

TKM Global China Limited
Report and Financial Statements
For the year ended 31 March 2015

TKM Global China Limited
For the year ended 31 March 2015

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Expressed in Renminbi Yuan ("RMB")

Independent auditor's report

**To the board of directors of TKM Global China Limited
(established in the People's Republic of China with limited liability)**

Report on the financial statements

We have audited the accompanying financial statements of TKM Global China Limited (the Company) set out on pages 3 to 20, which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management of the Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing issued by the International Federation of Accountants. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and the true and fair presentation of the financial statements 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.

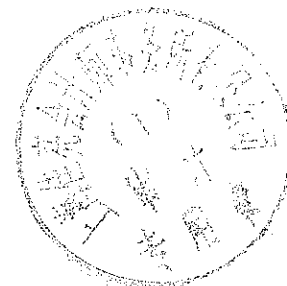
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Statement of comprehensive income
for the year ended 31 March 2015**

	Notes	2015	2014
		(RMB)	(RMB)
Revenue	5	19,892,578	34,910,993
Cost of Sales		(17,733,914)	(31,851,702)
Gross profit		2,158,664	3,059,291
Other income		9,415	3,560
Administration expenses		(2,442,506)	(2,703,613)
(Loss)/Profit before tax	6	(274,427)	359,238
Income tax expense	7	-	-
(Loss)/Profit for the year		(274,427)	359,238
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		(274,427)	359,238

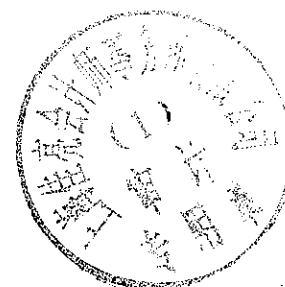
See accompanying notes to financial statements



Statement of financial position
as at 31 March 2015

	<u>Notes</u>	<u>31/3/2015</u>	<u>31/3/2014</u>
		(RMB)	(RMB)
<u>Assets</u>			
<i>Non-current assets</i>			
Property, plant and equipment	8	93,283	109,099
Other intangible assets	9	38,447	45,567
Deferred tax assets	10	11,911	10,969
		143,641	165,635
<i>Current assets</i>			
Trade and other receivables	11	1,484,030	1,754,313
Amount due from related companies	16	1,678,782	963,240
Cash and bank balances		3,450,522	2,227,259
		6,613,334	4,944,812
Total assets		6,756,975	5,110,447


See accompanying notes to financial statements



Statement of financial position
as at 31 March 2015 - continued

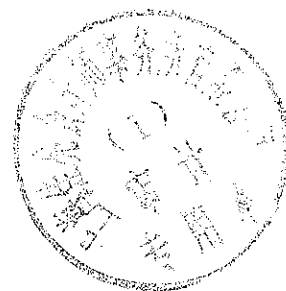
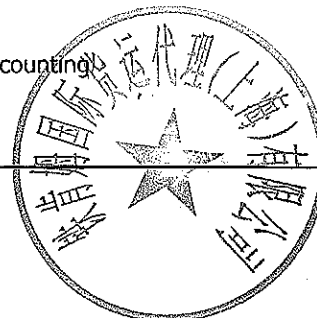
	<u>Notes</u>	<u>31/3/2015</u>	<u>31/3/2014</u>
		(RMB)	(RMB)
<u>Equity and liabilities</u>			
<i>Equity</i>			
Paid-in capital	12	6,834,500	6,834,500
Accumulated losses		(3,158,173)	(2,883,746)
Total equity		3,676,327	3,950,754
<i>Non-current liabilities</i>			
Deferred tax liabilities	10	11,911	10,969
		11,911	10,969
<i>Current Liabilities</i>			
Trade and other payables	14	2,990,625	1,065,754
Amount due to related companies	16	78,112	82,970
		3,068,737	1,148,724
Total liabilities		3,080,648	1,159,693
Total equity and liabilities		6,756,975	5,110,447

