

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE
(Company Regn. No. 200606965Z)

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)

FINANCIAL STATEMENTS - 31 MARCH 2016

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The directors have the pleasure in submitting their report together with the audited financial statements of the Company for the year ended 31 March 2016.

1. OPINION OF THE DIRECTOR

In the opinion of the directors,

- i. the accompanying statement of financial position, statement of comprehensive income and statement of changes in equity of the Company and cash flow statement are drawn up so as to give a true and fair view of the financial position as at 31 March 2016 and the financial performance and the results of the business for the period ended on that date;
- ii. at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS OF THE COMPANY

The directors in office at the date of this report are:

Agarwal Chander

Pramod Kumar Jain

Kalasegar s/o Genkatharan

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangements whose object are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the register of directors' shareholdings kept by the company under Section 164 of the Singapore Companies Act, Chapter 50, none of the directors who held office at the date of incorporation and at the end of the financial year and till the date of this report had interest in the shares of the company.

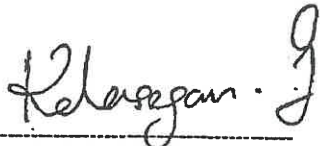
5. SHARE OPTIONS

During the financial year, no options to take up unissued shares of the Company were granted and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company or any subsidiary company. There were no issued shares of the Company or any subsidiary company under option at the end of the financial year.

6. INDEPENDENT AUDITORS

The Independent auditors, MGI SINGAPORE PAC, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors:



Kalasegaran s/o Genkatharan
Director



Pramod Kumar Jain
Director

Singapore, 20 JUN 2016

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE
(Company Regn. No. 200606965Z)

**REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF
TCI HOLDINGS ASIA PACIFIC PTE. LTD.**
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)

Report on the financial statements

We have audited the accompanying financial statements of the **TCI HOLDINGS ASIA PACIFIC PTE. LTD.** which comprise the statement of balance sheet as at 31 March 2016, statement of comprehensive income, statement of changes in equity and 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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of 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 the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE
(Company Regn. No. 200606965Z)

**REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF
TCI HOLDINGS ASIA PACIFIC PTE. LTD.**
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)

- Continued

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2016 and the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.


MGI SINGAPORE PAC
*Chartered Accountant of Singapore
And Public Accountant*

Singapore, 20 June 2016

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	<u>NOTE</u>	<u>2016</u> S\$	<u>2015</u> S\$
<u>ASSETS</u>			
NON CURRENT ASSETS			
Investment in subsidiaries	4	3,501,355	3,501,355
CURRENT ASSETS			
Other receivables	5	2,039,847	2,442,119
Cash and cash Equivalents	6	7,847	66,495
		<u>2,047,694</u>	<u>2,508,614</u>
TOTAL ASSETS		<u>5,549,049</u>	<u>6,009,969</u>
<u>EQUITY AND LIABILITIES</u>			
CURRENT LIABILITIES			
Other payables	7	6,910	18,180
EQUITY			
Share Capital	8	6,665,115	6,630,591
Accumulated Losses		(1,122,976)	(638,802)
		<u>5,542,139</u>	<u>5,991,789</u>
TOTAL EQUITY AND LIABILITIES		<u>5,549,049</u>	<u>6,009,969</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)

(Incorporated in the Republic of Singapore)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	<u>NOTE</u>	<u>2016</u> S\$	<u>2015</u> S\$
Revenues	9	-	-
Other income	10	2,945	172,336
Other operating expenses		(487,119)	(642,197)
(Loss) before taxation	11	(484,174)	(469,861)
Taxation	12	-	-
(Loss) after taxation		(484,174)	(469,861)
Other comprehensive income		-	-
Total comprehensive(expense) for the year		(484,174)	(469,861)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)

(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Share Capital	Accumulated Losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2014	6,263,378	(168,941)	6,094,437
Issue of shares	367,213	-	367,213
Total comprehensive expenses for the year	-	(469,861)	(469,861)
Balance as at 31.03.2015	6,630,591	(638,802)	5,991,789
	Share Capital	Accumulated Losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2015	6,630,591	(638,802)	5,991,789
Issue of shares	34,524	-	34,524
Total comprehensive expenses for the year	-	(484,174)	(484,174)
Balance as at 31.03.2016	6,665,115	(1,122,976)	5,542,139

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)

