

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

**TCI GLOBAL (SINGAPORE) PTE. LTD.**  
(Company Registration No: 200618021E)  
(Incorporated in the Republic of Singapore)

**FINANCIAL STATEMENTS - 31 MARCH 2017**

**INDEX**

	<b><u>Page No.</u></b>
Directors' Statement	1 - 2
Independent Auditor's Report	3 - 4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 25

**TCI GLOBAL (SINGAPORE) PTE. LTD.**  
(Company Registration No: 200618021E)  
(Incorporated in the Republic of Singapore)  
**DIRECTORS' STATEMENT**

---

The directors are pleased to present their statement to the members together with the audited financial statements of TCI Global (Singapore) Pte. Ltd. (the "Company") for the financial year ended 31 March 2017.

**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 2017 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

Kalasegaran 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 director's shareholdings kept by the Company under Section 164 of the Companies Act, Chapter 50, the following directors who held office at the beginning and at the end of the financial year were interested in shares of the Company as follows: -

<u>Name of Director</u>	<u>Direct interest</u>		<u>Deemed interest</u>	
	<u>At 01.04.2016</u>	<u>At 31.03.2017</u>	<u>At 01.04.2016</u>	<u>At 31.03.2017</u>
(Number of ordinary shares)				
Agarwal Chander	2	2	2,054,785	2,054,785

**TCI GLOBAL (SINGAPORE) PTE. LTD.**  
(Company Registration No: 200618021E)  
(Incorporated in the Republic of Singapore)  
**DIRECTORS' STATEMENT**

---

**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 auditor**

The independent auditor, **MGI Singapore PAC**, has expressed their willingness to accept re-appointment.

On behalf of the board of directors:



**AGARWAL CHANDER**  
Director



**PRAMOD KUMAR JAIN**  
Director

Singapore

---

# **MGI SINGAPORE PAC**

## **CHARTERED ACCOUNTANTS, SINGAPORE**

(Company Regn. No. 200606965Z)

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

### **INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

---

#### **Report on the Audit of the Financial Statements**

##### *Opinion*

We have audited the financial statements of **TCI Global (Singapore) Pte. Ltd.** (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

##### *Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Responsibilities of Management and Directors 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 Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

##### *Auditor's Responsibilities for the Audit of the Financial Statements.*

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

# **MGI SINGAPORE PAC**

## **CHARTERED ACCOUNTANTS, SINGAPORE**

(Company Regn. No. 200606965Z)

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

### **INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

#### *Auditor's Responsibilities for the Audit of the Financial Statements - continued*

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

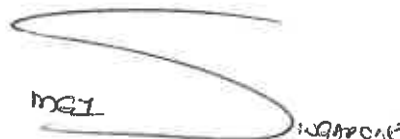
#### **Report on Other Legal and Regulatory Requirements**

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

The engagement partner on the audit resulting in this independent auditor's report is Ramachandran Sri Kumar.

#### *Emphasis of Matter*

As at 31 March 2017, the Company's current liabilities exceeded its current asset by S\$787,440/- (2016: S\$756,706/-). The financial statements have been prepared on a going concern basis on the assumption that financial support from its ultimate holding company will continue to be available. In the event that there is no continued financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation in of the Company's assets and further costs, which might arise. The directors are satisfied that financial support from ultimate holding company will be available as when required.



**MGI SINGAPORE PAC**  
**Public Accountants And**  
**Chartered Accountants**

Singapore, 28 April 2017

**TCI GLOBAL (SINGAPORE) PTE. LTD.**  
(Company Registration No: 200618021E)  
(Incorporated in the Republic of Singapore)  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017**

	<u>NOTE</u>	<u>2017</u> S\$	<u>2016</u> S\$
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment property	9	1,259,913	1,284,617
Plant and equipment	10	-	-
		<u>1,259,913</u>	<u>1,284,617</u>
<b>Current Assets</b>			
Trade receivables	11	4,245	4,245
Other receivables	12	151,744	130,836
Cash and cash equivalents	13	60,683	51,783
		<u>216,672</u>	<u>186,864</u>
<b>TOTAL ASSETS</b>		<b><u>1,476,585</u></b>	<b><u>1,471,481</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Term loan, secured	16	477,216	537,240
<b>Current Liabilities</b>			
Trade payables	14	20,228	19,222
Other payables	15	925,552	861,800
Term loan, secured	16	58,332	62,548
		<u>1,004,112</u>	<u>943,570</u>
<b>TOTAL LIABILITIES</b>		<b><u>1,481,328</u></b>	<b><u>1,480,810</u></b>
<b>Equity attributable to owner of the Company</b>			
Share capital	8	2,092,380	2,092,380
Accumulated (losses)		(2,097,123)	(2,101,709)
<b>TOTAL EQUITY</b>		<b><u>(4,743)</u></b>	<b><u>(9,329)</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>1,476,585</u></b>	<b><u>1,471,481</u></b>