Amar Patnaik
Legal representative



Chirag Bijlani
Principal in charge of accounting

See accompanying notes to financial statements



**Statement of changes in equity
for the year ended 31 March 2015**

	Paid-in capital (RMB)	Accumulated losses (RMB)	Total (RMB)
Balance at 1 April 2013	6,834,500	(3,242,984)	3,591,516
Profit for the year	-	359,238	359,238
Balance at 31 March 2014	6,834,500	(2,883,746)	3,950,754
Balance at 1 April 2014	6,834,500	(2,883,746)	3,950,754
Loss for the year	-	(274,427)	(274,427)
Balance at 31 March 2015	6,834,500	(3,158,173)	3,676,327

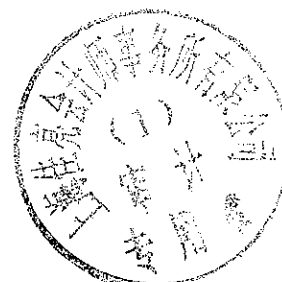
See accompanying notes to financial statements



Statement of cash flows
for the year ended 31 March 2015

	Notes	2015 (RMB)	2014 (RMB)
Cash flows from/(used in) operating activities			
(Loss)/Profit before income tax		(274,427)	359,238
Adjustments for:			
Depreciation on property, plant and equipment	6	15,816	44,716
Amortisation of intangible assets	6	7,120	7,120
Loss on disposal of property, plant and equipment	6	-	80,674
Exchange (gain)/loss	6	(25,054)	141,312
Interest income	6	(9,415)	(3,560)
Operating (loss)/gain before movements in working capital		(285,960)	629,500
Decrease/(increase) in trade and other receivables		270,283	(130,743)
(Increase)/decrease in amount due from related companies		(715,542)	2,000,116
Increase/(decrease) in trade and other payables		1,924,871	(4,729,029)
(Decrease)/increase in amount due to related companies		(4,858)	61,499
Cash from/(used in) operations		1,188,794	(2,168,657)
Income taxes paid		-	-
<i>Net cash from/(used in) operating activities</i>		1,188,794	(2,168,657)
Cash flows from/(used in) investing activities			
Interest received		9,415	3,560
Purchases of property, plant and equipment		-	(23,540)
<i>Net cash from/(used in) investing activities</i>		9,415	(19,980)
Cash flows from financing activities			
		-	-
Net increase/(decrease) in cash and cash equivalents		1,198,209	(2,188,637)
Cash and cash equivalents at 1 April		2,227,259	4,557,208
Effect of foreign exchange rate changes		25,054	(141,312)
Cash and cash equivalents at 31 March		3,450,522	2,227,259

See accompanying notes to financial statements



**Notes to the financial statements
for the year ended 31 March 2015**

1. General information

TKM Global China Limited (the "Company") is a wholly owned foreign invested enterprise established in Shanghai, the People's Republic of China (the "PRC") by TKM Global Logistics Limited on 25 June 2008 with an operating period of 20 years. The company was approved by People's Government of Shanghai and obtained the Business Certificate numbered 310000400576953.

The principal activities of the Company are undertaking ocean shipping, land transportation and air-express for import and export product, int'l transportation agent of international display, incl: canvassing, booking cargo space, consigning, storage, transshipment, container handling, settling accounts for incidental expenses of transportation, applying to customs, contacting the customs for the inspection of the freight, insurance, relevant services to short-distance transportation and consulting, Non-Vessel Operating Common Carrier.

The directors consider the ultimate holding company to be TATA Steel Ltd., a company incorporated in India.

2. Basis of preparation

The financial statements on pages 3 to 20 have been prepared in accordance with International Financial Reporting Standards ("IFRSs") which collective term includes all applicable International Financial Reporting Standards, International Accounting Standards and Interpretations issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies are set out below.

3. Principal accounting policies

3.1 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the rendering of services are recognised when all the following conditions have satisfied: i) the amount of revenue can be measured reliably; ii) it is probable that the economic benefits associated with the transaction will flow to the entity; iii) the stage of completion of the transaction at the balance sheet date can be measured reliably; and iv) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3.2 Foreign currencies

The Company's financial statements are presented in Renminbi Yuan ("RMB"), which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. At balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.



3. Principal accounting policies (continued)

3.2 Foreign currencies (continued)

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.3 Leases

Leases which do not transfer substantially all the risks and rewards of ownership of assets to the Company are classified as operating leases.

