

TC TRAVEL AND SERVICES LIMITED
Annual Report 2014-15

DIRECTORS' REPORT

TO THE MEMBERS OF TC TRAVEL AND SERVICES LIMITED

The Directors have pleasure in presenting their Seventh Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2015.

1. BACKGROUND AND OPERATIONS

TC Travel And Services Limited ("TCTSL or Company"), is a wholly owned subsidiary of Tata Capital Limited ("TCL") and is engaged in the business of travel related services.

In view of the losses incurred in the past three years, the Company has during the FY 2014-15, put in place action plans for increasing its revenue and reducing its expenses. One of its prime focus areas was the Meetings, Incentives, Conferences, Exhibitions ("MICE") and the Leisure segments which yield higher margins. Additionally, airline ticketing volumes also increased during the year.

On the expenses side, the Company took up several cost optimization initiatives during the year including insourcing of certain activities that could yield the Company overall benefit. Debtors management was another focus area which helped the Company significantly reduce its borrowings and finance costs in the last quarter of the year. All these efforts resulted in an overall reduction of ₹ 2.17 crore in direct and indirect costs.

Consequent to the increase in revenue by 30% and decrease in costs, the Company witnessed a significant turnaround in its financial performance and ended the year with a loss of ₹ 0.53 crore against a loss of ₹ 6.61 crore in FY 2013-14.

2. FINANCIAL RESULTS

The performance of the Company for the year ended March 31, 2015 is, summarized below :

(₹ in crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Total Income	12.26	8.36
Less: Finance Costs	1.26	0.83
Expenditure	11.45	13.93
Depreciation / Amortisation	0.08	0.21
Profit Before Tax	(0.53)	(6.61)
Less: Provision For Tax	-	-
Profit / Loss After Tax	(0.53)	(6.61)
Amount brought forward from Previous Year	(5.26)	1.36
Amount Available for Appropriations	(5.79)	(5.26)
Appropriations	-	-
Surplus / (Loss) carried to Balance Sheet	(5.79)	(5.26)

3. SHARE CAPITAL

The Authorised Share Capital of the Company is ₹ 25 crore consisting of 2,50,00,000 Equity Shares of ₹ 10/- each. As on March 31, 2015, the Subscribed and Paid-up Share Capital of the Company was ₹ 25 crore consisting of 2,50,00,000 Equity Shares of ₹ 10/- each.

4. DIVIDEND

In view of the loss suffered during the year and in the absence of distributable profits, the Board of Directors do not recommend any dividend for the year (FY 2013 -14 – Nil).

5. FINANCE

The Company has met all its funds requirements through its internal resources and Inter Corporate Deposits from TCL.

6. RISK MANAGEMENT POLICY

A Risk Management Policy for the Company has been adopted by the Board. The Company's risk management strategy includes analysis of identified risks and devising methodologies and policies for managing, monitoring and reporting of risks. The risk policies define the prudential limits, exception approval metrics, etc. It also encompasses the process of risk assessment of new product offerings. Various reports are used to monitor the triggers in cases of breaches in the pre-accepted levels of identified risks that are handled in accordance with the Risk Management Policy of the Company. Risk Management Reports are reviewed by the senior management, Audit Committee of the Board and the Board of Directors.

7. INTERNAL CONTROL SYSTEMS

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

The Company's internal control system is commensurate with its size, nature and operations.

8. INTERNAL FINANCIAL CONTROLS

During the course of FY 2014-15, the Management appointed an external consultant and formed a Cross Functional Team ("CFT") comprising Operating Managers, Internal Audit, Risk and Statutory Auditors to document and evaluate the effectiveness of the internal financial controls of the Company, broadly in accordance with the criteria established under the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The documentation of process maps, key controls and risk registers has been completed under the supervision of the CFT. Management testing was conducted on a sample basis and remedial action has been taken or agreed upon where control weaknesses were identified. The Management will put in place a more detailed testing plan for FY 2015-16. Based on the aforementioned, the Management believes that adequate internal financial controls exist in relation to its Financial Statements.

9. HUMAN RESOURCES

The Company had 119 employees on its rolls as on March 31, 2015. The Company recognizes the value of its human capital and is continuously upgrading the skill levels of its workforce in key areas such as ticketing, accounting, organizing and conducting inbound and outbound tours and conferences.

10. CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Companies Act, 2013 ("Act") are not applicable to the Company. However, during the year, the Company has voluntarily contributed to the Tata Relief Committee towards relief and rehabilitation measures in the flood affected areas of Jammu & Kashmir.

11. COMPLIANCE

The Company has complied with all the applicable provisions of the Act and other applicable laws.

The Company has deployed "ComplianceCheck" ("Application"), an online platform to report and monitor compliances. The Application has features such as generation of compliance task alerts to Performer, escalation mechanism to Reviewer and Business / Functional Heads and Compliance Officer, generation of compliance reports and updating the compliance tasks based on regulatory developments. The Compliance status reports are submitted, on a regular basis, to the Head -Travel Business and are placed before the Board on a half yearly basis, by the Company Secretary.

12. REGULATORY ACTION

There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status and operations of the Company in future.

13. DEPOSITS

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

14. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not made any investments, granted loans to any person or body corporate, given guarantees or provided security in connection with loans to any other body corporate or person in terms of Section 186 of the Act, during FY 2014-15.

15. DIRECTORS

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Govind Sankaranarayanan is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and is eligible for re-appointment.

Mr. Praveen P Kadle, Director, stepped down from the Board of the Company with effect from the close of business hours on September 1, 2014, in order to meet with the requirements of the Act relating to the maximum number of directorships that an individual can hold. Mr. S H Rajadhyaksha, Non-Executive Director, was appointed as Chairman of the Board of Directors of the Company, with effect from September 11, 2014.

The Directors place on record their appreciation for the valuable contribution made by Mr. Kadle during his tenure as Director of the Company.

Mr. Puneet Sharma was appointed as Additional Director of the Company, with effect from September 11, 2014. Mr. Sharma is a Chartered Accountant by qualification and is the Chief Financial Officer of TCL, the holding company and of Tata Capital Financial Services Limited, a fellow subsidiary. Mr. Sharma will hold office as Additional Director upto the conclusion of the ensuing AGM and is eligible to be appointed as a Director of the Company.

Mr. Prabhakar R Dalal was appointed as Independent Director of the Company, with effect from February 24, 2015, for a term of two years, by the Board of Directors of the Company, subject to the approval of the Members at the ensuing AGM. Mr. Dalal is an experienced banker in commercial and development banking and has about 37 years of experience in the banking industry.

Mr. Sudhir Nadkarni was appointed as Independent Director of the Company, with effect from February 24, 2015, for a term of two years, by the Board of Directors of the Company, subject to the approval of the Members at the ensuing AGM. Mr. Nadkarni is a Chartered Accountant by qualification and has about 37 years of experience in the area of internal audit.

The Company has received declarations from the Independent Directors viz. Mr. Dalal and Mr. Nadkarni, stating that they meet the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, Mr. Dalal and Mr. Nadkarni fulfill the conditions specified in the Act and the applicable Rules thereunder for appointment as Independent Directors and that they are independent of the Management of the Company.

The Company has received Notices, as per the provisions of Section 160 of the Act, from a Member proposing the appointments of Mr. Sharma, Mr. Dalal and Mr. Nadkarni as Directors of the Company.

The Members of the Company may refer to the Notice of the AGM of the Company, for a brief Resume of Mr. Sharma, Mr. Dalal and Mr. Nadkarni.

16. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees. The Board of Directors was assisted by the Nomination and Remuneration Committee ("NRC"). The performance evaluation was carried out by seeking inputs from all the Directors / Members of the Committees, as the case may be, and discussions with the Directors by the Chairman of the NRC and the Chairman of the Board. The criteria for evaluating the performance of the Board as a whole covered various aspects of the Board's functioning such as fulfillment of key responsibilities, structure of the Board and its composition, establishment and delineation of responsibilities of the Board Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, etc. The criteria for evaluation of individual Directors covered parameters such as attendance and contribution at meetings, guidance to Management, etc. The criteria for evaluation of the Board Committees covered areas related to degree of fulfillment of key responsibilities, adequacy of Board Committee composition, effectiveness of meetings, Committee dynamics, quality of relationship of the Committee with the Board and the Management, etc.

The feedback of the Independent Directors on their review of the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company and assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board, was taken into consideration by the Board in carrying out the performance evaluation.

17. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY

The Nomination and Remuneration Committee of the Company comprises Mr. Prabhakar Dalal (Chairman), Mr. S H Rajadhyaksha, Mr. Govind Sankaranarayanan and Mr. Sudhir Nadkarni. The NRC develops the competency requirements of the Board based on the industry and strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavours to provide relevant training to the Directors.

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company. The Policy on Board Diversity and Director Attributes as also the Remuneration Policy of the Company are attached as Annexure 'A' and Annexure 'B', respectively.

18. KEY MANAGERIAL PERSONNEL

The Board of Directors, at its meeting held on May 5, 2014, formalised the appointment of Mr. Bhavesh Jatania, Manager and Ms. Megha Sekharan, Company Secretary, as the Key Managerial Personnel of the Company. Also, the Board appointed Mr. Hemant Pareek as the Chief Financial Officer ("CFO") of the Company with effect from June 1, 2014.

The Board of Directors, at its Meeting held on July 21, 2014, appointed Mr. Pareek also as the Manager of the Company, in addition to being the CFO of the Company, with effect from July 22, 2014, following the resignation of Mr. Bhavesh Jatania as the Manager of the Company effective July 21, 2014.

Mr. Pareek stepped down as Manager and CFO of the Company, at the close of business hours on December 13, 2014.

The Board at its meeting held on February 23, 2015, appointed Mr. Prasanna Pachpor as the Manager and CFO of the Company with effect from April 1, 2015.

19. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures therefrom;
- b. they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss and the cash flows of the Company for the year;
- c. they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they had prepared the annual accounts on a going concern basis; and
- e. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. CORPORATE GOVERNANCE

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others.

i. Board of Directors

During FY 2014-15, six Board Meetings were held. The composition of the Board of Directors of the Company is in compliance with the Act. Details of the composition of the Board of Directors and the attendance of the Directors at these Meetings, is given below:

Name of Director	Category	Board Meetings Attended
Mr. Praveen P Kadle (upto September 1, 2014)	Non-Executive Director ("NED")	2
Mr. S H Rajadhyaksha, Chairman	NED	6
Mr. Mohini Dutta	NED	6
Mr. Govind Sankaranarayanan	NED	6
Mr. Puneet Sharma (w.e.f September 11, 2014)	NED	4
Mr. Prabhakar R Dalal (w.e.f February 24, 2015)*	Independent Director ("ID")	–
Mr. Sudhir Nadkarni (w.e.f February 24, 2015)*	ID	–

* No Board Meeting was held between February 24, 2015 and March 31, 2015.