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

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017**

	<b>NOTE</b>	<b>2017</b>	<b>2016</b>
		S\$	S\$
Revenues	4	89,700	75,900
Other income	5	5,039	1,582
Depreciation of plant and equipment & other investment	9, 10	(24,704)	(24,819)
Other operating expenses		(30,168)	(23,495)
Finance cost	6	(35,281)	(104,431)
Profit/(Loss) before taxation	7	4,586	(75,263)
Taxation	17	-	-
Profit/(Loss) after taxation		4,586	(75,263)
Other comprehensive income		-	-
Total comprehensive income/(expense) for the year		4,586	(75,263)

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

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

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

	Share Capital	Accumulated losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2015	2,092,380	(2,026,446)	65,934
Total comprehensive expenses for the year	-	(75,263)	(75,263)
Balance as at 31.03.2016	2,092,380	(2,101,709)	(9,329)

	Share Capital	Accumulated losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2016	2,092,380	(2,101,709)	(9,329)
Total comprehensive income for the year	-	4,586	4,586
Balance as at 31.03.2017	2,092,380	(2,097,123)	(4,743)

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



**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2017**

	<b>NOTE</b>	<b>2017</b>	<b>2016</b>
		<b>S\$</b>	<b>S\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before taxation		4,586	(75,263)
Adjustments for:			
Depreciation of plant and equipment		-	115
Depreciation of investment property		24,704	24,704
		(39)	(53)
Interest expense		35,281	23,495
Operating profit/(loss) before working capital changes		64,532	(26,949)
Decrease in trade receivables		-	54,870
(Increase)/decrease in other receivables		(20,908)	18,216
Increase/(decrease) in trade payables and accruals		1,006	(3,285)
<b>Cash from operations</b>		<b>44,630</b>	<b>42,852</b>
Interest received		39	53
Interest paid		(35,281)	(23,495)
<b>Net cash from operating activities</b>		<b>9,388</b>	<b>19,357</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Movement in fixed deposit, pledge		(38)	(50)
(Repayment) of term loan		(64,240)	(53,860)
Movement of other payables - holding company, subsidiary, and related companies		63,752	(19,650)
<b>Net cash (used in) financing activities</b>		<b>(526)</b>	<b>(73,560)</b>
Net increase/(decrease) in cash and cash equivalents		8,862	(54,203)
Cash and cash equivalent at beginning of year		1,457	55,660
<b>Cash and cash equivalent at end of year</b>	<b>13</b>	<b>10,319</b>	<b>1,457</b>

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 GLOBAL (SINGAPORE) 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 develop and provide 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***

The Company is a virtually wholly owned subsidiary of TCI Holdings Asia Pacific Pte. Ltd., a company incorporated in Republic of Singapore. The ultimate holding company is Transport Corporation of India Ltd., a company incorporated in India.

### ***Representative office***

The Company has representative office at Vietnam. The representative office's assets, liabilities and results are incorporated in financial statements.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **2.1 Basis of Preparation**

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards ("FRS") and are prepared under the historical cost convention, except as disclosed in the accounting policies.

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Company are presented in Singapore Dollars which is the functional currency of the Company and are presented in Singapore Dollars (SGD or S\$) and all values in the tables are rounded as indicated.

### **2.2 Adoption of new and revised standards**

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 2016. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Company.

### **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. SIGNIFICANT ACCOUNTING POLICIES - continued**

**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:

	<b>Effective for annual periods beginning on or after</b>
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 115 Revenue from Contracts with Customers	Date to be determined
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 Jan 2018
FRS 109 Financial Instruments	1 Jan 2017
Amendments to FRS 7: Disclosure Initiative	1 Jan 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 Jan 2017
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 116 Leases	1 Jan 2019
Amendments to FRS 102: Classification and Measurement of Share-Based Payment Transactions	1 Jan 2018

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 Foreign currency**

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. The company determines its own functional currency and items included in the financial statements are measured using that functional currency.

