
Total	**2.00**	**–**	**–**	**2.00**
D. Current Liabilities				
a) Trade Payables	**37,717.74**	**–**	**–**	**37,717.74**
b) Other Financial Liabilities	**1,758.99**	**–**	**–**	**1,758.99**
Total	**39,476.73**	**–**	**–**	**39,476.73**

` in lacs

Particulars	Amortised Costs	FVTPL	FVOCI	Total
				As at 31st March 2016
A. Non-current Assets				
a) Investments	0.28	1.00	–	1.28
b) Other Financial Assets	1,630.58	–	–	1,630.58
Total	1,630.86	1.00	–	1,631.86
B. Current Assets				
a) Investments	0.25	6,808.50	–	6,808.75
b) Trade Receivables	23,484.70	–	–	23,484.70
c) Cash and Bank Balances	8,257.85	–	–	8,257.85
d) Loans	2,700.00	–	–	2,700.00
e) Other Financial Assets	1,505.29	–	–	1,505.29
Total	35,948.09	6,808.50	–	42,756.59
C. Non-current Liabilities				
a) Other Financial Liabilities	177.54	–	–	177.54
Total	177.54	–	–	177.54
D. Current Liabilities				
a) Trade Payables	21,495.31	–	–	21,495.31
b) Other Financial Liabilities	1,183.96	–	–	1,183.96
Total	22,679.27	–	–	22,679.27

` in lacs

Particulars	Amortised Costs	FVTPL	FVOCI	Total
				As at 1st April 2015
A. Non-current Assets				
a) Investments	0.36	1.00	–	1.36
b) Other Financial Assets	579.16	–	–	579.16
Total	579.52	1.00	–	580.52

` in lacs

Particulars		Amortised Costs	FVTPL	FVOCI	Total
		As at 1st April 2015			
B.	**Current Assets**				
a)	Investments	0.17	11,032.38	–	11,032.55
b)	Trade Receivables	18,715.00	–	–	18,715.00
c)	Cash and Bank Balances	9,744.01	–	–	9,744.01
d)	Loans	1,000.00	–	–	1,000.00
e)	Other Financial Assets	1,244.81	–	–	1,244.81
Total		30,703.99	11,032.38	–	41,736.37
C.	**Non-current Liabilities**				
a)	Other Financial Liabilities	172.23	–	–	172.23
Total		172.23	–	–	172.23
D.	**Current Liabilities**				
a)	Trade Payables	21,020.92	–	–	21,020.92
b)	Other Financial Liabilities	1,025.85	–	–	1,025.85
Total		22,046.77	–	–	22,046.77

III. Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) Credit risk management

Trade receivables and deposits

(i) Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Credit exposure is controlled by counterparty credit period which is monitored through an approved policy.

(ii) Trade receivables consist of a large number of customers, spread across diverse industries and places across India.

(iii) Apart from one large customer of the Company, the Company does not have significant credit risk exposure to any single customer. Concentration of credit risk related to a single Company did not exceed 25% of gross monetary assets at any time during the year.

(iv) The Company applies the simplified approach in providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

(v) There is no change in estimation techniques or significant assumptions during the reporting period.

(vi) The loss allowance provision is determined as follows:

		As at 31st March 2017							
		SCM				**MPTS**			
Particulars		**Not due**	**Less than 6 months past due**	**More than 6 months past due**	**Total**	**Not due**	**Less than 6 months past due**	**More than 6 months past due**	**Total**
a)	Gross carrying amount	**21,920.01**	**10,360.86**	**1,464.38**	**33,745.25**	**4,886.73**	**1,938.83**	**325.32**	**7,150.88**
b)	Loss allowance provision	**343.93**	**177.90**	**76.19**	**598.02**	**163.08**	**64.70**	**44.35**	**272.13**

		As at 31st March 2016							
		SCM				**PTS**			
Particulars		**Not due**	**Less than 6 months past due**	**More than 6 months past due**	**Total**	**Not due**	**Less than 6 months past due**	**More than 6 months past due**	**Total**
a)	Gross carrying amount	10,091.90	6,396.53	1,880.54	18,368.97	3,789.71	1,553.21	398.23	5,741.15
b)	Loss allowance provision	158.72	100.60	125.94	385.26	139.21	57.06	43.90	240.17

		As at 1st April 2015							
		SCM				**PTS**			
Particulars		**Not due**	**Less than 6 months past due**	**More than 6 months past due**	**Total**	**Not due**	**Less than 6 months past due**	**More than 6 months past due**	**Total**
a)	Gross carrying amount	8,755.84	4,469.63	660.17	13,885.64	3,715.38	1,491.69	108.48	5,315.55
b)	Loss allowance provision	161.51	82.45	12.18	256.14	160.80	64.56	4.69	230.05