(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	<u>NOTE</u>	<u>2016</u>	<u>2015</u>
		S\$	S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before taxation		(484,174)	(469,861)
<u>Adjustments for:</u>			
Other receivables written off		-	39,136
Other receivables written off, subsidiaries		463,665	56,317
Impairment loss on investment in subsidiaries		-	529,241
Trade payables written back		-	(20,011)
Other payables written back, related company		-	(152,325)
Operating (loss) before working capital changes		(20,509)	(17,503)
Increase in other receivables		(61,393)	(81,409)
Increase trade payables and accruals		(11,270)	6,670
Net cash flows (used in) operating activities		(93,172)	(92,242)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share		34,524	-
Other payables - holding company and subsidiaries		-	1,558
Net cash flows generated from financing activities		34,524	1,558
Net (decrease) in cash and cash equivalents		(58,648)	(90,684)
Cash and cash equivalent at beginning of year		66,495	157,179
Cash and cash equivalent at end of year	6	7,847	66,495

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

TCI HOLDINGS ASIA PACIFIC PTE. LTD. is a private limited company incorporated in the Republic of Singapore.

The registered and administration office of the Company is located at 435 Orchard Road, #11-F Wisma Atria, Singapore 238877.

The principal activities of the Company are to act as an investment holding company. In 2012, the Company had commences providing value added logistics services such as air and sea freight services

There have been no significant changes in the nature of these activities during the year.

Holding company

TCI Global Holdings (Mauritius) Limited, a company incorporated in Mauritius (the holding company) has gone into liquidation and the investment in the company TCI Holdings Asia Pacific Pte. Ltd., have been transferred to the ultimate parent company Transport Corporation of India Ltd., a company incorporated in India which has now become the holding company.

Subsidiary

Refer to **Note 4** to the financial statements for the subsidiary and its principal activities

There have been no significant changes in the nature of these activities during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Singapore Companies Act, Chapter 50. These financial statements are the separate financial statements of TCI Holdings Asia Pacific Pte. Ltd. It is exempted from the preparation of consolidated financial statements as the Company is a wholly-owned subsidiary of Transport Corporation of India Limited, a company incorporated in India, which prepares consolidated financial statements available for public use. The registered office of Transport Corporation of India Ltd. is as follows:

Flat Nos. 306 & 307, 1-8-273
Third Floor, Ashoka Bhoopal Chambers
S P Road, Secunderabad - 500 003
Andhra Pradesh, India

The financial statements are expresses in Singapore Dollars (S\$) and are prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the company has adopted all the new and revised standards which are effective for annual periods beginning on or after 1 April 2015. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Company.

2.3 Standards issued but not yet effective

The company has not adopted the following standards and interpretations that have been issued but not yet effective:

Description		Effective date (annual periods beginning on or after)
FRS 1	Amendments to FRS 1-Disclosure Initiative	1 January 2016
FRS 16 and FRS 38	Amendments to FRS 16 and FRS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
FRS 16 and FRS 41	Amendments to FRS 16 and FRS 41 - Agriculture: Bearer Plants	1 January 2016
FRS 27	Amendments to FRS 27 - Equity Method in Separate Financial statements	1 January 2016
FRS 109	Financial Instruments	1 January 2018
FRS 110 and FRS 28	Amendments to FRS 110 and FRS 28 - Sale or contribution of assets between an Investor and its Associate or Joint Venture	1 January 2016
FRS 111	Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
FRS 114	Regulatory Deferred accounts	1 January 2016
FRS 115	Revenue from Contracts with customers	1 January 2017

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

2.4 Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to a contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit and loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loan and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.4 Financial assets- Continued

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.5 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.6 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset, unless the assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer period, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit and loss, except for assets that previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit and loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.8 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimate reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.9 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is presented net of value added tax, rebates, discounts and sales returns.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows: -

Service income

Service income is recognised upon completion of the service rendered.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Company's cash management.

2.11 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognized as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.12 Related Party

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the Company if that person:
 - i. has control or joint control over the Company;
 - ii. has significant influence over the Company; or
 - iii. is a member of the key management personnel of the Company or of a parent of the Company.
- b) An entity is related to Company if any of the following conditions applies:
 - i. the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii. both entities are joint ventures of the same third party.
 - iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - vi. the entity is controlled or jointly controlled by a person identified in (a);
 - vii. a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.13 Foreign currency

The financial statements of the Company are presented in the currency of the primary economic environment on which the entity operates (its functional currency). The financial statements are presented in Singapore Dollars, which is also the Company's functional currency.