**a) Transactions and balances**

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated 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 cost 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 recognised in profit or loss.

**2.5 Investment properties**

Investment properties are properties that are either owned by the Company or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods and services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for the future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

**2. SIGNIFICANT ACCOUNTING POLICIES - Continued**

**2.5 Investment properties- Continued**

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

**2.6 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use, any trade discounts and rebates are deducted in arriving at the purchase price. Expenditure incurred after the property plant and equipment have been put into operations, such as repair and maintenance and overhaul costs, is normally charged to the profit and loss account in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in future economic benefits expected to be obtained from the use of an item of plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Depreciation is computed over the estimated useful life of the asset as follows:

Office equipment	-	5 years
Computers	-	3 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit and loss account in the year the asset is derecognised.

**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.

## 2. SIGNIFICANT ACCOUNTING POLICIES - Continued

### 2.7 Impairment of non-financial assets- Continued

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are 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.

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. That 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 or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

### 2.8 Financial Instruments

#### a) **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:

##### i. **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.

##### ii. **Regular way purchases and sales**

Illustrative accounting policy for regular way purchase and sale of a financial asset:

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date. 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. Alternatively, regular way purchases and sales can be accounted for on settlement dates.

##### **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.

**2. SIGNIFICANT ACCOUNTING POLICIES - Continued**

**2.8 Financial Instruments- Continued**

**b) 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.

**2.9 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.

**2.10 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 from an integral part of the Company's cash management.

**2.11 Share capital and share issuance expenses**

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

**2. SIGNIFICANT ACCOUNTING POLICIES - continued**

**2.12 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: -

*a) Rental income*

Rental income from investment property is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provide to lessees are recognised as reduction of rental income on a straight-line basis

*b) Interest income*

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

**2.13 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).

**2.14 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.

**2. SIGNIFICANT ACCOUNTING POLICIES - Continued**

**2.14 Taxes- Continued**

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.

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.



**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2017**

---

**2. SIGNIFICANT ACCOUNTING POLICIES - continued**

**2.14 Taxes- Continued**

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.

**2.16 Employee benefits**

*Define contribution plans*

The Company make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution schemes are recognized as an expense in the period in which the related service is performed.

*Employee leave entitlement*

Employee entitlements to annual leave are recognized as liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the accounting period is recognized for services rendered by employees up to the end of the reporting period. The liability for leave expected to be settled before twelve months from the end of the reporting period is determined using the projected unit credit method. The net total service costs, net interest in the liability and premeasurement of the liability are recognized in profit or loss.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

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.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES - continued**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 recognised 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 realisation 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 un 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.

***Depreciation of plant and equipment***

These plant and equipment are depreciated on a straight-line method over their estimated useful lives. Management estimates the useful lives of these plant and equipment to be 3-60 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the plant and equipment as at 31 March 2017 was approximately S\$ NIL (2016: S\$115/-)

**4. REVENUES**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Rental income	89,700	75,900

**TCI GLOBAL (SINGAPORE) PTE. LTD.**  
(Company Registration No: 200618021E)  
(Incorporated in the Republic of Singapore)  
**NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2017**

**5. OTHER INCOME**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Fixed deposit interest	39	53
Gain on foreign exchange	-	1,529
Sundry	5,000	-
	<u>5,039</u>	<u>1,582</u>

**6. FINANCE COST**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Term loan, interest	35,281	23,495

**7. PROFIT/LOSS BEFORE INCOME TAX**

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>2017</u>	<u>2016</u>
	S\$	S\$
Bad debt written off -trade (outside parties)	-	54,870
Other receivable written off, related companies	-	18,331
Investment property expenses - Property tax	6,740	6,740

**8. SHARE CAPITAL**

	<u>2017</u>	<u>2017</u>	<u>2016</u>	<u>2016</u>
	No of shares issued	S\$	No of shares issued	S\$
<u>Ordinary shares issued and fully paid</u>	2,054,787	<u>2,092,380</u>	2,054,787	<u>2,092,380</u>

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.

