

A2C Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

TKM GLOBAL GmbH

**FINANCIAL STATEMENTS
AND INDEPENDENT
AUDITOR'S REPORT**

FOR THE PERIOD ENDED 31st March 2017

AS PER INDAS

Registered office
Spaldingstraße 210
20097 Hamburg
Germany

A2C Treuhand GmbH
Wirtschaftsprüfungsgesellschaft



TKM Global GmbH

**FINANCIAL STATEMENTS
AND AUDITOR'S REPORT**

FOR THE PERIOD ENDED 31st March 2017

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
TKM GLOBAL GmbH**

1. We have audited the attached Balance Sheet of TKM Global GmbH (the "establishment") as at 31st March 2017, the Profit and Loss Account of the establishment for the period ended 31st March 2017 and the Cash Flow Statement for the period ended on that date, both annexed thereto.
2. Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position and financial performance of the establishment in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act") which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th March 2013 of the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatements.

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 establishment's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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.

4. In our opinion and to the best of our Information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (INDAS):

- I. in the case of the Balance Sheet, of the state of affairs of the establishment as at 31st March 2017;


**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
TKM GLOBAL GmbH**

- II. in the case of the Profit and Loss Account, of the profit for the fiscal period ended on that date;
- III. in the case of the Cash Flow Statement, of the cash flows for the fiscal period ended on that date.
5. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the Order.
6. As required by section 227(3) of the Act, we report that:
- I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - II. In our opinion, proper books of accounts as required by law have been kept by the establishment so far as appears from the examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.
 - III. The Balance Sheet, and the Profit and Loss account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - IV. In our opinion, the Balance Sheet, the Profit and Loss account and the Cash Flow Statement, with the Accounting Standards referred to in Section 211 (3C) of the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th March 2013 of the Ministry of Corporate Affairs).
 - V. On the basis of the written representations received from the directors as on 31st March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 274(1) (g) of the Act.

Hamburg
7th April 2017

A2C Treuhand GmbH
Wirtschaftsprüfungsgesellschaft


Mirco Schwoeter
Wirtschaftsprüfer
Steuerberater


Sabine Zinke
Dipl.-Ing.-Ökonom
CINA, CVA

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 3 of our report of same date)

- I. The establishment has maintained proper records showing full particulars, including quantitative details and location of fixed assets. There is a regular program of physical verification which, in our opinion, is reasonable having regard to the size of the establishment and the nature of its assets. No material discrepancies were noticed on verification. There was no substantial disposal of fixed assets during the period.
- II. The establishment has no inventory. Accordingly, clauses 4(ii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the establishment.
- III. According to the books and records maintained by the establishment and the Information and explanations given to us, the establishment has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties listed under Section 301 of the Companies Act. 1956.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the establishment and the nature of its business with regard to purchase of fixed assets.
- V. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements under Section 301 of the Companies Act. 1956 have been made at prevailing market rates.
- VI. In our opinion and according to the information and explanations given to us, the establishment has not accepted any deposits from the public.
- VII. In our opinion the establishment has an internal audit system commensurate with the size and nature of the business.
- VIII. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the Services of the establishment.
- IX. The establishment does not have any accumulated losses at the end of the financial period and it has not incurred cash losses during the current period or in the immediately preceding financial period.
- X. The establishment does not have any dues towards financial institution, bank or debenture holders.
- XI. The establishment has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XII. In our opinion, the establishment is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the establishment
- XIII. In our opinion, the establishment is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the

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ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT


(Referred to in paragraph 3 of our report of same date)

- Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the establishment.
- XIV. The establishment has not given any guarantees for loans taken by others from bank and financial institutions.
- XV. According to the information and explanations given to us, the establishment has not availed any term loans during the period under audit.
- XVI. According to the Cash Flow Statement and other records examined by us and the Information and the explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the period for long-term investment (fixed assets. etc.).
- XVII. The establishment has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- XVIII. The establishment does not have any outstanding debentures during the period.
- XIX. The establishment has not received any money through a public issue during the period.
- XX. Based upon the audit procedure Performance for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud on or by the establishment has been noticed or reported during the course of our audit.