During FY 2014-15, Mr. Prabhakar Dalal and Mr. Sudhir Nadkarni, Independent Directors were paid sitting fees aggregating ₹ 35,000 each, within the limits prescribed by the Act. None of the Directors drew any other remuneration from the Company in the nature of salary, commission, benefits, bonuses, pensions, etc. during FY 2014-15.

None of the Directors on the Board hold directorships in more than ten public companies.

ii. Committees of the Board

The Board has constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These are the Audit Committee and the NRC. The Company Secretary is the Secretary of the aforementioned Committees. Minutes of meetings of all Committees of the Board are placed before the Board for discussion / noting.

Audit Committee

The Audit Committee of the Board comprises Mr. Sudhir Nadkarni, ID, Chairman, Mr. S H Rajadhyaksha, NED and Mr. Prabhakar Dalal, ID. The composition of the Audit Committee is in line with the provisions of Section 177 of the Act. Besides the Members of the Audit Committee, meetings of the Audit Committee are attended by the Business Head, Statutory Auditors, Internal Auditor and the Company Secretary. The Internal Audit function is headed by the Chief Internal Auditor of TCL, the holding company, who reports to the Chairman of the Audit Committee to ensure independence of operations. The Board has accepted all the recommendations made by the Audit Committee during the year.

The Board has adopted an Audit Committee Charter which lays down the role, responsibilities and powers of Audit Committee.

The scope of the Audit Committee, *inter alia*, includes the following :

- Recommend appointment and removal of the Auditors and their remuneration, nature and scope of audit
- Ensure adequacy of internal controls and compliances and recommend remedial measures
- Review adequacy of the Internal Audit function
- Review and monitor the auditors' independence and performance and effectiveness of the audit process
- Oversee financial reporting process and disclosure of financial information
- Examine the financial statements and the auditors' report thereon

- Evaluate internal financial controls and the risk management systems
- Act as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors
- Review accounting policies
- Monitor compliance with the Tata Code of Conduct ("TCOC")
- Approve any transactions of the Company with related parties or any subsequent modifications thereof
- Scrutinise inter-corporate loans and investments
- Evaluate the valuation of undertakings or assets of the company, if necessary
- Monitor the end use of funds raised through public offers and related matters
- Review findings of internal investigations / frauds / irregularities, etc.
- Carry out additional functions as contained in regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee

During FY 2014-15, six Audit Committee Meetings were held. The attendance of the Members of the Audit Committee at its Meetings held during FY 2014-15, is given below:

Name of the Director	Category	Audit Committee Meetings attended
Mr. Praveen P Kadle (upto September 1, 2014)	NED	2
Mr. S H Rajadhyaksha	NED	6
Mr. Govind Sankaranarayanan (upto February 23, 2015)	NED	5
Mr. Puneet Sharma (upto February 23, 2015)	NED	2
Mr. Prabhakar Dalal (w.e.f February 24, 2015)	ID	1
Mr. Sudhir Nadkarni (w.e.f February 24, 2015)	ID	1

iii. Manager

Mr. Hemant Pareek was appointed as the Manager of the Company with effect from July 22, 2014 consequent to the resignation of Mr. Bhavesh Jatania as Manager of the Company effective July 21, 2014. Mr. Pareek, a Chartered Accountant, had about 8 years of experience in manufacturing and financial services industry.

Mr. Pareek stepped down as Manager of the Company at the close of business hours on December 13, 2014.

The terms and conditions of the appointment of Mr. Jatania and Mr. Pareek were as under :

Particulars	Mr. Bhavesh Jatania	Mr. Hemant Pareek
Remuneration	₹ 2,17,000/- per month upto a maximum of ₹ 3,00,000/- per month. The annual increments which will be effective 1st April each year, will be decided by the Board or any Committee thereof and will be merit based and take into account the Company's performance as well. Commission, if any, or Incentive Remuneration not exceeding ₹ 50,00,000/- to be paid based on certain performance criteria and such other parameters as laid down by the Board or Committee thereof, as may be considered appropriate from time to time. In addition, benefits, perquisites and allowances as per the Agreement.	₹ 46,000/- per month upto a maximum of ₹ 1,50,000/- per month. The annual increments which will be effective 1st April each year, will be decided by the Board or any Committee thereof and will be merit based and take into account the Company's performance as well. Commission, if any, or Incentive Remuneration not exceeding ₹ 50,00,000/- to be paid based on certain performance criteria and such other parameters as laid down by the Board or Committee thereof, as may be considered appropriate from time to time.

Particulars	Mr. Bhavesh Jatania	Mr. Hemant Pareek
Minimum Remuneration	Where in any financial year during the currency of the tenure of the Manager, the Company has no profits or its profits are inadequate, the Company will pay/provide to the Manager, remuneration for a period not exceeding 3 years by way of Salary, Benefits, Perquisites and Allowances and Incentive Remuneration as specified above.	Where in any financial year during the currency of the tenure of the Manager, the Company has no profits or its profits are inadequate, the Company will pay/provide to the Manager, remuneration for a period not exceeding 3 years by way of Salary, Benefits, Perquisites and Allowances and Incentive Remuneration as specified above.
Term & Termination	Five years with effect from April 1, 2013. The Agreement with Mr. Jatania may be terminated by him by giving three months notice of such termination or by the Company by paying three months remuneration in lieu of such notice.	Five years with effect from July 22, 2014. If Mr. Pareek ceases to be an employee of the Company, he shall cease to be the Manager of the Company.
Stock Options	As at July 21, 2014, Mr. Jatania held 1,42,965 Equity Shares of TCL, the holding company, acquired under the Employee Stock Option/ Purchase Scheme ("ESOP Scheme") of TCL. In addition to the above, Mr. Jatania had 40,000 vested options, of which 13,333 options could have been exercised upto August 2015.	As at December 13, 2014, Mr. Pareek held 4,341 Equity Shares of TCL, the holding company, acquired under the ESOP Scheme of TCL.
Other Terms	The said terms and conditions also include clauses pertaining to adherence with the TCOC, including no conflict of interest with the Company, non compete and maintenance of confidentiality.	The said terms and conditions also include clauses pertaining to adherence with the TCOC, including no conflict of interest with the Company, non compete and maintenance of confidentiality.

Consequent to Mr. Pareek ceasing to be the Manager and CFO, the Directors of the Company (based on the recommendation and approval of the Members of the NRC) approved the appointment of Mr. Prasanna Pachpor as the Manager of the Company for a period of five years, with effect from April 1, 2015 subject to the approval of the Members at an ensuing General Meeting. Mr. Pachpor was also appointed as the CFO and as a Key Managerial Personnel.

The proposed terms and conditions of his appointment, are as follows :

Remuneration	₹ 40,000 per month upto a maximum of ₹ 70,000 per month. The annual increments which will be effective 1st April each year, will be decided by the Board or any Committee thereof and will be merit based and take into account the Company's performance as well. Commission, if any, or Incentive Remuneration not exceeding ₹ 20,00,000 to be paid based on certain performance criteria and such other parameters as laid down by the Board or Committee thereof, as may be considered appropriate from time to time. In addition, benefits, perquisites and allowances as per the Agreement.
Minimum Remuneration	Where in any financial year during the currency of the tenure of the Manager, the Company has no profits or its profits are inadequate, the Company will pay/provide to the Manager, remuneration for a period not exceeding 3 years by way of Salary, Benefits, Perquisites and Allowances and Incentive Remuneration as specified above.
Term & Termination	Five years with effect from April 1, 2015. The Agreement with Mr. Pachpor may be terminated by him by giving three months notice of such termination or by the Company by paying three months remuneration in lieu of such notice.
Stock Options	As at March 31, 2015, Mr. Pachpor held 7,574 Equity Shares of TCL, the holding company, acquired under the ESOP Scheme of TCL.
Other Terms	The said terms and conditions also include clauses pertaining to adherence with the TCOC, including no conflict of interest with the Company, non compete and maintenance of confidentiality.

The Members of the Company may refer to the Notice of the AGM of the Company for a brief resume of Mr. Pachpor.

- iv. The Board has adopted the following policies for the Company :
 - a) TCOC
 - b) Whistle Blower Policy
 - c) Policy on Board Diversity and Director Attributes
 - d) Risk Management Policy
 - e) Governance Guidelines on Board Effectiveness
 - f) Remuneration Policy
 - g) Tata Code of Conduct for Non-Executive Directors
- v. TCL, the holding company, has signed the Tata Brand Equity and Business Promotion (“BEBP”) Agreement with Tata Sons Limited on behalf of its subsidiaries including TCTSL, for subscribing to the BEBP Scheme. The Company abides by the TCOC and the norms for using the Tata Brand identity.
- vi. The provisions of Section 204 of the Act regarding Secretarial Audit are not applicable to the Company.

21. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to providing and promoting a safe and healthy work environment for all its employees.

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a ‘Prevention of Sexual Harassment’ (“POSH”) policy that is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace, along with a structured reporting and redressal mechanism. An Internal Complaints Committee, known as the POSH Committee, has been constituted to inquire into complaints of sexual harassment and recommend appropriate action. The POSH Policy is displayed on the Company’s Intranet and is also communicated to employees through e-mails and communication campaigns. Posters on the POSH Policy, giving contact details of POSH Committee Members are displayed in offices of the Company.

The Company has not received any complaint on sexual harassment during FY 2014-15.

22. STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (“DHS”) (ICAI Firm Registration Number 117365W) who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing AGM and are eligible for re-appointment.

DHS were appointed as the Statutory Auditors of the Company at the AGM of the Company held on August 14, 2009 for FY 2009-10 and have been re-appointed thereafter, at every AGM of the Company. At the conclusion of the ensuing AGM of the Company, DHS would have completed a period of six years as Auditors of the Company. As per the provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to re-appoint DHS as the Auditors of the Company to hold office from the conclusion of the ensuing AGM until the conclusion of the next AGM of the Company.