Where the Company has the use of assets held under operating leases, payments made under the leases are charged to the income statement on a straight line basis over the lease terms except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rental are charged to the income statement in the accounting period in which they are incurred.

3.4 Pension obligations

The Company's PRC employees are enrolled in the mandatory central pension plan operated by the local municipal government. The Company is required to make a contribution of 22.5% of the basic and other salaries of the employees or that specified by the local municipal government, to the central pension plan to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired PRC employees. The only obligation of the Company in respect to the central pension plan is to meet the required contribution under the plan. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension plan.

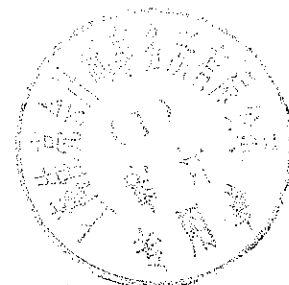
3.5 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the period. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred tax is calculated using the liability method on temporary differences at the balance sheet date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.



3. Principal accounting policies (continued)

3.5 Accounting for income taxes (continued)

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised in the income statement, or in equity if they relate to items that are charged or credited directly to equity.

3.6 Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses. Cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use.

The gain or loss arising from the disposal is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in the income statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost less impairment losses of each asset to their residual values over their estimated useful lives, as follows:

	Depreciation rates
Equipment	20% p.a.
Computers	25% p.a.
Furniture and fixtures	6.33% p.a.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

3.7 Intangible assets

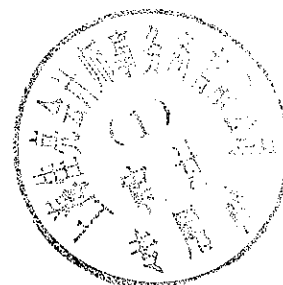
Other intangible assets

Software are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight-line method over their estimated useful lives.

Impairment of assets

The Company's tangible and intangible assets are subject to impairment testing.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.



3. Principal accounting policies (continued)

3.7 Intangible assets (continued)

Impairment of assets (continued)

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

3.8 Cash and cash equivalent

Cash and cash equivalents include cash at bank and in hand less bank overdrafts which are repayable on demand and form an integral part of the Company's cash management.

3.9 Provisions

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Company which can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

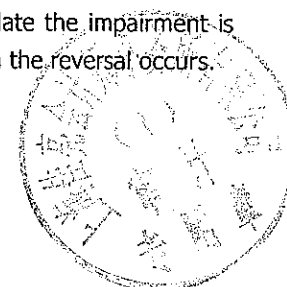
3.10 Financial assets

Trade and other receivables (including amount due from related companies) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

Impairment of financial assets

At each balance sheet date, trade and other receivables are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence that an impairment loss on trade and other receivables has been incurred; the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.



3. Principal accounting policies (continued)

3.11 Finance liabilities

The Company's financial liabilities include trade and other payables. They are included in balance sheet line items as trade and other payables and amounts due to related companies.

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in the income statement.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade and other payables and amounts due to related companies

Trade and other payables and amounts due to related companies are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

3.12 Related parties

A party is considered to be related to the Company if:

- (i) directly or indirectly, through one or more intermediaries, the Company:
 - controls, is controlled by, or is under common control with, the entity;
 - has an interest in the entity that gives it significant influence over the entity;
 - has joint control over the entity;
- (ii) the party is an associate;
- (iii) the party is a joint-controlled entity;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly-controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

4. Critical accounting estimates and judgments

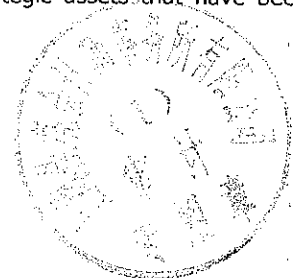
Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

4.1 Useful lives of property, plant and equipment

The Company's management determines the estimated useful lives for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles.

The Company's management will increase the depreciation charge where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.



4. Critical accounting estimates and judgments (continued)**4.2 Impairment of receivables**

The Company's management reviews receivables on a regular basis to determine if any provision for impairment is necessary. This estimate is based on the credit history of its customers, past settlement and industry practice and current market conditions. Management reassess the impairment of receivables at the balance sheet date.

5. Revenue

Revenue represents the invoiced value of service rendered net of discounts.