Hamburg
7th April 2017

A2C Treuhand GmbH
Wirtschaftsprüfungsgesellschaft


Mirco Schroeter
Wirtschaftsprüfer
Steuerberater


Sabine Zinke
Dipl.-Ing.-Ökonom
CINA, CVA

TKM GLOBAL GmbH

**BALANCE SHEET
FOR THE YEAR ENDED 31st March 2017**

	Note	31 03 2017 EUR	31 03 2016 EUR	31 03 2015 EUR
I. ASSETS				
(1.) Non-current assets				
(a) Property, plant and equipment	1.	66.478	77.436	117.892
(b) Intangible assets	1.	4.389	5.760	8.950
(c) Financial assets				
(i) Investments	2.	-	7.383.910	7.384.139
(ii) Other financial assets	2.	29.649	25.000	25.000
(d) Other non-current assets	3.	11.062.228	6.761.619	3.858.727
(2.) Current assets				
(a) Financial Assets				
(i) Trade receivables	4.	988.084	762.107	1.340.714
(ii) Cash and cash equivalents	5.	15.627.242	6.443.103	7.531.549
(iii) Other financial assets	6.	41.612	302.272	2.003.421
(b) Other current assets	7.	32.539	218.493	204.258
TOTAL		27.852.220	21.979.700	22.474.650
I. EQUITY AND LIABILITIES				
(1.) Shareholders' funds				
(a) Equity share capital	8.	51.129	51.129	51.129
(b) Other equity	9.	23.957.994	16.718.731	16.204.075
(2.) Non-current liabilities				
(b) Provisions	10.	60.000	60.000	60.000
(a) Deferred tax liabilities (net)	11.	114.458	223.200	219.600
(3.) Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	12.	1.989.213	4.421.616	5.288.622
(ii) Other financial liabilities	13.	820.770	505.024	651.224
(b) Short term provisions	14.	32.366	-	-
(c) Other non-financial liabilities	15.	339.920	-	-
(d) Current tax liabilities	16.	486.370	-	-
TOTAL		27.852.220	21.979.700	22.474.650

The accompanying notes form an integral part of these financial statements.
The report of the auditor is set forth on pages 1 to 4.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Approved by the Directors on 7th April 2017

For TKM Global GmbH
GLOBAL HEAD LOGISTICS & MANAGING DIRECTOR

Amar Patnaik

For A2C Treuhand GmbH Wirtschaftsprüfungsgesellschaft

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st March 2017

	Note	For the quarter ended		For the period ended	
		31 03 2017	31 03 2016	31 03 2017	31 03 2016
		EUR	EUR	EUR	EUR
I. Revenue from operations	14.	1.008.447	1.271.868	4.592.210	6.427.819
II. Other income	15.	2.216.159	68.557	7.706.974	325.584
III. Total income (I+II)		<u>3.224.606</u>	<u>1.340.425</u>	<u>12.299.184</u>	<u>6.753.403</u>
IV. Expenses					
Employee benefits expense	16.	(235.239)	(210.254)	(893.514)	(996.631)
Finance costs	17.	(42.900)	(157.435)	302.771	(128.804)
Operational expenses	18.	(575.948)	(728.268)	(3.078.206)	(4.380.129)
Depreciation and amortization expense	19.	(6.348)	(7.247)	(25.050)	(30.048)
Other expenses	20.	(89.533)	(114.237)	(290.878)	(400.045)
V. Profit before tax (III-IV)		<u>2.274.638</u>	<u>122.984</u>	<u>8.314.307</u>	<u>817.746</u>
VI. Tax expenses					
(1.) Current tax	21.	(576.774)	(81.640)	(1.210.935)	(299.489)
(2.) Deferred tax	11.	(109.905)	41.200	108.395	(3.600)
VII. Profit for the period from continuing operations		<u>1.587.959</u>	<u>82.544</u>	<u>7.211.767</u>	<u>514.657</u>
VIII. Profit for the period from discontinued operations		-	-	-	-
IX. Tax expenses of discontinued operations	23.	-	-	-	-
X. Other comprehensive income		-	-	-	-
XI. Total comprehensive income		<u>1.587.959</u>	<u>82.544</u>	<u>7.211.767</u>	<u>514.657</u>
XII. Earnings per share	24.	<u>15.880</u>	<u>825</u>	<u>72.118</u>	<u>5.147</u>
(1.) Basic (Continuing operations)		15.880	825	72.118	5.147
(1.) Basic (Discontinued operations)		-	-	-	-