**TCI GLOBAL (SINGAPORE) PTE. LTD.**  
(Company Registration No: 200618021E)  
(Incorporated in the Republic of Singapore)  
**NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2017**

**9. INVESTMENT PROPERTY**

	Leasehold Property	Total  S\$
<u>Cost:</u>		
At 31.03.2015	1,482,250	1,482,250
At 31.03.2016	1,482,250	1,482,250
At 31.03.2017	1,482,250	1,482,250
<u>Accumulated depreciation:</u>		
At 31.03.2014	172,929	172,929
Charged for the year	24,704	24,704
At 31.03.2015	197,633	197,633
Charged for the year	24,704	24,704
At 31.03.2016	222,337	222,337
<u>Net book value:</u>		
At 31.03.2016	1,284,617	1,284,617
At 31.03.2017	1,259,913	1,259,913

The property is leasehold in nature and its located at 10 Anson Road, #35-04 International Plaza, Singapore 079903.

The property is valued by third party professional valuer and estimated market value of the property as at 30 September 2015 is S\$1,800,000/- (2015: S\$2,000,000/-) based on the valuation report.

The property is pledged as security for banking facilities, refer to Note 18 to the financial statements.

**10. PLANT AND EQUIPMENT**

	Office equipment S\$	Computers S\$	Total S\$
<u>Cost:</u>			
At 31.03.2015	4,935	16,308	21,243
At 31.03.2016	4,935	16,308	21,243
At 31.03.2017	4,935	16,308	21,243
<u>Accumulated depreciation:</u>			
At 31.03.2015	4,820	16,308	21,128
Charged for the year	115	-	115
At 31.03.2016	4,935	16,308	21,243
At 31.03.2017	4,935	16,308	21,243
<u>Net book value:</u>			
At 31.03.2016	-	-	-
At 31.03.2017	-	-	-

**11. TRADE RECEIVABLES**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Related companies	4,245	4,245

Table below is an analysis of trade receivables aging as at March 31:

Due for more than 90 days	4,245	4,245
---------------------------	-------	-------

Trade receivable are non-interest bearing and generally on 30-60 days terms. They are recognised at their original invoice amounts which represent their fair value on initial recognition. Trade receivable is dominated in United states dollar.

**12. OTHER RECEIVABLES**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Sundry receivables	25,650	25,650
<u>Less: allowances for doubtful debts</u>		
Balance at the beginning of the year	(24,656)	(24,656)
Provision for the year	-	-
Balance at the end of the year	(24,656)	(24,656)
	1,000	1,000
Related companies	136,853	115,945
Deposit	13,891	13,891
	151,744	130,836

The amounts due from ultimate holding company and related companies are unsecured, interest free and repayable on demand. Other receivables are denominated in United States Dollar.

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2017****13. CASH AND CASH EQUIVALENTS**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Cash on hand and at bank	10,319	1,457
Fixed deposit	50,364	50,326
As per balance sheet	60,683	51,783
Less fixed deposit, pledge	(50,364)	(50,326)
	<u>10,319</u>	<u>1,457</u>

Cash and cash equivalents are denominated in the following currencies:

Singapore dollar	54,547	51,494
United states dollar	6,136	289
	<u>60,683</u>	<u>51,783</u>

Fixed deposits interest rate 0.10% (2016:0.10%) per annum and has a tenure of about 2 months from the year end. It is pledged to the bank for credit facilities (refer to Note 18 to the financial statements).

**14. TRADE PAYABLES**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Trade payable - related companies	18,972	18,972
GST payable	1,256	250
	<u>20,228</u>	<u>19,222</u>

Trade payables and accruals are denominated in the following currencies:

Singapore dollar	1,256	250
United states dollar	18,972	18,972
	<u>20,228</u>	<u>19,222</u>

Trade payables and accruals are normally settled in 30 - 60 days term and non-interest bearings.

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2017****15. OTHER PAYABLES**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Accrual	3,000	6,403
Holding company	906,845	835,614
Related companies	-	4,076
Director	1,907	1,907
Deposit	13,800	13,800
	<u>925,552</u>	<u>861,800</u>

Other payables are denominated in the following currencies:

Singapore dollar	3,000	6,403
United states dollar	922,552	855,397
	<u>925,552</u>	<u>861,800</u>

The amounts due to ultimate holding company, related companies and director are unsecured, interest free and repayable on demand.