(vii) Reconciliation of loss allowance provision for Trade Receivables

` in lacs

Particulars		31st March, 2017	31st March, 2016
a)	Balance as at beginning of the year	**625.43**	486.18
b)	Impairment losses recognised in the year based on lifetime expected credit losses		
	– On receivables originated in the year	**33.02**	0.16
	– Other receivables	**384.99**	396.49
c)	Impairment losses reversed/written back	**173.29**	257.41
d)	**Balance at end of the year**	**870.15**	625.42

(vii) Reconciliation of loss allowance provision for Deposit

` in lacs

Particulars		31st March, 2017	31st March, 2016
a)	Balance as at beginning of the year	**13.93**	–
b)	Impairment losses recognised in the year based on lifetime expected credit losses		
	– On receivables originated in the year	**–**	–
	– Other receivables	**–**	13.93
c)	Impairment losses reversed/written back	**(13.93)**	13.93
d)	**Balance at end of the year**	**–**	13.93

(viii) During the period, the Company has made write off of ` 135.98 lacs (31 March, 2016: INR 82.72 lacs) of trade receivables and ` 15.23 lacs (31st March, 2016: INR ` 2.41 lacs) of deposits given. These trade receivables and deposits are not subject to enforcement activity.

Investment in Mutual Funds

During the year, the Company has made investments of ` 5803.93 lacs (31st March, 2016 ` 6808.50 lacs) in growth oriented and dividend oriented mutual funds which have not been impaired till date.

Cash and Cash equivalents

As at 31st March, 2017, the Company held cash and cash equivalents of ` 5731.68 lacs (As at 31st March, 2016 ` 8257.85 lacs). The cash and cash equivalents are held with banks with good credit rating.

B) Liquidity risk management

(i) The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(ii) Maturities of financial liabilities

Table showing maturity profile of financial liabilities:

` in lacs

Particulars	Less than 1 Year	1–3 Years	3 Years to 5 Years	5 years and above
A) Non-derivative financial liabilities				
As at 31st March 2017				
a) Trade Payables	37,717.74	–	–	–
b) Security Deposits	347.08	2.00	–	–
c) Creditors for capital supplies	150.11	–	–	–
d) Employee Dues	1,272.59	–	–	–
Total	**39,487.52**	**2.00**	**–**	**–**
As at 31st March 2016				
a) Trade Payables	21,495.31	–	–	–
b) Security Deposits	202.40	203.43	–	–
c) Creditors for capital supplies	36.94	–	–	–
d) Employee Dues	944.62	–	–	–
Total	**22,679.27**	**203.43**	**–**	**–**
As at 1st April 2015				
a) Trade Payables	21,020.92	–	–	–
b) Security Deposits	136.76	212.03	–	–
c) Creditors for capital supplies	55.07	–	–	–
d) Employee Dues	834.02	–	–	–
Total	**22,046.77**	**212.03**	**–**	**–**

The above table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

(iii) Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Secured Cash credit facility			
– Expiring within one year	**5,300.00**	5,300.00	5,300.00
– Expiring beyond one year	**–**	–	–
b) Secured Sales Invoice facility*			
– Expiring within one year	**–**	2,500.00	2,500.00
– Expiring beyond one year	**–**	–	–
c) Bank Guarantees*			
– Expiring within one year	**–**	–	–
– Expiring beyond one year	**456.47**	423.27	405.78

* These limits are as a sub-limit of secured cash credit facility.

(iv) Maturities of financial assets

Table showing maturity profile of financial assets

` in lacs

Particulars	Less than 1 Year	1–3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
As at 31st March 2017				
Trade Receivables	40,025.98	–	–	–
Security Deposits	1,239.80	943.88	116.52	–
Loan to related parties	2,500.00	–	–	–
Others	3,873.79	0.42	–	–
Total	**47,639.57**	**944.30**	**116.52**	**–**
As at 31st March 2016				
Trade Receivables	23,484.69	–	–	–
Security Deposits	770.86	848.34	63.01	–
Loan to related parties	2,700.00	–	–	–
Others	749.41	800.67	–	–
Total	**27,704.97**	**1,649.01**	**63.01**	**–**
As at 1st April 2015				
Trade Receivables	18,715.00	–	–	–
Security Deposits	710.09	591.29	86.67	–
Loan to related parties	1,000.00	–	–	–
Others	535.76	0.67	–	–
Total	**20,960.85**	**591.96**	**86.67**	**–**

The above table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

C) Market Risk Management

The Company does not have significant market risk at the respective reporting dates.