The accompanying notes form an integral part of these financial statements.
The report of the auditor is set forth on pages 1 to 4.

Approved by the Directors on 7th April 2017

For TKM Global GmbH
GLOBAL HEAD LOGISTICS & MANAGING DIRECTOR

Amar Patnaik

For A2C Treuhand GmbH Wirtschaftsprüfungsgesellschaft

Mirco Schroeter
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TKM GLOBAL GmbH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st March 2017

	Notes	For the period ended	
		31 03 2017 EURO	31 03 2016 EURO
Cash flows from operating activities			
Profit before tax		8.314.307	817.746
Adjustments for:			
Extraordinary items			
Loss on disposal of fixed assets		-	17.917
Gain on disposal of financial assets			-
Depreciation		25.050	30.048
Interest Income		(174.546)	(178.468)
Dividend income		0	0
Operating profit before Working Capital		8.164.811	687.243
Changes in operating assets and liabilities			
Adjustments for:			
Trade and other receivables		36.040	2.363.511
Trade Payable and other Liabilities		(1.752.289)	(1.013.207)
Cash generated from Operations		6.448.562	2.037.547
Taxes paid for prior periods		-	(370.185)
Tax received for former periods		88.620	(27.295)
Taxes paid for actual periods		(724.465)	0
Net cash from operating activities (A)		5.812.717	1.640.067
Cash flows from investing activities			
Paid in of disposal of fixed assets		-	3.500
Paid in of disposal of financial assets		-	-
Purchase of fixed assets		0	(7.819)
Movements of financial assets		(4.300.609)	(2.902.662)
Movements in fixed deposits more than 3 and less 12 months		(8.957.628)	1.236.513
Dividends received		7.383.910	-
Interest received		174.546	178.468
Net cash used in investing activities (B)		(5.699.782)	(1.492.000)
Cash flows from financing activities			
Net cash - non-cash items (C)		113.575	-
Net increase/(decrease) in cash and bank balances (A+B+C)		226.510	148.066
Cash and cash equivalents at the beginning of the reporting period		<u>2.766.574</u>	<u>2.618.508</u>
Cash and bank balances at the end of the reporting period	5.	<u>2.993.084</u>	<u>2.766.574</u>

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31st March 2017

	Notes	31 03 2017 EURO	31 03 2016 EURO
Share Capital			
Issued, Subscribed and Paid up			
Equity Shares at the beginning of the reporting period	8.	<u>51.129</u>	<u>51.129</u>
Change in equity share capital during the reporting period	8.		
Equity Shares at the end of the reporting period	8.	<u>51.129</u>	<u>51.129</u>
Reserves and Surplus			
Net profit at the beginning of the period	9.	15.769.860	15.255.204
Adjustment recent years		27.496	0
Net profit after tax for the period	9.	7.211.767	514.656
Allocation to surplus reserves	9.		
Net profit as at the end of reporting period	9.	<u>23.009.123</u>	<u>15.769.860</u>
Surplus reserve as at beginning of the reporting period	9.	948.871	948.871
Change in surplus reserves during the reporting period	9.		
Surplus reserve as at end of the reporting period	9.	948.871	948.871
Total reserves and surplus	9.	<u>23.957.994</u>	<u>16.718.731</u>

The accompanying notes form an integral part of these financial statements.
The report of the auditor is set forth on pages 1 to 4.