The Company has received a certificate from DHS to the effect that their appointment, if made, would be in accordance with Section 139 of the Act and that, they are not disqualified for such appointment within the meaning of Section 141 of the Act.

23. EXPLANATION ON STATUTORY AUDITORS’ REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by DHS, in their Report dated April 22, 2015 on the Financial Statements of the Company for FY 2014-15.

24. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable.

25. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2015 and April 22, 2015, being the date of this Report.

26. PARTICULARS OF RELATED PARTY TRANSACTIONS

The Company has adopted a Framework on Related Party Transactions for the purpose of identification and monitoring of such transactions.

Details of material contracts or arrangements or transactions with Related Parties on an arm's length basis as required under Section 188 (1) of the Act and the applicable Rules framed thereunder in the prescribed Form No. AOC-2, is attached as 'Annexure C'. Further, details of Related Party Transactions as required to be disclosed by Accounting Standard – 18 on "Related Party Disclosures" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements.

During the year, the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arms length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act and the applicable Rules framed thereunder.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of energy:

- i. Steps taken / impact on conservation of energy;
- ii. Steps taken by the company for utilising alternate sources of energy;
- iii. Capital investment on energy conservation equipments.

The operations of the Company, being travel services related, require normal consumption of electricity. The Company is taking every necessary step to reduce the consumption of energy.

In view of the nature of activities carried on by the Company, there is no capital investment made on energy conservation equipments.

(B) Technology absorption:

- i. The efforts made towards technology absorption;
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. The expenditure incurred on Research and Development.

Given the nature of the activities of the Company, the above is not applicable to the Company.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year under review was Nil and the Foreign Exchange outgo during the year under review in terms of actual outflows was ₹ 0.17 crore.

28. EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92 (3) of the Act and the Companies (Management And Administration) Rules, 2014, in the prescribed Form No. MGT-9, is attached as Annexure 'D'.

29. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from TCL, International Air Transport Association, the Company's bankers and all other business associates for the continuous support given by them to the Company. The Directors also wish to place on record their deep sense of appreciation for unstinted commitment, commendable efforts, team work and professionalism displayed by all the employees.

**For and on behalf of the Board of Directors
TC TRAVEL AND SERVICES LIMITED**

Mumbai,
April 22, 2015

S H Rajadhyaksha
Chairman

ANNEXURE - A

POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

1. PURPOSE

In terms of Section 178 of the Companies Act, 2013 (“Act”) and the Governance Guidelines on Board Effectiveness issued by Tata Sons Limited and adopted by the Board of Directors, the Nomination and Remuneration Committee (“NRC”) of the Board is, *inter alia*, required to formulate a Policy on Board Diversity and lay down the criteria for determining qualifications, positive attributes and independence of a director.

Diversity in the composition of the Board of Directors has become essential in view of the expansion of business, greater social responsibility, increasing emphasis on Corporate Governance, need for addressing concerns of diverse stakeholders and the necessity for managing risks in the business effectively. A Board composed of appropriately qualified and skilled people, with a broad range of experience relevant to the business, is important for effective corporate governance and sustained commercial success of a company.

In view of the above, TC Travel And Services Limited (“TCTSL” or “Company”) has framed this Policy on Board Diversity and Director Attributes (“Policy”) that encourages diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Policy sets out the approach to diversity in the Board of Directors of the Company so as to ensure that the Board has an appropriate blend of functional and industry expertise.

This Policy has been adopted by the Board of Directors of the Company, based on the recommendations of the NRC.

2. OBJECTIVES OF THE POLICY

The Objectives of the Policy include:

- i. Board to drive diversity and have an appropriate blend of functional and industry expertise;
- ii. While recommending the appointment of a director to, *inter alia*, consider the manner in which the function and domain expertise of the individual contributes to the overall skill domain mix of the Board;
- iii. To help the Company build a better Board that can draw upon a wide range of perspectives, expertise, knowledge and experience;
- iv. To achieve an optimum and balanced Board, with a wide range of attributes;
- v. To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations; and
- vi. To have an optimum mix of Executive, Non-Executive and Independent Directors, including Women Directors.

3. POLICY STATEMENT

To meet the above Objectives:

- i. The Board of TCTSL will ensure that a transparent Board nomination process is in place that encourages diversity of thought, experience, skills, knowledge, perspective, age, nationality, gender, cultural and educational background;
- ii. It will be ensured that the Board has an appropriate blend of functional and industry expertise and skills;
- iii. The consideration and selection of candidates for appointment to the Board will be based on merit which shall include a review of any candidate’s integrity, experience, educational background, industry or related experience and more general experience;
- iv. Candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience and having the ability to devote sufficient time to the affairs of the Company, should be considered for appointment to the Board; and
- v. While recommending the appointment of a Director, the NRC will consider the criteria as laid down under the Act and applicable Regulations/Guidelines issued by Statutory and Regulatory authorities, as also those issued by Tata Sons Limited, from time to time, and the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

4. MEASURABLE OBJECTIVES

The NRC will largely rely on the regulatory provisions of the Act and also the Guidelines circulated by Tata Sons Limited and review the measurable objectives for achieving diversity against these provisions and recommend the same to the Board for adoption. At any given point of time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

5. MONITORING AND REPORTING

The NRC will review the Policy periodically, which will include an assessment of the effectiveness of the Policy. The NRC will discuss any revision that may be required and recommend the same to the Board for approval.

ANNEXURE - B

THE REMUNERATION POLICY

1. COMPENSATION PHILOSOPHY

TC Travel And Services Limited ("Company") has adopted a Remuneration Policy based on a defined formal compensation philosophy of Tata Capital Limited, the holding company. In order to build a high performance culture, aligned to the Company's Vision and Goals, the Compensation Philosophy aims at providing a significant differential to superior performers and also segregating increments and performance payouts, based on the actual performance of various business verticals.

The aforementioned Compensation philosophy helps the Company to manage long term fixed cost, keep up with market compensation and attract the right talent to help drive its growth plans.

The performance of the Company and its Business Units / Functions is measured against annual budgets / targets, set as per the Balanced Score Card (BSC). Performance of individuals is measured against Key Result Areas (KRAs) set at beginning of year and after considering any revision of target during the year. The Annual Performance Rating would be considered for calculating the Performance Pay. Rating would be on a 5 point scale.

Consistent with the principle of differential influence that an employee may have on the overall performance of the Company, different weights are assigned for the Company's performance, the performance of Business Units / Functions and the performance of individuals. Thus, employees in entry level / junior management have greater weightage for individual performance while employees in senior leadership roles have maximum weightage for Company.

2. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The philosophy for remuneration of Directors, Senior Leadership Team, Key Managerial Personnel ("KMP") and all other employees of the Company is based on the commitment to fostering a culture of leadership with trust. The Remuneration Policy is aligned to this philosophy.

This Remuneration Policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). In case of any inconsistency between the provisions of law and this Remuneration Policy, the provisions of law shall prevail and the Company shall abide by the applicable law. In case there are any changes in the law, the Company shall comply with the applicable amended provisions. While formulating this Remuneration Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act which are, as under:

- "(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

The key principles governing this Remuneration Policy are, as follows:

2.1 Remuneration for Independent Directors and Non-Independent Non- Executive Directors

- (i) Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid Sitting Fees (for attending the meetings of the Board and of Committees of the Board of which they may be Members) and Commission within regulatory limits.
- (ii) Within the parameters prescribed by law, the payment of Sitting Fees and Commission will be recommended by the NRC for approval of the Board.
- (iii) Overall remuneration (Sitting Fees and Commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration, the challenges faced by the Company and its future growth imperatives).
- (iv) Overall remuneration should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.

- (v) Overall remuneration practices should be consistent with recognized best practices.
- (vi) Quantum of Sitting Fees may be subject to review on a periodic basis, as required.
- (vii) The aggregate Commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters, as may be decided by the Board.
- (viii) The NRC will recommend to the Board, the quantum of Commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent at Board and Committee meetings, individual contribution at the meetings and contributions made by directors, other than at Board and Committee meetings.
- (ix) In addition to the Sitting Fees and Commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his / her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board / Board Committee meetings, General Meetings, court convened meetings, meetings with Shareholders / Creditors / Management, site visits, induction and training (arranged by the Company for directors) and in obtaining professional advice from independent advisors in the furtherance of his / her duties as a director.

2.2 Remuneration for Managing Director (“MD”) / Executive Directors (“ED”) / Manager / CEO / KMP / rest of the employees (Note 1)

- (i) The extent of overall remuneration to the MD / ED / KMPs / Manager / CEO / rest of the employees should be sufficient to attract and retain talented and qualified individuals suitable for their roles.

Hence, remuneration should be:

- market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent);
 - driven by the role played by the individual;
 - reflective of the size of the company, complexity of the sector / industry / Company's operations and the Company's capacity to pay;
 - consistent with recognized best practices; and
 - aligned to any regulatory requirements.
- (ii) In terms of remuneration mix or composition,
 - the remuneration mix for the MD / ED / Manager / CEO should be as per the contract approved by the Shareholders. In case of any change which is beyond the remuneration approved by the Shareholders, the same would require the approval of the Shareholders.
 - basic / fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - in addition to the basic / fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursing or insurance cover and accidental death and dismemberment through personal accident insurance.
 - the Company provides retirement benefits, as applicable.
 - in addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD / ED / Manager / CEO such remuneration by way of Commission, calculated with reference to the Net Profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD / ED / Manager / CEO would be based on the performance of the MD / ED / Manager / CEO as evaluated by the Board or the NRC and approved by the Board.

OR

- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company may provide to its MD / ED / Manager / CEO, such remuneration by way of an annual incentive remuneration / performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - Company's performance on certain defined qualitative and quantitative parameters, as may be decided by the Board from time to time,
 - Industry benchmarks of remuneration,
 - Performance of the individual.
- The Company will provide the rest of the employees, a performance linked incentive pay. The performance linked pay would be driven by the outcome of the performance appraisal process and the performance of the Company.

2.3 Remuneration payable to Director for services rendered in other capacity

No remuneration will be payable to the Directors for services rendered by such Director in any other capacity unless:

- a) The services rendered are of a professional nature;
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession; and
- c) Approval of the Central Government has been received, if required, for paying the same.