Transactions in foreign currencies are measured in the respective functional currencies of the Company and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities dominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss except for the exchange differences arising on the monetary items that form part of the Company's net investment in foreign operations, which are recognized initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Company on disposal of foreign operation.

2.14 Taxes

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Company operates and generates taxable income.

Current income taxes are recognized in profit or loss except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.14 Taxes- Continued

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

c) Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.15 Borrowing costs

Borrowing costs are capitalized as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalization of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalized until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical judgements in applying the company's accounting policies

Management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognized in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as discussed below.

Allowances for other receivables

The provision policy for doubtful debts of the Company is based on the ongoing evaluation of collectability and aging analysis of the outstanding receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realization of these receivables, including creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Company were to deteriorate, resulting in an impairment of their ability of make payments, allowances would be made.

Income Taxes

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

4. INVESTMENT IN SUBSIDIARIES

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Unquoted equity shares, at cost	3,501,355	4,030,596
Less: provision for impairment loss	-	(529,241)
	<u>3,501,355</u>	<u>3,501,355</u>

4. INVESTMENT IN SUBSIDIARIES - Continued

Details of the subsidiaries:

Name of subsidiaries	Principal activities	Country of incorporation / registration	Cost of investment		Percentage of equity interest	
			<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
			S\$	S\$	%	%
TCI Global (Singapore) Pte Ltd (+)	To provide logistic services such as air and sea freight services	Singapore	2,092,380	2,092,380	100	100
TCI Global (Thailand) Company Limited (*) (^)	To provide freight forwarding service	Thailand	699,453	699,453	100	100
PT. TCI Global (*) (^)	To provide logistic and warehouse services	Indonesia	709,522	709,522	100	100
			<u>3,501,355</u>	<u>3,501,355</u>		

Note:

(*) Audited by other firm auditors.

(#) 86,702 ordinary shares of THB 100 each of the subsidiary representing an equity interest of 51% in the subsidiary is held by a director of the Company on trust for the Company.

(^) 53 ordinary shares of IDR 908,300 of the subsidiary representing equity interest of 1% of the subsidiary is held by a director of the Company on trust for the Company.

(-) 1 Ordinary share of MYR 1 each of the subsidiary representing an equity interest of 1% in the subsidiary is held by a director of the subsidiary on trust for the Company.

(+) 2 Ordinary shares S\$1 each if the subsidiary representing an equity interest of 0.0001% in the subsidiary is held by a director of the Company on trust for the Company.

Impairment of investment in subsidiaries

During the financial year, TCI Global (HKG) Limited, Hong Kong and TCI Global (Malaysia) Sdn Bhd, Malaysia liquidated and deregistered.

5. OTHER RECEIVABLES

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Subsidiaries	1,463,329	1,866,392
Related company	530,283	575,727
Loan to subsidiaries	46,235	-
	<u>2,039,847</u>	<u>2,442,119</u>
<u>Other receivables are denominated in the following currencies:</u>		
Singapore dollars	-	129,201
United States dollar	1,598,410	2,312,918
Euro	441,437	-
	<u>2,039,847</u>	<u>2,442,119</u>

The amounts due from subsidiaries and related company are unsecured, interest free and repayable on demand.

6. CASH AND CASH EQUIVALENTS

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Cash at bank	7,847	66,495
<u>Cash and cash equivalents are denominated in the following currencies:</u>		
Singapore dollar	778	434
United States dollar	7,069	66,061
	<u>7,847</u>	<u>66,495</u>

7. OTHER PAYABLES

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Accruals	5,000	16,270
Director	1,910	1,910
	<u>6,910</u>	<u>18,180</u>

Accruals are normally settled on 30-60 days terms and non-interest bearings. The amounts due to director are unsecured, interest free and repayable in demand. Other payables are denominated in Singapore Dollars.

8. SHARE CAPITAL

	<u>2016</u>		<u>2015</u>	
<u>Ordinary shares issued and fully paid</u>	No of shares issued	S\$	No of shares issued	S\$
Balance at beginning of year	6,512,956	6,630,591	6,145,743	6,263,378
Shares issued	34,524	34,524	367,213	367,213
Balance at end of year	6,547,480	6,665,115	6,512,956	6,630,591

During the financial year, the Company issued 25,000 ordinary shares for total consideration of S\$34,524/- other than cash.