Approved by the Directors on 7th April 2017

For TKM Global GmbH
GLOBAL HEAD LOGISTICS & MANAGING DIRECTOR


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TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2017

1. LEGAL STATUS AND BUSINESS ACTIVITY

- a) TKM Global GmbH was incorporated on 8th November 1994 in the Local Court of Frankfurt under HRB 48316. With date of 22nd October 2004 the company changed the registered address from Frankfurt (Main) to Hamburg. Now the company is registered in the Local court of Hamburg (HRB 90039). The establishment became a wholly owned subsidiary of TKM Global Logistics Ltd., a Company incorporated in India, with effect from 1st March 2005. With date of 13th of March 2007 TKM Overseas Transport (Europe) GmbH changed its company name into TKM Global GmbH. With date of 1st October 2011 the company opened a branch office in Frankfurt (Main) especially for air freight business.
- b) The establishment's principal activity is the brokerage of transports and performing national and international transports of all kinds, by air and ocean and road. The company is entitled to execute all appropriate activities. The company is also entitled to represent other companies, to hold interest in other companies and to establish subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the Indian Accounting Standards. The significant accounting policies adopted are as follows:

a) Fixed Assets and Depreciation

All the fixed assets are stated at cost. Cost comprises of purchase price and its attributable costs of bringing the assets to its working conditions for the intended use.

Depreciation on assets is provided on the straight-line method over the useful lives of assets. During the current period, the Company has revised its estimates of useful life of its fixed assets as prescribed in Part C of Schedule II of the Companies Act, 2013, except for certain fixed assets for which different useful life have been considered.

The details of estimated life for each category of assets are as under:

<u>Type of Asset</u>	<u>Estimated life</u>
Furniture and Fixtures	10 years
Vehicles - Four Wheeler	8 years
Office Equipment	5 years
Computers	3 years

b) Leave salary

Provision is made for value of unutilized leave due to employees at the period ended on actual basis.

c) Revenue

Revenue represents freight invoiced to customers for services rendered during the period.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

d) Revenue recognition

Income from freight / service charges etc. and related liabilities are recognized when the relevant consignments is shipped out. Freight /Service charges etc. earned and related freight / service charges are stated at gross values.

e) Foreign currency transactions

Transactions in foreign currencies are translated into Euro at the rate of exchange ruling on the date of the transactions. Monetary assets and liabilities expressed in foreign currencies are translated into Euro at the rate of exchange ruling at the balance sheet date. Gains or losses resulting from foreign currency transactions are taken to the income statement.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balance in bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

g) Bank deposits

Bank deposits are carried at cost.

h) Financial instruments

Financial instruments of the establishment comprise trade and other receivables and accruals, cash and cash equivalents and other current financial assets.

Financial assets that do not have an active market and whose fair value cannot be estimated reliably are measured at amortized cost less any write-down for impairment if they have a fixed maturity date, and at cost less any write-down for impairment if there is no fixed maturity date.

Financial liabilities with no fixed maturity date are measured at cost and at amortized cost if they have a fixed maturity date.

Changes in values of such financial assets and financial liabilities are recognized in the income statement.

i) Taxes on Income

Current Tax is calculated under the tax payable method on the taxable income for the period as determined in accordance with the provisions of the German Corporate Income Tax Code.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017**

Deferred Tax is recognized on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