2.4 Loans to employees

The Company may grant loans to its employees on such terms and conditions as may be determined by the Board or any committee of the Board, from time to time, in accordance with applicable laws.

2.5 Policy implementation

The NRC is responsible for recommending the Remuneration Policy to the Board. The Board is responsible for approving and overseeing implementation of the Remuneration Policy.

^{Note 1} Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.

ANNEXURE - C

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 Form for 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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - Not Applicable
2. Details of material contracts or arrangements or transactions at arm's length basis:

(₹ in lakh)

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/arrangements/ transactions	Amount	Duration of contracts/ arrangements/ transactions	Salient Terms of contracts/ arrangements/transactions including the value, if any	Amount Paid As Advances
1	Tata Sons Limited	Ultimate Holding Company	Rendering of Travel related services during the year	695	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	799	-	-	-
			Outstanding receivable for services rendered	92	-	-	-
			Share of rent & expenses for premises occupied paid	68	3 years	As per the terms and conditions mutually agreed upon	-
2	Tata Capital Limited	Holding Company	Inter Corporate Deposits Received	1,675	Upto 1 year	Cost of Funds for previous month plus 25 to 100 bps	-
			Inter Corporate Deposits Repaid	2,680	-	Not Applicable	-
			Inter Corporate Deposits Payable	650	-	Not Applicable	-
			Interest Accrued	4	-	Not Applicable	-
			Interest Expense on Inter Corporate Deposits	126	-	Not Applicable	-
			Rendering of Travel related services during the year	215	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
Receipts against the services rendered	316						
3	Tata Capital Financial Services Limited	Fellow Subsidiary	Reimbursement of expenses incurred	120	Renewable every year	As per the terms and conditions mutually agreed upon	-
			Balance payable towards reimbursement of expenses incurred	676		As per the terms and conditions mutually agreed upon	
			Rendering of Travel related services during the year	509	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	
			Receipts against the services rendered	524			

(₹ in lakh)

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/arrangements/ transactions	Amount	Duration of contracts/ arrangements/ transactions	Salient Terms of contracts/ arrangements/transactions including the value, if any	Amount Paid As Advances
4	Tata Capital Housing Finance Limited	Fellow Subsidiary	Rendering of Travel related services during the year	69	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	114		Not Applicable	
5	Infiniti Retail Limited	Fellow Subsidiary	Rendering of Travel related services during the year	89	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	118			
6	Tata Consultancy Services Limited	Fellow Subsidiary	Rendering of Travel related services during the year	1,599	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	1,447			
7	Tata AIG General Insurance Company Limited	Fellow Subsidiary	Rendering of Travel related services during the year	213	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	248			
8	Tata Business Support Services Limited	Fellow Subsidiary	Rendering of Travel related services during the year	141	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	125			
9	Tata Petrodyne Limited	Fellow Subsidiary	Rendering of Travel related services during the year	56	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	62	-		

(₹ in lakh)

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/arrangements/ transactions	Amount	Duration of contracts/ arrangements/ transactions	Salient Terms of contracts/ arrangements/transactions including the value, if any	Amount Paid As Advances
10	Tata Industries Limited	Fellow Subsidiary	Rendering of Travel related services during the year	81	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	108	-		
11	Tata Advanced Materials Limited	Fellow Subsidiary	Rendering of Travel related services during the year	99	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	113			
12	Tata Realty & Infrastructure Limited	Fellow Subsidiary	Rendering of Travel related services during the year	111	Renewable every year	Agreed upon management fees that the company would charge to any unrelated party, subject to such discounts as are extended to third parties depending on the volume of business and payment terms.	-
			Receipts against the services rendered	136			
13	e-Nxt Financials Limited	Fellow Subsidiary	Manpower Services received	65	Renewable every year	As per the terms and conditions mutually agreed upon	

Note: Appropriate approvals have been taken for Related Party Transactions. 5% of total revenue is considered as limit for identification of material related party transactions in the ordinary course of business and on arms length basis, but total transaction value is considered for the reporting.

For and on behalf of the Board of Directors

Mumbai,
April 22, 2015

S.H. Rajadhyaksha
Chairman

Annexure D

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN : U63040MH2008PLC187559
- ii) Registration Date : October 15, 2008
- iii) Name of the Company : TC Travel And Services Limited
- iv) a) Category : Company limited by Shares
 b) Sub-Category of the Company : Indian Non-Government Company
- v) Address of the Registered Office and contact details:
 One Forbes, Dr. V.B. Gandhi Marg, Fort, Mumbai – 400 001, Maharashtra, India.

Contact details:
 Telephone Number: 022 6745 9000
 E-mail Id: megha.sekharan@tatacapital.com
- vi) Whether listed company: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any – Not Applicable

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Travel And Ticketing business	79110	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Tata Capital Limited One Forbes, Dr. V.B. Gandhi Marg, Fort, Mumbai - 400001	U65990MH1991PLC060670	Holding	100	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	2,50,00,000	2,50,00,000	100	Nil	2,50,00,000	2,50,00,000	100	Nil

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	Nil	2,50,00,000	2,50,00,000	100	Nil	2,50,00,000	2,50,00,000	100	Nil
(2) Foreign									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	Nil	2,50,00,000	2,50,00,000	100	Nil	2,50,00,000	2,50,00,000	100	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	2,50,00,000	2,50,00,000	100	Nil	2,50,00,000	2,50,00,000	100	Nil

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end			% 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.	Tata Capital Limited	2,50,00,000	100	NIL	2,50,00,000	100	NIL	NIL
	Total	2,50,00,000	100	NIL	2,50,00,000	100	NIL	NIL

(iii) Change in Promoters' Shareholding (please specify, if there is no change) -

There is no change in Promoters' shareholding during FY 2014-15.

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	2,50,00,000	100	2,50,00,000	100
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3.	At the End of the year	2,50,00,000	100	2,50,00,000	100

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	-	-	-	-
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
3.	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	-	-	-	-
2.	Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3.	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	–	16,55,00,000	16,55,00,000
ii) Interest due but not paid	–	–	11,635	11,635
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	16,55,11,635	16,55,11,635
Change in Indebtedness during the financial year				
• Addition	–	–	18,00,51,603	16,75,00,000
• Reduction	–	–	28,01,47,099	26,80,00,000
Net Change	–	–	46,01,98,702	43,55,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	–	–	6,50,00,000	6,50,00,000
ii) Interest due but not paid	–	–	4,16,139	4,16,139
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	654,16,139	654,16,139

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Bhavesh Jatania (upto July 21, 2014)	Hemant Pareek (from July 22, 2014 to December 13, 2014)*	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.44	–	12.44
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.05	–	0.05
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission			
	- as % of profit	–	–	–
	- others, specify...	–	–	–
5.	Others, please specify	–	–	–
	Total (A)	12.49	–	12.49
	Ceiling as per the Act	During FY 2014-15, the Company has incurred a loss and accordingly profits under Section 198 of the Act are inadequate. In view of loss/inadequacy of profits, the Shareholders of the Company at the Annual General Meeting held on June 18, 2013 approved of the terms of remuneration of Mr. Bhavesh Jatania in accordance with Schedule XIII of the Companies Act, 1956. The Ministry of Corporate Affairs has vide its Circular No.07/2015 dated April 10, 2015 clarified that a Managerial Person may continue to receive remuneration for his remaining term in accordance with the terms and conditions approved by the Company as per relevant provisions of Schedule XIII of Companies Act, 1956, even if the part of his tenure falls after April 1, 2014.		

* Mr. Hemant Pareek, Manager was also the Chief Financial Officer of the Company. His remuneration details are covered under D below.

B. Remuneration to other directors:

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Mr. Prabhakar Dalal	Mr. Sudhir Nadkarni	-	-	-	
	• Fee for attending board / committee meetings	0.35	0.35	-	-	-	0.70
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (1)	0.35	0.35	-	-	-	0.70
2.	Other Non-Executive Directors	Mr. S H Rajadhyaksha	Mr. Mohini Dutta	Mr. Govind Sankaranarayanan	Mr. Puneet Sharma	Mr. Praveen P Kadle	
	• Fee for attending board / committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	0.70
	Total Managerial Remuneration						13.19
	Overall Ceiling as per the Act	During FY 2014-15, the Company has incurred a loss and accordingly profits under Section 198 of the Act are inadequate. In view of loss/inadequacy of profits, the Shareholders of the Company at the Annual General Meeting held on June 18, 2013 approved of the terms of remuneration of Mr. Bhavesh Jatania in accordance with Schedule XIII of the Companies Act, 1956. The Ministry of Corporate Affairs has vide its Circular No.07/2015 dated April 10, 2015 clarified that a Managerial Person may continue to receive remuneration for his remaining term in accordance with the terms and conditions approved by the Company as per relevant provisions of Schedule XIII of Companies Act, 1956, even if the part of his tenure falls after April 1, 2014.					

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
		NA	Megha Sekharan#	Hemant Pareek (from June 1, 2014 to December 13, 2014)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	15.39	10.41	25.80
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission				
	- as % of profit	–	–	–	–
	- others, specify...	–	–	–	–
5.	Others, please specify	–	–	–	–
	Total		15.39	10.41	25.80

The remuneration to Ms. Megha Sekharan for the period from April 1, 2014 to August 31, 2014 was paid by Tata Securities Limited, a fellow subsidiary.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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	–	–	–	–	–

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TC TRAVEL AND SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of TC TRAVEL AND SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts. The Company does not have any outstanding derivative contracts as at the year-end;
 - iii. As at the year end, there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

G.K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, April 22, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification;
2. The Company is primarily engaged in rendering travel services and therefore does not hold any physical inventories. Therefore the provisions of paragraph 3(ii) of the Order are not applicable to it;
3. In our opinion and according to the information and explanations given to us, 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;
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. During the course of our audit, we have not observed any major weakness in such internal control;
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company;
6. The provisions of clause (3)(vi) of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014;
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Income-Tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities. There were no amounts payable in respect of Employees' State Insurance, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax and Cess;
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Service Tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable;
 - (c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute;
 - (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
8. The accumulated losses of the Company at the end of the financial year are less than fifty per cent of its net worth and the Company has incurred cash losses in the current and preceding financial year;
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not borrowed any sum from financial institutions or any sum by issue of debentures;
10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions;
11. According to the information and explanations given to us, the Company has not taken any term loan during the year;

12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

G.K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, April 22,2015

BALANCE SHEET AS AT MARCH 31, 2015

Amount (in ₹)