The holders of ordinary shares are entitled to receive dividends as and when declared by the company. All ordinary shares, have no par value, carry one vote per share without restriction.

9. REVENUES

There are no trading activities during the year.

10. OTHER INCOME

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Trade payable written back	-	20,011
Other payable written back, related company	-	152,325
Foreign exchange gain	2,945	-
	<u>2,945</u>	<u>172,336</u>

11. LOSS BEFORE TAXATION

In addition to the information disclosed elsewhere in the financial statements, the company's loss before income tax is arrived at after charging (crediting) the following:

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Foreign exchange (gain) loss	-	1,351
Other receivables written off, subsidiaries & related parties	463,665	56,317
Impairment loss on investment in subsidiaries	-	529,241
Bad debts written off, trade	-	39,136

12. TAXATION

No provision for income tax has been set up in 2016 and 2015 in view of losses incurred and has no trading activities.

As at end of the financial year, the Company has unutilised tax losses of approximately S\$57,317 (2015: S\$26,048) available for set off against the future taxable profit, subject to compliance with Section 37 of the Income Tax Act, Cap. 134 and agreement by the Comptroller of Income Tax.

Deferred tax asset of about S\$3,000/- (2015: S\$3,000/-) is not provided in the financial statements, as amount is not significant.

13. RELATED PARTY TRANSACTIONS

Related parties are entitling with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operating decisions.

During the year, in addition to related party information disclosed elsewhere in the financial statements, the followings significant transactions with related parties based on terms agreed by the parties, were as follows:

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Rental	2,666	3,057

14. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

Financial risk management objective and policies

The Company's activities expose it to credit risk, market risks (including foreign currency risk and interest rate risk) and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Company's financial performance.

15. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT- Continued

The Directors of the Company is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Company's management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Directors.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risk.

16.1 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in a meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company has no significant liquidity risk as it maintains a level of cash and bank balances that is sufficient for working capital purpose.

The Company's financial liabilities namely accruals based on contractual undiscounted cash flows are due for repayment within a year as at balance sheet date.

16.2 Interest risk

The Company has no significant exposure to market risk for changes in interest rates because it has no interest bearing borrowings from any external sources.

16.3 Foreign currency risk

The Company is exposed to foreign exchange risk from its transactions denominated in United states dollars and other foreign currencies. The management monitor closely these foreign currency debtors and recovers the amount at the earliest to minimised the foreign exchange risk.

As at financial year end, the carrying of monetary assets and liabilities denominated in currencies other than Singapore dollars are disclosed in the respective notes to the financial statements.

16.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has dealing with only customers with good financial position. The company's major classes of financial risks are cash and bank balances and other receivables. Cash is held with creditworthy financial institutions. The Company does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics. The Company's other receivables comprise receivables from subsidiaries and related companies. The management is of the opinion that these subsidiaries and related companies, having a good financial position and does not foresee any risk of default by these intercompany.

The carrying amounts of financial assets recorded in the financial statements, net of any allowances for losses, represent the company's maximum exposure to credit risk.

16.5 Capital risk management policies and objectives

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares and sell assets to reduce debt or adjust the amount of dividends paid to shareholders. The management's overall strategies remains unchanged from 2015.

15. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amount of cash and cash equivalents, other receivables and other payables and accrual approximate their respective fair values due to the relative short term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow.

16. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statement of the Company for the financial year ended 31 March 2016 were authorised for issue in accordance with a resolution of the directors on 20 June 2016.

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)

(Incorporated in the Republic of Singapore)

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Revenue		
Service income	-	-
Other income		
Trade payable, written back	-	20,011
Other payable written back, related company	-	152,325
Foreign exchange gain	2,945	-
	<u>2,945</u>	<u>172,336</u>
Other operating expenses		
Auditors remuneration - current year	3,500	8,000
- prior year	-	2,544
Bad debt written off, trade	-	39,136
Impairment loss on investment in subsidiaries	-	529,241
Other receivables written off	463,665	56,317
Bank charges	884	701
Commission	1,517	-
Foreign exchange loss	-	1,351
General expenses	11,975	250
Tax fees	1,000	1,000
Secretarial fees	1,912	600
Rental expense	2,666	3,057
	<u>487,119</u>	<u>642,197</u>
(Loss) before income tax	<u>(484,174)</u>	<u>(469,861)</u>

The above does not form part of the statutory financial statements.