1. Tangible and intangible assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01 04 2016	Additions	Deductions/ Disposals	As at 31 03 2017	As at 01 04 2016	For the period	Deductions from Sales	As at 31 03 2017	As at 01 04 2016	As at 31 03 2017
Equipments	23.423	-	-	23.423	8.804	7.441	-	16.245	14.619	7.178
Furniture & Fixture	80.466	9.029	-	89.495	53.093	3.696	-	56.789	27.373	32.706
Vehicles	66.991	3.164	-	70.155	31.547	12.013	-	43.561	35.444	26.594
Property, plant and equipment	170.880	12.193	-	183.073	93.444	23.150	-	116.595	77.436	66.478
Software	25.485	529	-	26.014	19.725	1.900	-	21.625	5.760	4.389
Intangible assets	25.485	529	-	26.014	19.725	1.900	-	21.625	5.760	4.389

TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

	As at 31 03 2017 EURO	As at 31 03 2016 EURO	As at 31 03 2015 EURO
NON CURRENT ASSETS			
FINANCIAL ASSETS			
Subsidiary TM Harbour Services Private Limited, 2. Kolkata (TKM Global GmbH has held 25,679,292 of 34,615,293 equity shares)		7.383.910	7.384.139
Personnel advances: loan to director 2.	25.000	25.000	25.000
Security deposit (reclass from current assets)	4.649	0	0
	29.649	25.000	25.000
OTHER NON CURRENT ASSETS			
Fixed deposits more than 12 months (effective 3. interest rate)	11.062.228	6.761.619	3.858.727
CURRENT ASSETS			
TRADE RECEIVABLES			
Trade receivables to third parties, unsecured 4. <i>thereof exceeding more than 6 months</i>	1.056.989 249.667	886.442 301.184	1.465.906 155.608
Trade receivables to consolidated entities, unsecured			
Less: allowance for doubtful debts	(58.465)	(115.615)	(113.552)
Less: lump-sum allowance	(10.440)	(8.720)	(11.640)
	988.084	762.107	1.340.714
CASH AND BANK BALANCES			
Balances with banks 5.	2.989.930	2.163.635	1.914.982
Fixed deposits less than three months		600.000	700.000
Cash on hand	3.155	2.939	3.526
Cash and bank balances	2.993.085	2.766.574	2.618.508
Other bank balances (Fixed deposits more than three months less than 12 months)	12.634.157	3.676.529	4.913.041
	15.627.242	6.443.103	7.531.549
OTHER FINANCIAL ASSETS			
In accrued on loans and advances 6.	34.828	293.630	190.879
Security deposit	0	4.649	4.648
Overpaid creditors	2.675	1.049	635
Personnel advances: interest on loan to director	1.608	1.020	433
Prepayments to supplier	856	620	1.805.826
Personnel advances: other receivables from director	296	522	
Others	1.349	782	1.000
	41.612	302.272	2.003.421

TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

	As at 31 03 2017 EURO	As at 31 03 2016 EURO	As at 31 03 2015 EURO
OTHER CURRENT ASSETS			
Tax corporation tax		123.750	39.560
Tax city tax		56.200	42.400
Tax refunds VAT, netted	17.836	15.829	28.370
Prepayments and deferred charges	14.703	22.714	93.928
	32.599	218.493	204.258