PARTICULARS	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders Funds			
(a) Share Capital	3	250,000,000	250,000,000
(b) Reserves and Surplus	4	(57,914,145)	(52,523,033)
2 Non - Current Liabilities			
Long-Term Provisions	5	1,895,000	643,770
3 Current Liabilities			
(a) Short-Term Borrowings	6	65,000,000	165,500,000
(b) Trade Payables	7	111,970,244	124,708,379
(c) Other Current Liabilities	8	17,777,600	33,782,737
(d) Short-Term Provisions	9	1,721,010	1,717,220
TOTAL		390,449,709	523,829,073
II. ASSETS			
1 Non - Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		5,709,051	6,268,286
(ii) Intangible Assets		111,850,437	112,177,829
(b) Long-Term Loans and Advances	11	27,722,941	27,692,658
(c) Other Non-Current Assets	12	-	100,900
2 Current Assets			
(a) Current Investments	13	515,192	482,216
(b) Trade Receivables	14	182,012,056	312,478,369
(c) Cash and Bank Balances	15	27,288,214	35,731,478
(d) Short-Term Loans and Advances	16	22,336,832	25,099,807
(e) Other Current Assets	17	13,014,986	3,797,530
TOTAL		390,449,709	523,829,073
See accompanying notes forming part of the financial statements	1-28		

In terms of our report attached

For and on Behalf of Board of Directors

For Deloitte Haskins & Sells
Chartered AccountantsS. H. Rajadhyaksha
(Chairman)Mohini Dutta
(Director)G. K. Subramaniam
(Partner)G. Sankaranarayanan
(Director)Puneet Sharma
(Director)Prabhakar Dalal
(Director)Sudhir Nadkarni
(Director)MUMBAI
Date : April 22, 2015Prasanna Pachpor
(Manager & CFO)Megha Sekharan
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Amount (in ₹)

PARTICULARS	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
I Income :			
Income From Services	18	95,216,544	73,051,228
Other Income	19	27,395,858	10,551,785
		122,612,402	83,603,013
II Expenditure :			
Employee Benefits Expense	20	55,541,204	59,779,824
Other Operating Expenses	21	59,018,636	79,490,359
Finance Cost		12,551,605	8,282,858
Depreciation and Amortisation Expense	10	834,578	2,133,320
		127,946,023	149,686,361
III Loss Before Tax		(5,333,621)	(66,083,348)
IV Provision for Taxes			
(a) Current Tax		-	-
(b) Deferred tax		-	-
Total Tax Expense		-	-
V Loss for the year after tax (III - IV)		(5,333,621)	(66,083,348)
VI Earnings per share			
Basic and Diluted (in Rupees)		(0.21)	(2.64)
Weighted average number of shares		25,000,000	25,000,000
Face value per share (in Rupees)		10	10
See accompanying notes forming part of the financial statements	1-28		

In terms of our report attached

For and on Behalf of Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

S. H. Rajadhyaksha
(Chairman)

Mohini Dutta
(Director)

G. K. Subramaniam
(Partner)

G. Sankaranarayanan
(Director)

Puneet Sharma
(Director)

Prabhakar Dalal
(Director)

Sudhir Nadkarni
(Director)

MUMBAI
Date : April 22, 2015

Prasanna Pachpor
(Manager & CFO)

Megha Sekharan
(Company Secretary)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2015

Amount (in ₹)

PARTICULARS	For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES		
Loss Before Taxes	(5,333,621)	(66,083,348)
Adjustments For :		
Liabilities Written Back	(25,028,949)	(7,044,554)
Provision for Bad and Doubtful Debts / Advances	3,349,654	4,007,247
Bad Debts Written off	1,226,882	2,015,897
Loss/(Profit) on sale of asset	(30,459)	50,297
Provision for Retirement and Other Employee Benefit Schemes	1,511,970	2,273,380
Depreciation	834,578	2,133,320
Interest on Fixed Deposit	(5,476)	(113,779)
Interest Expense	12,551,605	8,282,858
Unrealised exchange Loss / (Gain) on cash and cash equivalents	(317,392)	50,061
Dividend Income	(32,980)	(30,431)
Operating Profit Before Working Capital Changes	(11,274,188)	(54,459,052)
Adjustments For :		
Trade Receivables	125,889,777	(32,610,955)
Fixed Deposit with Bank under Lien	169,215	10,986,804
Loans and Advances	(6,299,581)	(9,628,056)
Current Liabilities and Provisions	(4,375,765)	23,252,558
Cash From / (Used In) Operations	104,109,458	(62,458,701)
Taxes paid	(84,283)	(6,805,114)
A. CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES	104,025,175	(69,263,815)
CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES		
Interest Income Received	5,476	145,827
Purchase of Fixed Assets	(5,450)	(1,824,414)
Sale of Fixed Assets	30,459	448,914
Purchase of Mutual Funds (Net of Dividend Reinvested)	(32,980)	(30,431)
Dividend Income	32,980	30,431
B. CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES	30,485	(1,229,673)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2015

Amount (in ₹)

PARTICULARS		For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES			
Inter Corporate Deposit Repaid		(268,000,000)	(55,000,000)
Inter Corporate Deposit Received		167,500,000	165,500,000
Bank Overdraft		-	(50,733,341)
Interest Paid		(12,147,101)	(9,214,922)
C. CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES		(112,647,101)	50,551,737
Net Decrease in Cash and Cash Equivalents		(8,591,441)	(19,941,751)
Cash and Cash Equivalents as at the beginning of the year			
Bank Balance with Scheduled Banks		35,262,021	55,285,738
Cash in Hand		300,242	247,237
Cheques and drafts in Hand		-	21,100
Cash and Cash Equivalents as at the beginning of the year		35,562,263	55,554,075
Bank Balance with Scheduled Bank		27,006,226	35,262,021
Cash in Hand		281,988	300,242
Cheques and drafts in Hand		-	-
Cash and Cash Equivalents as at the end of the year		27,288,214	35,562,263
Net Decrease in Cash and Cash Equivalents		(8,274,049)	(19,991,812)
Footnote:			
Cash and Cash Equivalents		27,605,606	35,512,202
Unrealised Loss / (Gain)		(317,392)	50,061
Cash and Cash Equivalents as above		27,288,214	35,562,263
Fixed Deposits with original maturity of more than 3 months		-	169,215
Cash and Bank Balances as at end of the year		27,288,214	35,731,478
See accompanying notes forming part of the financial statements	1-28		

In terms of our report attached

For and on Behalf of Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

S. H. Rajadhyaksha
(Chairman)

Mohini Dutta
(Director)

G. K. Subramaniam
(Partner)

G. Sankaranarayanan
(Director)

Puneet Sharma
(Director)

Prabhakar Dalal
(Director)

Sudhir Nadkarni
(Director)

MUMBAI
Date : April 22, 2015

Prasanna Pachpor
(Manager & CFO)

Megha Sekharan
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**1. BACKGROUND**

TC Travel and Services Limited ("TCTSL"), is a wholly owned subsidiary of Tata Capital Limited ("TCL"). The Company is primarily engaged in the business of offering ticketing and travel related services to corporate and individual travelers. Our services include air ticketing, hotel bookings, land arrangements, travel insurance, foreign exchange, visa and passport facilitation and holiday packages to suit the domestic and international markets at competitive rates. Our focus on quality of service and reliability is supplemented by our commitment to optimizing our customer's cost, comfort and convenience.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**2. SIGNIFICANT ACCOUNTING POLICIES:****i) Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

ii) Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Examples of such estimates include provision for employee benefit plans and provision for income taxes.

iii) Revenue Recognition

Income on travel related services

Income from services is net of service tax. Revenue is recognised upon rendering the service, the price being determined and collection of the receivable is reasonably certain.

Commission on tickets and services charges from customer are recognised on issue of the tickets. The incentives from airlines are accounted on the basis of tickets issued to sectors travelled.

Revenue on holiday packages is recognised on proportionate basis considering the actual number of days completed as at the year end to the total number of days for each tour.

Income from investments

Income from units of mutual funds is accounted on an accrual basis when the Company's right to receive dividend is established.

iv) Fixed Assets**Tangible:**

Fixed assets are stated at cost, less depreciation/amortisation, which comprises purchase consideration and other directly attributable cost of bringing the assets to its working condition for the intended use.

Intangible:

Intangible assets other than goodwill are stated at cost less amortisation.

Goodwill is stated at cost. Goodwill comprises the portion of a purchase price for an acquisition that exceeds the market value of the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

Expenses on software support and maintenance are charged to Statement of Profit and Loss during the year in which such costs are incurred.

Capital work in progress and Capital advances:

Costs of assets not ready for use at the balance sheet date are disclosed under Capital work in progress. Capital advances given towards acquisition of fixed assets are grouped under long term loans and advances.

v) Depreciation

Depreciation on tangible fixed assets is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

All capital assets with individual value less than ₹ 5,000 are depreciated fully in the month in which they are purchased.

The useful lives used by the Company are:

Asset	Life of Assets
Building	60 Years
Office Equipment	5 Years
Vehicles	8 Years
Plant and Machinery	5 Years
Furniture and Fixtures	Higher of 5 years or rate determined based on period of lease
Leasehold improvements	Lease Period
Computer Equipment and Software	3 Years

vi) Foreign Currency transaction and translations

Initial recognition:-

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date:-

Foreign currency monetary items of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

vii) Taxation

Income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax corresponds to the net effect on tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

viii) Service Tax Input Credit

Service tax input credit is accounted for in the books in the period in which the underlying services received is accounted and when there is reasonable certainty in availing/utilizing the credits.

ix) Business Segment

The Company has been operating only in one segment viz. Travel and travel related services and the operations have been carried out within India. Hence, the disclosures required under Accounting Standard (AS) 17 on Segment Reporting have not been made.

x) Provisions, Contingent liabilities and Contingent assets

Provisions are recognized when the Company has present obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of obligation.