	Nine months ended	
	2015 (RMB)	2014 (RMB)
Rendering of service	19,892,578	34,910,993

6. (Loss)/Profit before income tax

(Loss)/Profit before income tax is arrived after charging/(crediting):

	2015 (RMB)	2014 (RMB)
Staff costs		
- Salaries and wages	1,101,020	1,056,716
- Staff benefits	367,468	391,575
	1,468,488	1,448,291
Depreciation on property, plant and equipment (Note 6.1)	15,816	44,716
Amortisation of intangible assets (Note 6.2)	7,120	7,120
Loss on disposal of property, plant and equipment	-	80,674
Exchange loss, net	(25,054)	141,312
Bank interest income	(9,415)	(3,560)
Operating lease charges on rented premises	109,200	141,533

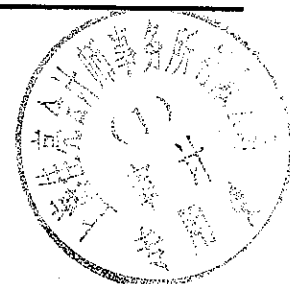
Notes:

6.1 Depreciation charges of RMB15,816 (2014: RMB44,716) have been expensed in administrative expenses.

6.2 Amortisation charges of RMB87,120 (2014: RMB7,120) of intangible assets have been expensed in administrative expenses.

7. Income tax expense

	2015 (RMB)	2014 (RMB)
Current tax expense	-	-
Deferred tax expense	-	-
	-	-



7. Income tax expense (continued)

Pursuant to the Income Tax Laws of the PRC Concerning Foreign Investment and Foreign Enterprises and various local income tax laws (the "Income Tax Laws"), foreign investment enterprises are subject to a statutory income tax rate of 25% unless the enterprise is located in specially designated regions or cities for which more favorable effective tax rates apply.

Reconciliation between tax expense and accounting (loss)/profit at applicable tax rates is as follows:

	2015		2014	
	(RMB)	%	(RMB)	%
(Loss)/Profit before income tax	(274,427)		359,238	
Tax calculated at the rates applicable to the jurisdictions concerned 25% (2013:25%)	(68,607)	25%	89,810	25%
Tax effect of utilisation of tax losses not previously recognised	-	-	(89,810)	-25%
Tax effect of tax losses not recognised	68,607	-25%	-	-
Actual income tax expense and effective tax rate for the year	-	-	-	-

8. Property, plant and equipment

	Equipment (RMB)	Computers (RMB)	Furniture and fixtures (RMB)	Total (RMB)
At 1 April 2013				
Cost	126,424	72,000	215,114	413,538
Accumulated depreciation	(94,475)	(66,473)	(41,641)	(202,589)
Net book amount	31,949	5,527	173,473	210,949
year ended 31 March 2014				
Opening net book amount	31,949	5,527	173,473	210,949
Addition	13,284	10,256	-	23,540
Disposals	(1,544)	(769)	(78,361)	(80,674)
Depreciation	(27,495)	(5,378)	(11,843)	(44,716)
Closing net book amount	16,194	9,636	83,269	109,099
At 31 March 2014				
Cost	138,164	15,856	103,062	257,082
Accumulated depreciation	(121,970)	(6,220)	(19,793)	(147,983)
Net book amount	16,194	9,636	83,269	109,099
At 1 April 2014				
Cost	137,448	15,856	103,062	256,366
Accumulated depreciation	(121,254)	(6,220)	(19,793)	(147,267)
Net book amount	16,194	9,636	83,269	109,099



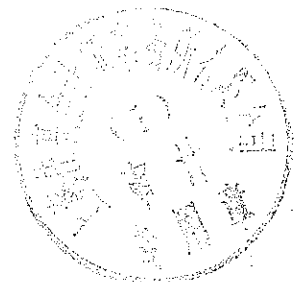
8. Property, plant and equipment (continued)

	Equipment	Computers	Furniture and fixtures	Total
	(RMB)	(RMB)	(RMB)	(RMB)
year ended 31 March 2015				
Opening net book amount	16,194	9,636	83,269	109,099
Depreciation	(5,328)	(3,964)	(6,524)	(15,816)
Closing net book amount	10,866	5,672	76,745	93,283
At 31 March 2015				
Cost	137,448	15,856	103,062	256,366
Accumulated depreciation	(126,582)	(10,184)	(26,317)	(163,083)
Net book amount	10,866	5,672	76,745	93,283