Note No. 29 – Fair Value Measurement

a) Fair Valuation Techniques and Inputs used - recurring Items

Financial assets/financial liabilities measured at Fair value	Fair value as at 31st March 2017	31st March 2016	1st April 2015	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
A) Financial assets							
a) Investments							
i) Mutual fund investments	**5,803.93**	6,808.50	11,032.38	Level 1	NA	NA	NA
Total financial assets	**5,803.93**	6,808.50	11,032.38				

As at the reporting date, the Company does not have any financial liability measured at fair values.

b) Fair value of financial assets and financial liabilities that are measured at amortised cost:

Particulars	31st March 2017 Carrying amount	31st March 2017 Fair value	31st March 2016 Carrying amount	31st March 2016 Fair value	1st April 2015 Carrying amount	1st April 2015 Fair value
A) Financial assets						
a) Financial assets carried at Amortised Cost						
i) Loans to related parties	**2,500.00**	**2,500.00**	2,700.00	2,700.00	1,000.00	1,000.00
ii) Trade and other receivables	**40,025.98**	**40,025.98**	23,484.70	23,484.70	18,715.00	18,715.00
iii) Deposits given	**2,246.63**	**2,269.15**	1,585.79	1,602.16	1,287.54	1,288.98
iv) Cash and cash equivalents	**5,731.68**	**5,731.68**	3,757.85	3,757.85	4,744.01	4,744.01
v) Other bank balances	**–**	**–**	4,500.00	4,500.00	5,000.00	5,000.00
vi) Others	**3,873.79**	**3,873.79**	749.41	749.41	535.76	535.76
Total	**54,378.08**	**54,400.60**	36,777.75	36,794.12	31,282.31	31,283.75
B) Financial liabilities						
a) Financial liabilities held at amortised cost						
i) Deposits received	**338.29**	**343.82**	379.94	382.71	308.99	308.99
ii) Trade and other payables	**39,478.73**	**39,478.73**	22,856.81	22,856.81	22,219.00	22,219.00
Total	**39,817.02**	**39,822.55**	23,236.75	23,239.52	22,527.99	22,527.99

c) Fair Value Hierarchy

Particulars	Fair value hierarchy as at 31st March 2017 Level 1	Level 2	Level 3	Total
A) Financial assets				
Financial assets carried at Amortised Cost				
i) Loans to related parties	**–**	**2,500.00**	**–**	**2,500.00**
ii) Trade and other receivables	**–**	**40,025.98**	**–**	**40,025.98**
iii) Deposits given	**–**	**2,246.63**	**–**	**2,246.63**
iv) Cash and cash equivalents	**–**	**5,731.68**	**–**	**5,731.68**
v) Other bank balances	**–**	**–**	**–**	**–**
vi) Others	**–**	**3,873.79**	**–**	**3,873.79**
Total	**–**	**54,378.08**	**–**	**54,378.08**
B) Financial liabilities				
Financial Instruments not carried at Fair Value				
i) Deposits received	**–**	**338.29**	**–**	**338.29**
ii) Trade and other payables	**–**	**39,478.73**	**–**	**39,478.73**
Total	**–**	**39,817.02**	**–**	**39,817.02**

	Fair value hierarchy as at 31st March 2016 Level 1	Level 2	Level 3	Total
A) Financial assets				
Financial assets carried at Amortised Cost				
i) Loans to related parties	–	2,700.00	–	2,700.00
ii) Trade and other receivables	–	23,484.70	–	23,484.70
iii) Deposits given	–	1,585.79	–	1,585.79
iv) Cash and cash equivalents	–	3,757.85	–	3,757.85
v) Other bank balances	–	4,500.00	–	4,500.00
vi) Others	–	749.41	–	749.41
Total	**–**	**36,777.75**	**–**	**36,777.75**
B) Financial liabilities				
Financial Instruments not carried at Fair Value				
i) Deposits received	–	379.94	–	379.94
ii) Trade and other payables	–	22,856.81	–	22,856.81
Total	**–**	**23,236.75**	**–**	**23,236.75**

		Fair value hierarchy as at 1st April 2015			
		Level 1	Level 2	Level 3	Total
A)	**Financial assets**				
	Financial assets carried at Amortised Cost				
i)	Loans to related parties	–	1,000.00	–	1,000.00
ii)	Trade and other receivables	–	18,715.00	–	18,715.00
iii)	Deposits given	–	1,287.54	–	1,287.54
iv)	Cash and cash equivalents	–	4,744.01	–	4,744.01
v)	Other bank balances	–	5,000.00	–	5,000.00
vi)	Others	–	535.76	–	535.76
Total		**–**	**31,282.31**	**–**	**31,282.31**
B)	**Financial liabilities**				
	Financial Instruments not carried at Fair Value				
i)	Deposits received	–	308.99	–	308.99
ii)	Trade and other payables	–	22,219.00	–	22,219.00
Total		**–**	**22,527.99**	**–**	**22,527.99**

Note:

i) The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Note No. 30 – Segment information

i) The management of the Company has chosen to organise the Company on the basis of nature of services. No operating segments have been aggregated in arriving at the reportable segments of the group.

ii) Specifically, the Company's reportable segments and the type of product or service from which they derive income are:

a) Supply Chain Management (SCM) - Goods Transportation service, including warehouse management service and linefeeding activity etc

b) People Logistics Solutions (PTS) - People Transportation service

iii) The CEO monitors the operating results of the business segments separately for the purpose of making decisions about the allocation of resources and performance assessment.