Such provisions are not discounted to their present values and are determined based on the best estimates required to settle the obligations at the balance sheet date. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

xi) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

xii) Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

The Company's contribution to superannuation fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the

defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

xiii) Employee Share Purchase Schemes (ESPS)

As per the Guidance Note on Accounting for Employee Share base payments issued by the Institute of Chartered Accountants of India, the Company has adopted intrinsic value method in accounting of ESPS.

xiv) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in estimate of recoverable amount.

xv) Leases

Leases are classified as finance lease where the terms of the lease transfer substantially all risks and rewards of ownership to lessee. Fixed assets acquired under finance lease are capitalized at the inception of the lease, at the lower of fair value and present value of minimum payment. Lease payments are apportioned between outstanding liability and finance charges. The finance charges are allocated to the periods during the lease term so as to obtain a constant periodic rate of interest on the outstanding liability.

Leases are classified as operating lease where significant portion of risks and rewards of ownership of assets acquired under lease are retained by the lessor. Lease rentals for such leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount (in ₹)

3 SHARE CAPITAL	As at March 31, 2015	As at March 31, 2014
Authorised		
25,000,000 Equity Shares of ₹ 10 each (As at March 31, 2014 - 25,000,000 Equity Shares of ₹ 10 each)	250,000,000	250,000,000
	250,000,000	250,000,000
Issued, Subscribed and Fully Paid Up		
25,000,000 Equity Shares of ₹ 10 each (As at March 31, 2014 - 25,000,000 Equity Shares of ₹ 10 each)	250,000,000	250,000,000
	250,000,000	250,000,000
TOTAL	250,000,000	250,000,000

3(a) Reconciliation of number of shares outstanding

Particulars	No. of shares	Amt in ₹
Opening Share Capital as on April 01, 2013	250,000,000	250,000,000
Equity Face Value ₹ 10 fully paid up		
Additions during the year	-	-
Equity		
Opening Share Capital as on April 01, 2014	250,000,000	250,000,000
Equity Face Value ₹ 10 fully paid up		
Additions during the year	-	-
Equity		
Closing Share Capital as on March 31, 2015	250,000,000	250,000,000
Equity Face Value ₹ 10 fully paid up		

3 (b) List of shareholders holding more than 5 % equity shares as at:

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Capital Limited and its nominees	25,000,000	100%	25,000,000	100%

The ultimate holding company is Tata Sons Limited.

3 (c) The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Amount (in ₹)

4 RESERVES AND SURPLUS	As at March 31, 2015	As at March 31, 2014
Surplus / (Deficit) in Statement of Profit and Loss		
As per Last Balance Sheet	(52,523,033)	13,560,315
Add : Depreciation Adjustment (Refer Note 25)	(57,491)	-
Add : Loss during the year	(5,333,621)	(66,083,348)
Total	(57,914,145)	(52,523,033)

Amount (in ₹)

5 LONG TERM PROVISIONS	As at March 31, 2015	As at March 31, 2014
(a) Provision for retirement and other employee benefit schemes – Provision for Long Term Service Award	758,400	643,770
(b) Gratuity Liability (Net of Asset)	1,136,600	–
Total	1,895,000	643,770

Amount (in ₹)

6 SHORT TERM BORROWINGS	As at March 31, 2015	As at March 31, 2014
Inter Corporate Deposits from Related Parties (Unsecured) - Tata Capital Limited	65,000,000	165,500,000
Total	65,000,000	165,500,000

Amount (in ₹)

7 TRADE PAYABLES	As at March 31, 2015	As at March 31, 2014
(a) Payable to Airlines	27,616,740	38,301,952
(b) Payable to other service providers	10,548,539	18,661,722
(c) Payable to Related Parties	69,629,140	62,092,072
(d) Accrued Employee benefits expense	4,175,825	5,652,633
Total	111,970,244	124,708,379

Amount (in ₹)

8 OTHER CURRENT LIABILITIES	As at March 31, 2015	As at March 31, 2014
(a) Interest accrued but not due	416,139	11,635
(b) Income Received in Advance	4,866,051	–
(c) Statutory dues	1,396,438	2,440,187
(d) Advance from customers	3,976,218	10,867,973
(e) Other liabilities	7,122,754	20,462,942
Total	17,777,600	33,782,737

Amount (in ₹)

9 SHORT TERM PROVISIONS	As at March 31, 2015	As at March 31, 2014
Provision for Leave Benefits	1,721,010	1,717,220
Total	1,721,010	1,717,220

Amount in ₹

10 FIXED ASSETS	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	Opening balance as on April 1, 2014	Additions during the year	Deletions during the year	Closing balance as at March 31, 2015	Up to April 1, 2014	Additions during the year	Disposals during the year	Transition adjustment recorded against balance in Statement of Profit and Loss	Up to March 31, 2015	As At March 31, 2015	As At March 31, 2014
	a	b	c	d = (a+b-c)	e	f	g	h	i = (e+f-g-h)	j = (d-i)	k = (a-e)
A. Tangible											
Building	6,590,050	-	-	6,590,050	1,279,374	96,179	-	-	1,375,553	5,214,497	5,310,676
	<i>5,937,000</i>	<i>653,050</i>	-	<i>6,590,050</i>	<i>1,029,080</i>	<i>250,294</i>	-	-	<i>1,279,374</i>	<i>5,310,676</i>	<i>4,907,920</i>
Furniture & Fixtures	852,306	-	-	852,306	852,306	-	-	-	852,306	-	-
	<i>955,393</i>	-	<i>103,087</i>	<i>852,306</i>	<i>730,748</i>	<i>197,332</i>	<i>75,774</i>	-	<i>852,306</i>	-	<i>224,645</i>
Lease hold Improvements	1,936,015	-	-	1,936,015	1,349,011	221,798	-	-	1,570,809	365,206	587,004
	<i>1,936,015</i>	-	-	<i>1,936,015</i>	<i>650,664</i>	<i>698,347</i>	-	-	<i>1,349,011</i>	<i>587,004</i>	<i>1,285,351</i>
Vehicles	372,451	-	364,431	8,020	372,451	-	364,431	-	8,020	-	-
	<i>1,132,469</i>	-	<i>760,018</i>	<i>372,451</i>	<i>610,753</i>	<i>85,304</i>	<i>323,606</i>	-	<i>372,451</i>	-	<i>521,716</i>
Office Equipment	984,058	-	-	984,058	825,118	52,101	-	57,491	934,710	49,348	158,940
	<i>1,084,058</i>	-	<i>100,000</i>	<i>984,058</i>	<i>701,166</i>	<i>188,466</i>	<i>64,514</i>	-	<i>825,118</i>	<i>158,940</i>	<i>382,892</i>
Computer	4,905,314	5,450	-	4,910,764	4,693,656	137,108	-	-	4,830,764	80,000	211,666
	<i>4,740,932</i>	<i>189,382</i>	<i>25,000</i>	<i>4,905,314</i>	<i>4,566,724</i>	<i>151,931</i>	<i>25,000</i>	-	<i>4,693,656</i>	<i>211,666</i>	<i>174,208</i>
Total	15,640,194	5,450	364,431	15,281,213	9,371,914	507,186	364,431	57,491	9,572,162	5,709,051	6,268,286
<i>Total</i>	<i>15,785,867</i>	<i>842,432</i>	<i>988,105</i>	<i>15,640,194</i>	<i>8,289,135</i>	<i>1,571,674</i>	<i>488,894</i>	-	<i>9,371,916</i>	<i>6,268,286</i>	<i>7,496,732</i>
B. Intangible (Other than internally generated)											
Goodwill	111,410,621	-	-	111,410,621	-	-	-	-	-	111,410,621	111,410,621
	<i>111,410,621</i>	-	-	<i>111,410,621</i>	-	-	-	-	-	<i>111,410,621</i>	<i>111,410,621</i>
Software	2,210,391	-	-	2,210,391	1,443,183	327,392	-	-	1,770,575	439,816	767,208
	<i>1,228,409</i>	<i>981,982</i>	-	<i>2,210,391</i>	<i>881,534</i>	<i>561,649</i>	-	-	<i>1,443,183</i>	<i>767,208</i>	<i>346,875</i>
Total	113,621,012	-	-	113,621,012	1,443,183	327,392	-	-	1,770,575	111,850,437	112,177,829
<i>Total</i>	<i>112,639,030</i>	<i>981,982</i>	-	<i>113,621,012</i>	<i>881,534</i>	<i>561,649</i>	-	-	<i>1,443,183</i>	<i>112,177,829</i>	<i>111,757,496</i>
TOTAL	129,261,206	5,450	364,431	128,902,225	10,815,099	834,578	364,431	57,491	11,342,737	117,559,488	118,446,115
<i>Previous Year</i>	<i>128,424,897</i>	<i>1,824,414</i>	<i>988,105</i>	<i>129,261,206</i>	<i>9,170,669</i>	<i>2,133,323</i>	<i>488,894</i>	-	<i>10,815,099</i>	<i>118,446,115</i>	<i>119,254,228</i>

Previous years figures are given in *italics*

Amount (in ₹)

11 LONG TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)	As at March 31, 2015	As at March 31, 2014
(a) Security Deposit		
– Deposit for rent	3,563,200	3,617,200
	3,563,200	3,617,200
(b) Other Loans and Advances		
– Advance Payment of Tax (net of provision for tax ₹ 11,683,457/-) (previous year ₹ 11,683,457/-)	24,064,229	23,979,946
– Loan to ESOP Trust	95,512	95,512
	24,159,741	24,075,458
Total	27,722,941	27,692,658

Amount (in ₹)

12 OTHER NON CURRENT ASSETS	As at March 31, 2015	As at March 31, 2014
Gratuity Asset (net of provision)	–	100,900
Total	–	100,900

Amount (in ₹)

13 INVESTMENTS	As at March 31, 2015	As at March 31, 2014
Current Investments (at lower of cost and fair value, unless otherwise stated)		
Unquoted :		
Investments in Units of Mutual Funds	515,192	482,216
Total	515,192	482,216
Book value of Quoted investments	–	–
Market value of Quoted investments	–	–
Book value of Unquoted investments	515,192	482,216
Net asset value of Unquoted mutual funds	515,192	482,216

Details of Current Investments - Unquoted Name of the Body Corporate (Daily dividend Schemes)	Closing as on March 31, 2015		Closing as on March 31, 2014	
	Units	Amount (in ₹)	Units	Amount (in ₹)
TATA Liquid Super High Investment Fund	164	182,399	154	171,663
KOTAK Flexi Debt Institutional Fund	33,122	332,793	30,908	310,553
	33,286	515,192	31,062	482,216

Amount (in ₹)