9. Other intangible assets

	2015	2014
	(RMB)	(RMB)
At 1 April		
Gross carrying amount	71,200	71,200
Accumulated amortisation	(25,633)	(18,513)
Net carrying amount	45,567	52,687
year ended 31 March		
Opening carrying amount	45,567	52,687
Amortization	(7,120)	(7,120)
Closing carrying amount	38,447	45,567
At 31 March		
Gross carrying amount	71,200	71,200
Accumulated amortisation	(32,753)	(25,633)
Net carrying amount	38,447	45,567

Intangible assets represent software which is amortised on a straight-line method over 10 years.



10. Deferred tax

The following are the major deferred tax liabilities and assets recognised by the Company, and the movements thereon, during the current and prior reporting years.

	Depreciation (RMB)	Tax losses (RMB)	Total (RMB)
At 1 April 2013	(31,085)	31,085	-
Charge/(credit) to profit or loss	20,116	(20,116)	-
At 31 March 2014	(10,969)	10,969	-
At 1 April 2014	(10,969)	10,969	-
Charge/(credit) to profit or loss	(942)	942	-
At 31 March 2015	(11,911)	11,911	-

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

	31/3/2015 (RMB)	31/3/2014 (RMB)
Deferred tax liabilities	11,911	10,969
Deferred tax assets	(11,911)	(10,969)
	-	-

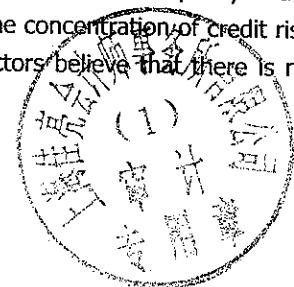
At the balance sheet date, the Company has unused tax losses of Rmb1,249,419 (31/3/2014: Rmb2,883,746) available for offset against future profits. A deferred tax asset has been recognised in respect of Rmb47,643 (31/3/2014: Rmb43,877) of such losses. No deferred tax asset has been recognised in respect of the remaining Rmb1,201,776 (31/3/2014: Rmb2,839,869) due to the unpredictability of future profit streams.

11. Trade and other receivables

	31/3/2015 (RMB)	31/3/2014 (RMB)
Trade receivables - Debts exceeding 6 months	-	332
Trade receivables - Other debts	504,580	752,834
Deposits	832,008	839,264
Prepayments & other receivables	147,442	161,883
	1,484,030	1,754,313
Less: Impairment of trade receivables	-	-
	1,484,030	1,754,313

The carrying amounts of trade and other receivables approximate their fair value.

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting dated. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the impairment of trade receivables.



11. Trade and other receivables (continued)

Included in trade receivables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

	31/3/2015	31/3/2014
US dollars	US\$60,235	US\$119,330

12. Paid-in capital

	31/3/2015 (US\$)	31/3/2014 (US\$)
Registered capital	1,000,000	1,000,000
	31/3/2015 (RMB)	31/3/2014 (RMB)
Paid-in capital	6,834,500	6,834,500

Capital contributions in foreign currency have been translated into RMB at the exchange rates prevailing at the dates of each contribution received as quoted by the People's Bank of China.

Shanghai Huaju Certified Public Accountants Co., Ltd. has verified the above capital contributions and issued related capital verification reports.

13. Reserve

As stipulated by the relevant laws and regulations for Foreign Investment Enterprises ("FIE") in the PRC, the Company is required to transfer at least 10% of its profit after taxation to the general reserve until the balance of the general reserve is equal to 50% of its registered capital. The general reserve can be used to make up prior years' cumulative losses, if any. FIE is also required to transfer certain percentage, at the discretion of the board of directors, of their profit after taxation to the staff welfare and incentive bonus fund. The staff welfare and incentive bonus fund is mainly utilised on incentive bonus for employees, as well as capital items for the collective benefits of the employees such as the construction of staff quarters and other staff welfare facilities.

14. Trade and other payables

	31/3/2015 (RMB)	31/3/2014 (RMB)
Trade payables	2,938,021	964,207
Other payables	51,933	74,068
VAT and other taxes	671	27,479
	2,990,625	1,065,754

The carrying amounts of trade and other payables approximate their fair values.