**16. TERM LOAN**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
Within 1 year	58,332	62,548
Within 2- 5 year	404,365	464,388
After 5 years	72,852	72,852
	<u>477,217</u>	<u>537,240</u>

Term loan is repayable over 180 monthly instalments, with borrowing rate of 1.68% (2016: 1.68%). The loan is secured on legal mortgage of the property of the Company (refer to Note 10 of financial statements)

The credit facilities are secured by:

- Legal mortgage of the leasehold property of the Company (Note 9)
- Fixed deposits of the Company (Note 14)
- Personal guarantee by certain director of the Company

## **17. TAXATION**

No income tax is provided as there is no taxable income during the financial year. Domestic income tax is calculated at 17% of the estimated assessable income for the year.

The total charge for the year can be reconciled to the accounting loss as follows:

(Loss) before tax	4,586	(75,263)
Tax expense on profit before tax at 17% (2016:17%)	780	(12,795)
Adjustments:-		
Tax effect of unabsorbed losses	(780)	12,795
Current tax expense	-	-

## **18. 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.

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.

### **18.1 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 financial liabilities namely trade payables and accruals based on contractual undiscounted cash flows are due for repayment within a year as at balance sheet date and term loan repayment terms are disclosed in Note 18 of the financial statements.



**19. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT - continued**

**19.2 Interest risk**

The Company's exposure to market risk for changes in interest rate relates to the Company's long term debt obligations. It is the Company's policy to obtain the most favourable interest rates available whenever the Company obtains additional financing through bank borrowings.

The Company has interest bearing fixed deposits. The interest bearing fixed deposits are short term in nature and with the current interest rate level, any variation in the interest rates will not have material impact on the net income of the Company.

**19.3 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 in the financial statements.

**19.4 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 trade and other receivables. Cash is held with creditworthy financial institutions. Trade receivables that neither part due nor impaired are substantially companies with good collection track record with company. The Company does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except as disclosed in the Note 12 to the financial statements.

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. Other receivables are mostly receivable from related companies. These related companies are having financial position and management does not foresee any risk of default by these companies.

**19.5 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 strategy remains unchanged from 2015.

**20. GOING CONCERN**

As at 31 March 2017, the Company's current liabilities exceeded its current asset by S\$787,440/- (2016: S\$756,706/-). The financial statements have been prepared on a going concern basis on the assumption that financial support from its ultimate holding company will continue to be available, In the event that there is no continued financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation in of the Company's assets and further costs, which might arise. The directors are satisfied that financial support from ultimate holding company will be available as when required.

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2017**

---

**21. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The carrying amount of cash and cash equivalents, trade and other receivables and trade and other payables 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.

**22. AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statement of the Company for the financial year ended 31 March 2017 were authorised for issue in accordance with a resolution of the directors on 28 April 2017.

**TCI GLOBAL (SINGAPORE) PTE. LTD.**

(Company Registration No: 200618021E)

(Incorporated in the Republic of Singapore)

**DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017**

	<u>2017</u>	<u>2016</u>
	S\$	S\$
<b>Revenue</b>		
Rental income	89,700	75,900
	<u>89,700</u>	<u>75,900</u>
<b>Other income</b>		
Fixed deposit interest	39	53
Gain on foreign exchange differences	-	1,529
Other income	5,000	-
	<u>5,039</u>	<u>1,582</u>
<b>Less: Other operating expenses</b>		
Auditors' remuneration – current year	3,000	3,000
- Over provision, prior year	(69)	18,331
Bad debt written off (trade)	-	54,870
Bank charges	1,746	978
Commission expenses	-	6,900
Depreciation of plant and equipment	-	115
Depreciation of investment property	24,704	24,704
Directors fee	1,000	-
Internet expenses	875	1,062
Insurance	154	154
Legal and professional fees	2,060	2,050
Office expenses	12,577	7,597
Postage and stamp	97	-
Property tax	6,740	6,740
Rental	1,988	2,749
Term loan interest	35,281	23,495
	<u>90,153</u>	<u>152,745</u>
<b>Profit/(Loss) before income tax</b>	<u>4,586</u>	<u>(75,263)</u>

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