14 TRADE RECEIVABLES (UNSECURED)	As at March 31, 2015	As at March 31, 2014
A. Outstanding for a period exceeding over six months from the due date of payment		
(i) Considered good	28,165,498	28,099,430
(ii) Considered doubtful	15,539,049	12,189,395
B. Others		
(i) Considered good	153,846,558	284,378,939
(ii) Considered doubtful	–	–
	197,551,105	324,667,764
Less Provision for doubtful debts	(15,539,049)	(12,189,395)
Total	182,012,056	312,478,369

Amount (in ₹)

15 CASH AND BANK BALANCES	As at March 31, 2015	As at March 31, 2014
(a) Cash on Hand	281,988	300,242
(b) Balances with banks:		
– In Current accounts	27,006,226	35,262,021
(c) Deposit with Scheduled Banks (Lien against Bank Guarantee) (Deposit with original maturity for more than 3 months but less than 12 months)	–	169,215
Total	27,288,214	35,731,478

Amount (in ₹)

16 SHORT TERM LOANS AND ADVANCES	As at March 31, 2015	As at March 31, 2014
(a) Advance to Suppliers		
– Considered good	19,934,918	23,135,459
– Considered doubtful	291,241	217,318
(b) Prepaid Expenses	2,003,828	1,166,574
(c) Other Receivables	398,086	797,774
	22,628,073	25,317,125
Less : Provision for doubtful loans and advances	(291,241)	(217,318)
Total	22,336,832	25,099,807

Amount (in ₹)

17 OTHER CURRENT ASSETS	As at March 31, 2015	As at March 31, 2014
(a) Advance Receivable from Employees	319,103	352,482
(b) Incentive Receivable	12,094,343	3,445,048
(c) Miscellaneous Deposits	601,540	–
Total	13,014,986	3,797,530

Amount (in ₹)

18 INCOME FROM SERVICES	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Income from Ticketing	68,784,327	54,317,764
(b) Income from Other Travel Related Services	26,432,217	18,733,464
Total	95,216,544	73,051,228

Amount (in ₹)

19 OTHER INCOME	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Dividend income	32,980	30,431
(b) Liabilities written back	25,028,949	7,044,554
(c) Profit on sale of asset	30,459	–
(d) Gain on Foreign Exchange Fluctuation	317,392	–
(e) Interest income on Fixed deposit with bank	5,476	113,779
(f) Miscellaneous income	1,980,602	3,363,021
Total	27,395,858	10,551,785

Amount (in ₹)

20 EMPLOYEE BENEFITS EXPENSE	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Salary, wages and bonus	50,318,369	55,490,599
(b) Contribution to provident fund and other funds	3,342,531	3,570,673
(c) Staff welfare expenses	1,880,304	718,552
Total	55,541,204	59,779,824

Amount (in ₹)

21 OTHER OPERATING EXPENSES	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Repairs and Maintenance		
(i) Buildings	45,654	20,182
(ii) Others	51,997	51,525
(b) Power and fuel	261,002	371,968
(c) Rent	20,588,212	11,969,774
(d) Rates and Taxes	175,320	37,981
(e) Legal and professional fees	2,596,520	3,792,881
(f) Printing and stationery	399,647	589,325
(g) Service provider's charges	9,709,446	22,010,553
(h) Communication Expenses	659,703	898,275
(i) Auditors' remuneration	800,000	800,000
(j) Travelling and conveyance	2,841,250	4,771,992
(k) Group tour expenses	1,795,074	12,776,190
(l) Bank charges	1,723,234	1,447,791
(m) IT outsourcing cost	7,181,894	9,406,099
(n) Membership fees	49,337	71,721
(o) Vehicle maintenance	139,363	410,520
(p) Commission on credit cards	264,281	-
(q) Provision for Bad and Doubtful debts / Advances	3,349,654	4,007,247
(r) Bad Debts Written off	1,226,882	2,015,897
(s) Sundry Balances Written off	1,441,201	-
(t) Insurance Expense	536,444	2,380,932
(u) Loss on Sale of Assets	-	50,297
(v) Business Promotion Expenses	450,413	210,151
(w) Courier Charges	411,737	368,970
(x) Others	2,320,372	1,030,088
Total	59,018,636	79,490,359

Note:

Amount (in ₹)

1 Auditors' Remuneration (Excluding Service Tax)	For the year ended March 31, 2015	For the year ended March 31, 2014
i) Audit Fees	700,000	700,000
ii) Tax Audit Fees	100,000	100,000
iii) Other Services	-	-
Total	800,000	800,000

Amount (in ₹)

2 Expenditure incurred in Foreign Currency	For the year ended March 31, 2015	For the year ended March 31, 2014
Travelling and Group Tour expenses	1,685,403	6,119,771
Total	1,685,403	6,119,771

22. Contingent Liabilities and Commitments:

Commitments as at March 31, 2015 amounts to Nil (as on March 31, 2014 Nil). There are no contingent liabilities as at March 31, 2015 (as on March 31, 2014 Nil).

23. Employee benefits

Defined-Contribution Plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund cover substantially all regular employees. While both, the employees and the Company pay predetermined contributions into the provident fund, contributions into the family pension fund are made by only the Company. The contributions are based on a certain proportion of the employee's salary.

The Company recognised charge of ₹ 2,168,831/- (Previous Year ₹ 2,292,632/-) for provident fund and family pension fund contribution in the Statement of Profit and Loss.

Defined-Benefits Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. On adoption of the Accounting Standard (AS 15) on "Employee Benefits", actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss.

The following table sets out the funded status of the Gratuity benefit scheme and the amount recognised in the Financial Statements

Particulars	Amount in ₹	
	2014-15	2013-14
I Change in defined benefit obligation (DBO) during the year		
Opening defined benefit obligation	4,262,780	2,270,880
Current Service Cost	841,270	545,030
Acquisition Cost	288,610	507,240
Interest Cost	390,970	179,250
Actuarial Losses / (Gain)	732,840	820,960
Benefits Paid	(117,690)	(60,580)
Closing defined benefit obligation	6,398,780	4,262,780
II Change in the fair value of assets during the year		
Opening fair value of plan assets	4,361,880	3,589,244
Acquisition Adjustment	108,920	507,240
Expected Return on Plan Assets	348,950	287,140
Actuarial Gains / (Losses)	442,430	(21,744)
Contributions by Employer	—	—
Benefits paid	—	—
Closing fair value of plan assets	5,262,180	4,361,880
III Net Assets/(Liability) recognised in Balance Sheet		
Present value of defined benefit obligation	6,398,780	4,262,780
Fair value of plan assets	5,262,180	4,361,880
Funded status [Surplus / (Deficit)]	(1,136,600)	99,100
Unrecognised Past Services cost	—	—
Net Asset/(Liability) recognised in the Balance Sheet	(1,136,600)	99,100

Amount in ₹

Particulars	2014-15	2013-14
IV Net Gratuity expense for the year		
Current service cost	841,270	545,030
Interest costs	390,970	179,250
Expected return on plan assets	(348,950)	(287,140)
Actuarial (Gains) / Losses	290,410	840,901
Total Gratuity expense recognised in the Statement of Profit and Loss	1,173,700	1,278,041
* Assumptions		
Discount Rate	7.80%	9.30%
Expected Rate of Return on Plan Assets	8.00%	8.00%
Salary Escalation Rate	7.50% p.a for first 5 years and 5% thereafter	7.50% p.a for first 5 years and 5% thereafter
Mortality tables	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.
Withdrawal rate	0 - 2 years: 10%	0 - 2 years: 10%
	3 - 4 years: 5%	3 - 4 years: 5%
	5 - 9 years: 2.5%	5 - 9 years: 2.5%
	10 and more: 1%	10 and more: 1%

Investment Pattern	Percentage 2014-15	Percentage 2013-14
Insurer Managed Funds		
Government Securities	40%	40%
Deposit and money market Securities	8%	19%
Debentures / Bonds	35%	32%
Equity Shares	17%	9%
Total	100%	100%

Experience adjustment	2014-15	2013-14	2012-13	2011-12	2010-11
Experience Gain/(Loss) adjustments on Plan Liabilities	126,680	(1,381,860)	44,410	(135,110)	389,470
Experience Gain/(Loss) adjustments on Plan Assets	442,430	(19,944)	(37,170)	-	-
Actuarial Gain/(Loss) due to change on assumption	(859,520)	560,900	(204,730)	52,640	3,070
Defined benefit obligation at the end of the period	(6,398,780)	(4,262,780)	(2,270,880)	(1,822,740)	(1,432,120)
Funded Status	(1,136,600)	100,900	1,318,364	(150,370)	(1,432,120)
Plan Assets at the end of the period	5,262,180	4,363,780	3,589,244	1,672,370	-

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases considered takes into account the inflation, seniority, promotion, increments and other relevant factors.

The contributions expected to be made by the Company during the financial year 2015-16 is Nil.

24. Disclosure as required by Accounting Standard (AS) 18 on “Related Party Disclosures”

A) List of related party and relationships

Ultimate holding company

Tata Sons Limited

Holding Company

Tata Capital Limited

Subsidiaries of Tata Capital Limited

- 1 Tata Capital Financial Services Limited
- 2 Tata Securities Limited
- 3 Tata Capital Housing Finance Limited
- 4 Tata Capital Forex Limited
(Formerly known as TT Holdings & Services Limited)
- 5 India Collections Management Limited
- 6 Tata Cleantech Capital Limited

Subsidiaries of Tata Sons Limited

(with whom transactions have been entered into during the current year)

- 1 Infiniti Retail Limited
- 2 Tata Consultancy Services Limited
- 3 Tata AIG General Insurance Company Limited
- 4 Tata Investment Corporation Limited
- 5 Drive India Enterprise Solutions Limited
- 6 Tata AIA Life Insurance Company Limited
(Formerly known as Tata AIG Life Insurance Company Limited)
- 7 Tata Asset Management Limited
- 8 Tata Business Support Services Limited
- 9 Tata Petrodyne Limited
- 10 Tata Industries Limited
- 11 Tata International Limited
- 12 Tata Advanced Materials Limited
- 13 Tata Realty & Infrastructure Limited
- 14 e-Nxt Financials Limited
- 15 Indian Rotocraft Limited
- 16 TRIL Constructions Limited
- 17 TRIL Roads Private Limited
- 18 Tata Autocomp Systems Limited
- 19 Tata Industrial Services Limited
- 20 Tata Teleservices Limited
- 21 Acme Living Solutions Private Limited
- 22 Taj Air Metrojet Aviation Limited
- 23 Automotive Stampings and Assemblies Limited
- 24 Tata Toyo Radiator Limited