Included in trade payables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

	31/3/2015	31/3/2014
US dollars	US\$317,282	US\$31,151



15. Operating lease commitments

At 31 December 2014, the total future minimum lease payments under non-cancelable operating leases in respect of the leasing of properties are payable by the Company as follows:

	31/3/2015	31/3/2014
	(RMB)	(RMB)
Within one year	135,409	112,841
In the second to fifth years	112,841	-
	<u>248,250</u>	<u>112,841</u>

The Company leases a number of properties under operating leases. The leases run for an initial period of one to two years, with an option to renew the lease and renegotiated the terms at the expiry date or at dates as mutually agreed between the Company and respective landlords. None of the leases include contingent rentals.

16. Related party transactions***Ultimate Parent Company***

Name of the Party	Country
Tata Steel Limited	India
TM International Logistics Ltd.,	India

Joint Ventures of the Parent Company

Name of the Party	Country
IQ Martrade Dusseldorf	Germany
NYK Holding (Europe) B.V	Netherlands

Parent Company

Name of the Party	Country
TKM Global Logistics Ltd.,	India

Fellow subsidiaries

Name of the Party	Country	% Holding
International Shipping Ltd.,	FZE Dubai	100
TKM Global GmbH	Germany	100
TM Harbour Services Pvt Ltd.,	Singapore	100
YORK TRANSPORT EQUIPMENT (SHANGHAI) CO., LTD.	China	100
Qingdao YTE Special Products Co. Ltd.	China	100

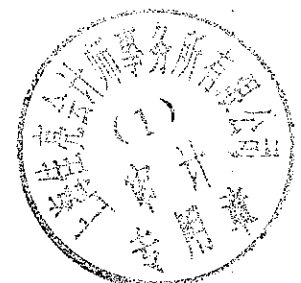


16. Related party transactions (continued)

A portion of the Company's business is represented by transactions to which other related entities are parties and the financial statements reflect the effect of these transactions which are conducted on bases determined amongst these parties. The significant transactions are summarised below:

		2015 (RMB)	2014 (RMB)
Rendering of services to related companies:			
- TKM INDIA		4,058,569	1,458,724
- TKM GERMAN		5,223,413	20,978,297
- TRL CHINA		2,859,644	3,170,763
- YORK SHANGHAI		673,168	-
		<u>12,814,794</u>	<u>25,607,784</u>
Purchase of services from related companies:			
- TKM INDIA		526,247	251,785
- TKM GERMAN		192,506	51,937
		<u>718,753</u>	<u>303,722</u>
		31/3/2015	31/3/2014
		(RMB)	(RMB)
Amount due from related companies:			
- TKM INDIA	Trade receivables	897,113	691,112
- TKM GERMAN	Trade receivables	420,725	15,165
- YORK SHANGHAI	Trade receivables	27,773	77,576
- TRL CHINA	Trade receivables	290,144	142,281
- TATA London	Other receivables	36,557	36,335
- TKM INDIA	Other receivables	6,470	771
		<u>1,678,782</u>	<u>963,240</u>
Amount due to related companies:			
- TKM INDIA	Trade payables	78,112	82,970

The balances with related companies are unsecured, interest-free and have no fixed terms of repayment.



17. Financial risk management

17.1 Financial risk factors

The Company's activities are exposed to credit risks, foreign exchange risk and interest rate risk.

Credit risks

The Company has no significant concentration of credit risk. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful debts, if any, estimated by the Company's directors based on prior experience and their assessment of the current economic environment.

Foreign exchange risk

RMB is not freely convertible into other foreign currencies and conversion of RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by the PRC government.

The Company's cash and cash equivalents are deposited with banks in the PRC. The remittance of these funds out of the PRC is subject to the exchange control restrictions imposed by the PRC government.

The Company has not used any forward contracts or currency borrowings to hedge its exposure to foreign currency risk.

17.2 Fair values

The fair values of the Company's current financial assets and liabilities are not materially different from their carrying amounts because of the immediate or short term maturity.

18. Approval of financial statements

The financial statements on pages 3 to 20 were approved by the board of directors on 2 April 2015.