iv) The segmental dislcosures are as follows :-

					As at 31st March 2017	
Particulars		**SCM**	**PTS**	**Total Segments**	**Unallocable Expenditure/ Assets/ Eliminations**	**Total**
A.	**Revenue**					
	I. External customers	**229,363.70**	**29,505.01**	**258,868.71**	**–**	**258,868.71**
Total revenue		**229,363.70**	**29,505.01**	**258,868.71**	**–**	**258,868.71**
B.	**Expenses**					
	I. Direct Cost	**212,889.32**	**26,532.26**	**239,421.58**	**–**	**239,421.58**
	II. Indirect Cost	**–**	**–**	**–**	**12,658.80**	**12,658.80**
	III. Depreciation and amortisation	**429.40**	**36.55**	**465.95**	**425.47**	**891.42**
	IV. Income tax expense or income	**–**	**–**	**–**	**2,286.90**	**2,286.90**
	V. Interest income	**–**	**–**	**–**	**(686.97)**	**(686.97)**
	VI. Interest expense	**–**	**–**	**–**	**25.85**	**25.85**
	VII. Other income	**–**	**–**	**–**	**(209.39)**	**(209.39)**
C.	**Segment profit (A+B)**	**16,044.98**	**2,936.20**	**18,981.18**	**(14,500.67)**	**4,480.51**
D.	**Total assets**					**–**
	Property, plant & equipment	**1,379.08**	**21.28**	**1,400.36**	**1,277.81**	**2,678.17**
	Intangibles	**57.89**	**34.50**	**92.39**	**23.83**	**116.22**
	Others	**–**	**–**	**–**	**74,107.22**	**74,107.22**
E.	**Total liabilities**				**42,019.83**	**42,019.83**

As at 31st March 2016

Particulars		SCM	PTS	Total Segments	Unallocable Expenditure/ Assets/ Eliminations	Total
A.	**Revenue**					
	I. External customers	174,488.11	25,008.08	199,496.19	–	199,496.19
Total revenue		174,488.11	25,008.08	199,496.19	–	199,496.19
B.	**Expenses**					
	I. Direct Cost	162,402.42	22,681.73	185,084.15	–	185,084.15
	II. Indirect Cost	–	–	–	9,285.27	9,285.27
	III. Depreciation and amortisation	289.40	18.66	308.06	354.27	662.34
	IV. Income tax expense or income	–	–	–	2,004.05	2,004.05
	V. Interest income	–	–	–	(912.49)	(912.49)
	VI. Interest expense	–	–	–	14.55	14.55
	VII. Other income				(372.31)	(372.31)
C.	**Segment profit (A+B)**	11,796.30	2,307.68	14,103.98	(10,373.34)	3,730.64
D.	**Total assets**					
	Property, plant & equipment	965.01	16.81	981.82	1,097.55	2,079.37
	Intangibles	23.26	5.15	28.41	9.78	38.19
	Others				53,214.93	53,214.93
E.	**Total liabilities**				24,955.26	24,955.26

Other disclosures :-

a) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column.

b) Unallocable Expenditure/Assets/Elimination:

(i) Finance income and costs, fair value gains and losses on financial assets and indirect expenses are not allocated to individual segments as the underlying instruments are managed on an entity basis.

(ii) Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on an entity basis.

(iii) The accounting policies of the reportabe segments are the same as the Company's accounting Policies described in Note 2.18.

There is no difference between segment profit as reviewed by CEO and the profit before tax as appearing in the financials.

(v) Geographic information

` in lacs

Particulars	**Year Ended 31st March 2017**	Year Ended 31st March 2016
Revenue from external customers		
India	**258,868.71**	198,512.41
Outside India	–	983.78
Total revenue as per statement of profit or loss......	**258,868.71**	199,496.19

(vi) Non-current operating assets

` in lacs

Particulars	**As at 31st March 2017**	As at 31st March 2016	As at 1st April 2015
India	**3,940.70**	3,187.93	2,024.67
Outside India	–	–	–
Total............................	**3,940.70**	3,187.93	2,024.67

Non-current assets for this purpose consist of property, plant and equipment, and intangible assets.

(vii) Revenue from major products and services :-

The following is an analysis of the Company's revenue from continuing operations from its major products and services:

` in lacs

Particulars	**Year Ended 31st March 2017**	Year Ended 31st March 2016
Transportation	**194,667.95**	147,520.55
Warehousing & other related activities	**32,994.86**	24,086.94
People Logistics	**29,505.01**	25,008.08
Total...................................	**257,167.82**	196,615.57

The revenues of the Company from a group of customers under common control amounts to around 55% of its total revenues.

Note No. 31 – Leases

Operating Lease

i) The Company has entered into operating lease arrangements for commercial premises. The leases are non-cancellable and are for period as specified in the agreement and may be renewed based on mutual agreement of the parties.