Key Management Personnel

Mr. Bhavesh Jatania – Manager - April 01, 2014 to July 21, 2014

Mr. Hemant Pareek – Manager - July 22, 2014 to December 13, 2014

B) Transactions carried out with related parties referred in A above, in ordinary course of business:

Amount in ₹

Sr. No.	Party Name	Nature of transaction	March 31, 2015	March 31, 2014
1	Tata Sons Limited (Ultimate holding company)	A) Services rendered and reimbursement of costs (refer note (a) below)	69,518,864	57,791,897
		B) Funds received for services rendered (refer note (b) below)	79,907,176	51,670,026
		C) Outstanding receivable for services rendered (refer note (b) below)	9,209,477	19,597,789
		D) Share of Rent and expenses for premises occupied paid	6,780,000	6,808,631
		E) Deposit for Premises	3,390,000	3,390,000
2	Tata Capital Limited (Holding Company)	A) ICD Received	167,500,000	165,500,000
		B) ICD Repaid	268,000,000	20,000,000
		C) ICD Payable	65,000,000	165,500,000
		D) Interest Accrued	416,139	11,635
		E) Interest Expense on ICD	12,551,605	2,299,607
		F) Expenses incurred on our behalf	67,646	2,831,927
		G) Balance payable towards expenses incurred on our behalf	1,985,178	1,928,335
		H) Services rendered and reimbursement of costs (refer note (a) below)	21,534,224	19,548,234
		I) Funds received for services rendered	31,573,249	15,085,008
		J) Outstanding receivable for services rendered	858,803	10,897,828
3	Tata Capital Financial Services Limited (Subsidiary of Tata Capital Limited)	A) ICD Repaid	-	35,000,000
		B) Interest expense on ICD	-	655,984
		C) Expenses incurred on our behalf	11,978,666	9,493,176
		D) Balance payable towards expenses incurred on our behalf	67,649,362	60,163,737
		E) Services rendered and reimbursement of costs (refer note (a) below)	50,890,711	54,955,905
		F) Funds received for services rendered	52,445,263	61,809,119
		G) Outstanding receivable for services rendered	3,793,544	5,348,096
4	Tata Securities Limited (Subsidiary of Tata Capital Limited)	A) Services rendered and reimbursement of costs (refer note (a) below)	4,823,031	4,001,061
		B) Funds received for services rendered	6,535,258	4,149,109
		C) Outstanding receivable for services rendered	400,445	2,112,673
5	Tata Capital Housing Finance Limited (Subsidiary of Tata Capital Limited)	A) Services rendered and reimbursement of costs (refer note (a) below)	6,905,998	6,289,955
		B) Funds received for services rendered	11,449,047	2,932,811
		C) Outstanding Receivable for services rendered	312,257	4,855,306

Amount in ₹

Sr. No.	Party Name		Nature of transaction	March 31, 2015	March 31, 2014
6	Tata Capital Forex limited (Formerly Known as TT Holdings & Services Limited) (Subsidiary of Tata Capital Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	1,610,969	2,067,309
		B)	Funds received for services rendered	2,535,476	1,161,110
		C)	Outstanding Receivable for services rendered	185,286	1,109,792
		D)	Foreign Exchange Purchased	1,685,403	6,119,771
7	India Collections Management Limited (Subsidiary of Tata Capital Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	5,432	3,109
		B)	Funds received for services rendered	3,109	-
		C)	Outstanding receivable for services rendered	5,432	3,109
8	Tata Cleantech Capital Limited (Subsidiary of Tata Capital Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	1,577,924	478,575
		B)	Funds received for services rendered	1,886,373	88,394
		C)	Outstanding Receivable for services rendered	84,519	392,968
9	Infiniti Retail Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	8,855,238	13,468,261
		B)	Funds received for services rendered	11,849,908	11,160,749
		C)	Outstanding Receivable for services rendered (refer note (b) below)	1,584,466	4,579,137
10	Tata Consultancy Services Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	159,927,571	187,762,370
		B)	Funds received for services rendered	144,744,542	205,481,216
		C)	Outstanding Receivable for services rendered	21,631,785	6,448,757
		D)	Software AMC and other maintenance cost	4,594,031	3,318,264
11	Tata AIG General Insurance Company Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	21,266,810	17,758,990
		B)	Funds received for services rendered	24,755,094	21,707,498
		C)	Outstanding Receivable for services rendered	447,795	3,936,079
		D)	Expenses incurred on our behalf	44,467	-
12	Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	-	114,088
		B)	Funds received for services rendered	52,689	62,511
		C)	Outstanding Receivable for services rendered	9,801	62,491
13	Drive India Enterprise Solutions Limited (Subsidiary of Tata Sons Limited)	A)	Funds received for services rendered	-	193,921
		B)	Outstanding receivable for services rendered	-	43,367

Amount in ₹

Sr. No.	Party Name		Nature of transaction	March 31, 2015	March 31, 2014
14	Tata AIA Life Insurance Company Limited (Formerly known as Tata AIG Life Insurance Company Limited) (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	1,850	202,005
		B)	Funds received for services rendered	1,850	-
		C)	Outstanding receivable for services rendered	679,776	679,776
15	Tata Asset Management Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	217,405	766,045
		B)	Funds received for services rendered	483,789	385,428
		C)	Outstanding receivable/ (payable) for services rendered	(23,504)	242,880
16	Tata Business Support Services Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	14,106,297	2,399,924
		B)	Funds received for services rendered.	12,474,656	1,279,522
		C)	Outstanding receivable for services rendered	2,849,860	1,218,219
17	Tata Petrodyne Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	5,602,430	5,217,190
		B)	Funds received for services rendered	6,157,582	6,076,434
		C)	Outstanding receivable for services rendered	446,898	1,002,050
18	Tata Industries Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	8,076,735	9,037,312
		B)	Funds received for services rendered	10,817,919	7,745,121
		C)	Outstanding receivable for services rendered	15,697	2,756,881
19	Tata International Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	811,721	610,526
		B)	Funds received for services rendered	664,246	608,746
		C)	Outstanding receivable for services rendered	253,262	105,787
20	Tata Advanced Materials Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	9,855,405	9,949,128
		B)	Funds received for services rendered	11,250,463	8,063,900
		C)	Outstanding receivable for services rendered	2,015,498	3,410,556
21	Tata Realty and Infrastructure Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	11,078,336	7,860,693
		B)	Funds received for services rendered	13,610,709	6,986,003
		C)	Outstanding receivable for services rendered	362,380	2,894,753
22	e-Nxt Financials Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	3,904,907	5,463,675
		B)	Funds received for services rendered	5,601,555	5,031,731
		C)	Outstanding receivable for services rendered	849,242	2,545,890
		D)	Services received	6,525,713	15,072,050
		E)	Outstanding Payable for services received	5,105	6,712,702

Amount in ₹

Sr. No.	Party Name		Nature of transaction	March 31, 2015	March 31, 2014
23	Indian Rotocraft Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	2,163,339	2,173,157
		B)	Funds received for services rendered	2,378,469	2,125,213
		C)	Outstanding receivable for services rendered	21,198	236,328
24	TRIL Constructions Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	526,227	35,775
		B)	Funds received for services rendered	378,568	-
		C)	Outstanding receivable for services rendered	183,435	35,775
25	TRIL Roads Private Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	1,554,982	718,090
		B)	Funds received for services rendered	1,366,687	729,910
		C)	Outstanding receivable for services rendered	237,512	49,217
26	Tata Autocomp Systems Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	4,564,458	14,307
		B)	Funds received for services rendered	1,767,370	14,571
		C)	Outstanding receivable for services rendered	2,803,650	6,561
27	Tata Industrial Services Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	3,059,581	-
		B)	Funds received for services rendered	2,607,334	-
		C)	Outstanding receivable for services rendered	452,247	-
28	Tata Teleservices Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	2,852,046	1,238,068
		B)	Funds received for services rendered (refer note (b) below)	2,659,794	955,685
		C)	Outstanding receivable for services rendered (refer note (b) below)	255,623	63,371
29	Acme Living Solutions Private Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	2,731	32,059
		B)	Outstanding receivable for services rendered	32,058	29,328
30	Taj Air Metrojet Aviation Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	334,981	-
		B)	Funds received for services rendered	310,610	-
		C)	Outstanding receivable for services rendered	24,371	-
31	Automotive Stampings and Assemblies Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	386,571	225,328
		B)	Funds received for services rendered	290,198	155,969
		C)	Outstanding receivable for services rendered	176,437	80,064
32	Tata Toyo Radiator Limited (Subsidiary of Tata Sons Limited)	A)	Services rendered and reimbursement of costs (refer note (a) below)	515,671	-
		B)	Funds received for services rendered	436,405	-
		C)	Outstanding receivable for services rendered	83,510	4,245
33	Key Management Personnel	A)	Remuneration to key management personnel	2,841,401	7,674,747

Note:

- a. Services rendered and reimbursement of costs includes amounts billed to customers on account of amounts payable to principals.
- b. Includes funds received against opening balance as at December 1, 2008 i.e. the date of transfer of balances on business acquisition.
- 25. Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 57,491/- (net of deferred tax of ₹ Nil) against the opening balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is lower by ₹ 1,52,831 /- consequent to the change in the useful life of the assets.

- 26. The company avails from time to time non-cancellable long-term leases for office premises including office furniture. The total of future minimum lease payments that the Company is committed to make is:

Amount in ₹

Lease Payments	As at March 31, 2015	As at March 31, 2014
– Within One Year	5,085,000	6,780,000
– Later than one year and not later than five years	Nil	5,085,000

27. Earnings per share

Amount in ₹

Particulars	2014-15	2013-14
Loss after tax	(5,333,621)	(66,083,348)
Weighted average number of equity shares used in computing basic earnings per share	25,000,000	25,000,000
Face value of equity shares	10	10
Basic and Diluted earnings per share	(0.21)	(2.64)

- 28. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

S. H. Rajadhyaksha
(Director)

Mohini Dutta
(Director)

G. Sankaranarayanan
(Director)

Puneet Sharma
(Director)

Prabhakar Dalal
(Director)

Sudhir Nadkarni
(Director)

MUMBAI
Date: April 22, 2015

Prasanna Pachpor
(Manager & CFO)

Megha Sekharan
(Company Secretary)