` in lacs

Particulars	**For the year ended 31st March 2017**	For the year ended 31st March 2016	For the year ended 1st April 2015
i). Future Non-Cancellable minimum lease commitments			
a) not later than one year	**1,084.51**	1,160.99	1,141.38
b) later than one year and not later than five years	**273.32**	808.03	1,595.59
c) later than five years	–	–	–
ii) Expenses recognised in the Statement of Profit and Loss			
a) Minimum Lease Payments	**3,878.82**	3,264.17	2,889.57

Note No. 32 – Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident Fund, superannuation Fund and other funds aggregating ` 914.03 lacs (2016 : ` 656.90 lacs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

ii) **Defined Benefit Plans:**

Gratuity

a) The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

b) Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

(1) Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The funds of the defined benefit plans are held with LIC.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

(2) Change in bond yields

A decrease in government bond yields will increase plan liabilities.

(3) Inflation risk

Defined benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although caps on the level of inflationary increases are in place to protect the plan against extreme inflation).

(4) Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

(c) Significant Actuarial Assumptions

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars		Valuation as at		
		31st March 2017	31st March 2016	1st April 2015
a)	Discount rate(s)	6.82%	7.96%	8.03%
b)	Expected rate(s) of salary increase	8.00%	8.00%	8.00%
c)	Mortality rate during employment	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate

(d) Defined benefit plans – as per actuarial valuation

` in lacs

Particulars		Funded Plan - Gratuity 2017	2016
I.	**Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:**		
a)	Current Service Cost	**197.15**	156.28
b)	Past service cost and (gains)/losses from settlements	–	
c)	Net interest expense	**16.13**	5.14
	Components of defined benefit costs recognised in profit or loss	**213.28**	161.42
	Remeasurement on the net defined benefit liability		
a)	Return on plan assets (excluding amount included in net interest expense)	**(3.24)**	(2.32)
b)	Actuarial (gains)/loss arising form changes in financial assumptions	**81.32**	26.26
c)	Actuarial (gains)/loss arising form changes in demographic assumptions	**(28.83)**	–
d)	Actuarial (gains)/loss arising form experience adjustments	**22.46**	17.72
	Components of defined benefit costs recognised in other comprehensive income	**71.71**	41.66
	Total	**284.99**	203.08
II.	**Net Asset/(Liability) recognised in the Balance Sheet as at 31st March**	**2017**	2016
a)	Present value of defined benefit obligation	**(951.72)**	(660.43)
b)	Fair value of plan assets	**667.19**	457.81
c)	Surplus/(Deficit)	**(284.53)**	(202.62)
d)	Current portion of the above	**(284.53)**	(202.62)
e)	Non current portion of the above	–	–
III.	**Change in the obligation during the year ended 31st March**		
a)	Present value of defined benefit obligation at the beginning of the year	**660.42**	481.26
b)	Add/(Less) on account of Scheme of Arrangement/Business	–	–
c)	Transfer	–	–
d)	Expenses Recognised in Profit and Loss Account		
	– Current Service Cost	**197.15**	156.28
	– Past Service Cost	–	–
	– Interest Expense (Income)	**52.57**	38.65
e)	Recognised in Other Comprehensive Income		
	Remeasurement gains/(losses)		
	– Actuarial (Gain)/Loss arising from:		
	i. Financial Assumptions	**81.32**	26.26
	ii. Demographic Assumptions	**(28.83)**	–
	iii. Experience Adjustments	**22.46**	17.72
f)	Benefit payments	**(33.38)**	(59.74)
g)	**Present value of defined benefit obligation at the end of the year**	**951.71**	660.43
IV.	**Change in fair value of assets during the year ended 31st March**		
i)	Fair value of plan assets at the beginning of the year	**457.81**	417.25
ii)	Expenses Recognised in Profit and Loss Account		
	– Expected return on plan assets	**36.44**	33.51
iii)	Recognised in Other Comprehensive Income		
	Remeasurement gains/(losses)		
	– Actual Return on plan assets in excess of the expected return	**3.24**	2.32
iv)	Contributions by employer (including benefit payments recoverable)	**203.08**	64.47
v).	Benefit payments	**(33.38)**	(59.74)
vi)	**Fair value of plan assets at the end of the year**	**667.19**	457.81

` in lacs

Particulars			Funded Plan - Gratuity 2017	2016
V.	The Major categories of plan assets			
	–	Insurance Funds	**667.19**	457.81
VI.	Actuarial assumptions			
	a)	Discount rate	**6.82%**	7.96%
	b)	Expected rate of return on plan assets	**6.82%**	7.96%
	c)	Attrition rate	**9.00%**	2.00%

e) The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation: Increase in assumption	Impact on defined benefit obligation: Decrease in assumption
a) Discount rate	**2017**	**1.00%**	**(72.05)**	**83.86**
	2016	1.00%	(86.35)	106.53
b) Salary growth rate	**2017**	**1.00%**	**76.97**	**(68.42)**
	2016	1.00%	97.88	(82.40)
c) Rate of employee turnover	**2017**	**1.00%**	**(11.59)**	**12.49**
	2016	1.00%	(3.22)	2.94

Notes:

i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

ii) The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

iii) The Company expects to contribute ` 284.99 Lacs to the gratuity trusts during the next financial year of 2017.

f) Maturity profile of defined benefit obligation:

The tables include both discounted value as well as unwinding of interest.

Particulars	2017	2016	2015
Within 1 year	**82.15**	10.88	16.12
1 - 2 year	**75.68**	27.76	10.69
2 - 3 year	**102.79**	34.73	26.69
3 - 4 year	**132.39**	34.35	34.33
4 - 5 year	**167.61**	57.02	34.82
5 - 10 years	**1,105.89**	515.03	424.04

g) Plan Assets

The fair value of Company's plan asset by category are as follows:

` in lacs

Particulars	**As at 31st March 2017**	As at 31st March 2016	As at 1st April 2015
Asset category:			
a) Cash and cash equivalents	**–**	–	–
b) Debt instruments (quoted)	**–**	–	–
c) Debt instruments (unquoted)	**–**	–	–
d) Equity instruments (quoted)	**–**	–	–
e) Deposits with Insurance companies	**667.19**	457.81	417.25
	100%	100%	100%

iii) The weighted average duration of the defined benefit obligation as at 31 March 2017 is 9 years (2016: 16 years).

h). Experience Adjustments:

Particulars	Period Ended				
	2017	2016	2015	2014	2013
	Gratuity				
1. Defined Benefit Obligation					
2. Fair value of plan assets	**667.19**	457.81	417.25	370.18	380.50
3. Surplus/(Deficit)	**(284.53)**	(202.61)	(64.01)	(39.22)	(102.63)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	**22.46**	17.72	35.53	8.41	(0.08)
5. Experience adjustment on plan assets [Gain/(Loss)]	**3.24**	2.32	9.53	(6.46)	21.07

i) The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

j) The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

k) The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year.

Note 33 – Related Party Transactions

i) List of Related Parties:

a) Name of the investors:	
1	Mahindra & Mahindra Limited
2	Normandy Holdings Limited
3	Kedaara Alternate Investment Funds(AIF)
b) Subsidiary Companies:	
1	Lords Freight (India) Pvt. Ltd.
2	2X2 Logistics Pvt. Limited
c) Other related parties:	
1	Bristlecone India Limited
2	EPC Industrie Limited
3	Defence Land Systems India Limited
4	Mahindra Consulting Engineers Limited
5	Mahindra Aerostructures Private Limited
6	Mahindra Auto Steel Private Limited
7	Mahindra Defence Naval Systems Private Limited
8	Mahindra Defence Systems Limited
9	Mahindra Susten Private Limited
10	Mahindra First Choice Services Limited
11	Mahindra Gujarat Tractor Limited
12	Mahindra Holidays & Resorts India Limited
13	Mahindra Insurance Brokers Limited
14	Mahindra Intertrade Limited
15	Mahindra Lifespace Developers Limited
16	Mahindra & Mahindra Financial Services Limited
17	Mahindra Trucks & Buses Limited
18	Mahindra Heavy Engines Limited
19	Mahindra Electric Mobility Limited (Formerly, Mahindra Reva Electric Vehicles Private Limited)
20	Mahindra Retail Private Limited
21	Mahindra Sona Limited (Ceased to be a JV w.e.f. 16th December, 2016)
22	Mahindra Steel Service Centre Limited
23	Mahindra Agri Solutions Limited (Formerly Mahindra Shubhalabh Services Ltd.)
24	Mahindra Two Wheelers Limited
25	Mahindra Internet Commerce Private Limited
26	Mahindra Greenyard Private Limited (Formerly known as Mahindra Univeg Private Limited)
27	Mahindra Vehicle Manufacturers Limited
28	Mahindra Sanyo Special Steel Private Limited
29	Mahindra Integrated Township Limited
30	NBS International Limited
31	Mahindra Integrated Business Solutions Private Limited
32	Mahindra CIE Automotive Limited
33	Mahindra Tsubaki Conveyor Systems Private Limited
34	Mahindra Gears Transmissions Private Limited
35	Tech Mahindra Limited
36	Tech Mahindra BPO Limited
37	Swaraj Engines Limited
38	Orizonte Business Solutions Limited
d) Key management Personnel	
1	Pirojshaw Sarkari (C.E.O)
2	Ajay Mehta
3	Neelam Deo

ii) Details of transaction between the Company and its related parties are disclosed below:

` in lacs

Particulars	Entities having joint control/ significant influence over Company	Subsidiaries	Other related parties
Nature of transactions with Related Parties			
a) Purchase of property and other assets	**–**	**–**	**9.00**
	–	–	(7.50)
b) Rendering of services	**126,053.68**	**87.36**	**13,924.73**
	(116,228.67)	(22.42)	(10,935.26)
c) Receiving of services	**153.61**	**2,507.57**	**121.86**
	(217.95)	(2,146.37)	(16.47)
d) Reimbursements made to parties	**442.74**	**5.99**	**3.79**
	(261.98)	–	–
e) Reimbursements received from parties	**2.04**	**16.18**	**26.99**
	–	(18.09)	–
f) Loans/Deposits given	**–**	**–**	**1,000.00**
	–	–	(2,750.00)
g) Loans/Deposits refunded back	**–**	**–**	**1,200.00**
	–	–	(1,050.00)
h) Interest Income on inter-corporate deposits	**–**	**–**	**247.04**
	–	(1.35)	(190.22)
i) Bad & doubtful debts recognised in respect of dues from related parties	**4.53**	**–**	**52.19**
	(–1.16)	–	(0.88)
Balances Outstanding with Related Parties			
a) Trade payables	**496.21**	**225.93**	**31.00**
	(328.27)	(111.37)	(17.91)
b) Trade receivables	**4,931.63**	**88.58**	**2,182.95**
	(4,954.75)	(48.23)	(2,434.82)
c) Loans & advances received	**–**	**–**	**–**
	–	–	–
d) Loans & advances given	**–**	**–**	**2,500.00**
	–	–	(2,700.00)
e) Commitments outstanding	**–**	**–**	**–**
	–	–	–
f) Provision of bad & doubtful debts related to amout due from related parties	**14.41**	**–**	**47.95**
	(10.00)	–	(39.02)

a). Previous year's figures are provided in brackets.

b). All the outstanding balances, whether receivables or payables are unsecured.

c). Related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

iii) Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	**For the year ended 31st March 2017**	For the year ended 31st March 2016
Short-term employee benefits	**166.46**	142.93
Sitting Fee/Commission paid to Independent directors	**13.18**	14.23

i). The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The separate actuarial valuation figures are not available for key managerial personnel.

Note No. 34 – First-time adoption of Ind-AS

First Time Ind AS Adoption reconciliations

(i) Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015:

` in lacs

Particulars	Notes	As at 31st March 2016	As at 1st April 2015
Equity as reported under previous GAAP		**30,375.23**	**26,645.22**
Ind AS: Adjustments increase (decrease):			
Fair value of current investment	(a)	6.49	20.01
Discounting of deposits given	(b)	(4.72)	(4.72)
Discounting of deposits received	(c)	3.43	3.43
Employee future benefits – actuarial gains and losses	(d)	–	–
Unvested ESOP Reserve		175.58	87.18
Effect of fair valuation of ESOP reserve		(175.58)	(87.18)
Unwinding interest income on discounting of deposits given	(b)	41.47	–
Rent expense on discounting of deposits given	(b)	(43.06)	–
Interest expense on discounting of deposits received	(c)	(13.91)	–
Rental income on discounting of deposits received	(c)	13.63	–
Expected Credit loss on trade receivables		–	(110.11)
Deferred income tax		(1.31)	31.63
Equity as reported under IND AS		**30,377.25**	**26,585.46**

(a) As required by the provisions of para 5.1.1 and para 5.2.1 of Ind AS 109 'Financial Instruments', the Company has measured the current investments at fair value through profit or loss.

(b) As required by the provisions of para 4.1 of Ind AS 109 'Financial Instruments', the Company has measured the deposits given at amortised cost and recognises interest revenue and rental expense on unwinding of the deposits.

(c) As required by the provisions of para 4.2.1 of Ind AS 109 'Financial Instruments', the Company has measured the deposits received at amortised cost and recognises interest expense and rental income on unwinding of the deposits.

(d) As required by the provisions of para 120(c) read with 122 and 127 of Ind AS 19 'Employee Benefits", the actuarial gains/losses should be accounted as remeasurements of the net defined benefit liability/(asset). The remeasurements will be recognised in other comprehensive income and shall not be reclassified to profit or loss in subsequent period but may be transferred within equity.

(ii) Reconciliation of Total comprehensive income for the year ended 31st March, 2016

` in lacs

Particulars	Year Ended 31st March 2016
Profit or Loss as per previous GAAP	**3,730.01**
Ind AS: Adjustments increase/(decrease):	
Effect of fair valuation of ESOP reserve	(88.40)
Unwinding Interest income on Discounting of deposits	41.47
Rent Exp on discounting of deposits	(43.06)
Interest exp on discounting of deposits	(13.91)
Rental Income on discounting of deposits	13.63
Fair Value of Current Investment	(13.52)
Expected Credit loss on trade receivables	110.11
Acturial (Gain) /Loss	27.24
Others	(32.93)
Profit or Loss under Ind AS	**3,730.64**
Other comprehensive income	(27.24)
Total comprehensive income under Ind ASs	**3,703.40**

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation starts with profit under previous GAAP.

(iii) Material adjustments to the Statement of Cash Flows

Particulars	Year ended 31 March 2016		
	Previous GAAP	Ind AS Adjustments	Ind AS
Net cash flows from operating activities	(5,298.48)	–	(5,298.48)
Net cash flows from investing activities	4,612.98	800.01	3,812.97
Net cash flows from financing activities	(0.69)	(0.05)	(0.64)
Net increase (decrease) in cash and cash equivalents	(1,486.15)	–	(1,486.15)
Cash and cash equivalents at beginning of period	**9,744.68**	**0.67**	**9,744.01**
Effects of exchange rate changes on the balance of cash held in foreign currencies	–	–	–
Cash and cash equivalents at end of period	**9058.52**	**800.66**	**8,257.86**

Analysis of cash and cash equivalents as at 31st March 2016 and 1st April 2015 for the purpose of Statement of Cash flows under Ind AS

` in lacs

Particulars	As at 31st March 2016	As at 1st April 2015
Cash and cash equivalents for the purpose of Statement of Cash flows as per Previous GAAP	**9,058.52**	**9,744.68**
Bank Overdrafts which forms integral part of cash management system	–	–
Other adjustments (specify)	(800.67)	(0.67)
Cash and cash equivalents for the purpose of Statement of Cash flows as per Ind AS	**8,257.85**	**9,744.01**

Note: Reclassification of fixed deposits based on maturity period.

Note No. 35 – Contingent liabilities and commitments

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Contingent liabilities (to the extent not provided for)			
Claims against the Company not acknowledged as debt			
a) VAT	**759.58**	528.08	528.08
b) Service Tax	**399.53**	379.31	349.01
c) Income Tax	**2,485.11**	2,287.05	1,308.89
d) Other matters	**477.50**	289.41	153.35

Notes:

i) The Company does not expect any reimbursement in respect of the above contingent liability.

ii) It is not practicable to estimate the timings of cash outflows, if any, in respect of matters at (a) to (d) above, pending resolution of appellate/court proceedings.

Capital Commitments:

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	**140.87**	44.13	42.45

Note 36 – Details of Specified Bank Notes held and transacted during the specified period:

Particulars	Specified Bank Notes	Other denomination notes	Total
a. Closing cash in hand as on 08.11.2016	–	–	–
b. Permitted receipts	–	–	–
c. Permitted payments	–	–	–
d. Amount deposited in Banks	–	–	–
e. Closing cash in hand as on 30.12.2016	–	–	–

Note No. 37 – The year end foreign currency exposures that have not been hedged by a derivative Instrument or forward contracts are given below:

Particulars	Currency	31st March 2017		31st March 2016	
		Value in foreign currency	Value in Rupees (Lakhs)	Value in foreign currency	Value in Rupees (Lakhs)
Trade Receivables	USD	–	–	–	–
Trade Payables	USD	**20,250.00**	**13.22**	50,835.71	33.94

Form AOC-1

(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 ` In Lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	2x2 Logistics Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4.	Share capital	701.00
5.	Reserves & surplus	(70.06)
6.	Total assets	4,170.30
7.	Total Liabilities	3,539.36
8.	Investments	Nil
9.	Turnover	3,777.78
10.	Profit before taxation	(106.32)
11.	Provision for taxation	(32.90)
12.	Profit after taxation	(73.42)
13.	Proposed Dividend	Nil
14.	% of shareholding	55.00%

Sl. No.	Particulars	Details
1.	Name of the subsidiary	LORDS Freight (India) Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4.	Share capital	236.26
5.	Reserves & surplus	250.88
6.	Total assets	1,669.86
7.	Total Liabilities	1,182.71
8.	Investments	0.63
9.	Turnover	6,677.29
10.	Profit before taxation	120.79
11.	Provision for taxation	(81.91)
12.	Profit after taxation	202.70
13.	Proposed Dividend	Nil
14.	% of shareholding	60.00%

Notes: The following information shall be furnished at the end of the statement:

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

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: - "Not Applicable"

Name of associates/Joint Ventures	Name
1. Latest audited Balance Sheet Date	–
2. Shares of Associate/Joint Ventures held by the company on the year end	–
No.	–
Amount of Investment in Associates/Joint Venture	–
Extend of Holding%	–
3. Description of how there is significant influence	–
4. Reason why the associate/joint venture is not consolidated	–
5. Net worth attributable to shareholding as per latest audited Balance Sheet	–
6. Profit/Loss for the year	–
i. Considered in Consolidation	–
ii. Not Considered in Consolidation	–

1. Names of associates or joint ventures which are yet to commence operations. : N/A
2. Names of associates or joint ventures which have been liquidated or sold during the year. N/A

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For **B. K. Khare & Co.**
Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 28th April, 2017

For and on behalf of Board of Directors
Mahindra Logistics Limited

Anjanikumar Choudhari
Chairman

Parag Shah
Director

Nikhil Nayak
Chief Financial Officer

Brijbala Batwal
Company Secretary