TKM GLOBAL GmbH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017**

	As at 31 03 2017 EURO	As at 31 03 2016 EURO	As at 31 03 2015 EURO
SHAREHOLDERS FUND'S			
SHARE CAPITAL			
8. Authorised Issued and paid up	<u>51.129</u>	<u>51.129</u>	<u>51.129</u>
Reserves and surplus			
9. Profit brought forward	23.009.123	15.769.860	16.204.075
Surplus reserve	948.871	948.871	-
	<u>23.957.994</u>	<u>16.718.731</u>	<u>16.204.075</u>
NON CURRENT LIABILITIES			
LONG TERM PROVISION			
10. For storage	<u>60.000</u>	<u>60.000</u>	<u>60.000</u>
DEFERRED TAX LIABILITIES			
11. Difference between foreign exchange accounting of fixed deposits	109.317	218.000	206.000
Difference between book and tax depreciation	5.141	5.200	13.600
	<u>114.458</u>	<u>223.200</u>	<u>219.600</u>
CURRENT LIABILITIES			
TRADE PAYBLES			
12. For operation	1.814.855	4.421.616	5.288.622
For accrued wages and salaries	174.358	0	0
	<u>1.989.213</u>	<u>4.421.616</u>	<u>5.288.622</u>
OTHER FINANCIAL LIABILITIES			
13. For personell costs	0	209.577	348.377
Advance payments	-	181.541	124.343
For accounts & audit	0	28.862	25.000
Overpaid debtors	49	-	847
Other	820.721	85.044	152.657
	<u>820.770</u>	<u>505.024</u>	<u>651.224</u>
SHORT TERM PROVISIONS			
14. Accounting and auditing	<u>32.366</u>	-	-
OTHER NON-FINANCIAL LIABILITIES			
15. Advance received from customer	<u>339.920</u>	-	-
CURRENT TAX LIABILITIES			
16. For city tax	254.800	-	-
For corporation tax	231.570	-	-
	<u>486.370</u>	-	-

Remark to notes 14 through 16: Balance sheet items were newly implemented. Respective amounts for prior years were shown under other financial liabilities.

TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

		For the quarter ended		For the period ended	
		31 03 2017	31 03 2016	31 03 2017	31 03 2016
REVENUES FROM OPERATION	14.				
Freight		1.008.447	1.271.868	4.592.210	6.427.819
		1.008.447	1.271.868	4.592.210	6.427.819
OTHER INCOME	15.				
Dividend income		-	-	3.228.561	-
Interest		21.957	43.916	174.546	178.468
Forward cover cancellation charge		0	-	(624.726)	-
Income on disposal of TM Harbour Ltd.		0	-	3.429.534	-
Other income		2.194.202	24.641	1.499.059	147.116
Total		2.216.159	68.557	7.706.974	325.584
EMPLOYEE BENEFITS EXPENSES	16.				
Salaries and social welfare expenses		235.239	210.254	893.514	996.631
		235.239	210.254	893.514	996.631
FINANCE COSTS	17.				
Applicable net gain/loss on foreign currency transaction and translations		42.900	157.435	(302.771)	128.804
		42.900	157.435	(302.771)	128.804
OPERATIONAL COSTS	18.				
Freight		575.948	728.268	3.078.206	4.380.129
		575.948	728.268	3.078.206	4.380.129
DEPRECIATION AND AMORTIZATION	19.				
Depreciation on tangible and intangible assets		6.348	7.247	25.050	30.048
		6.348	7.247	25.050	30.048
OTHER EXPENSES	20.				
Office		33.207	30.849	132.245	174.958
General sales and administration		24.377	17.061	70.990	55.601
Business development of promotion		12.842	10.414	31.039	46.118
Legal, accounting and secretarial		18.240	22.089	41.190	49.089
Loss on debtors		-	33.952	15.414	56.362
loss on disposal of fixed assets		866	128	-	17.917
charitable donations		-	-	-	-
Total		89.532	114.237	290.878	400.045

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017**

	For the quarter ended		For the period ended	
	31 03 2017	31 03 2016	31 03 2017	31 03 2016
TAXES	21.			
Current taxes				
Taxes for the period				
Corporation tax	268.800	38.150	374.750	127.200
Solidarity surcharge	14.780	2.096	20.609	6.995
City tax	291.848	41.448	406.692	137.991
Withholding taxes	-	1	407.537	1
	575.428	81.695	1.209.588	272.187
Taxes for prior periods				
Corporation tax	5.135	-	5.136	441
Solidarity surcharge	235	-	235	-
City tax	3.554	(55)	3.553	26.861
	1.346	(55)	1.347	27.302
Total current tax expenses	576.774	81.640	1.210.935	299.489
Deferred taxes	11.			
Different accounting of fixed deposits in foreign currency	108.546	200	(108.636)	5.900
Different depreciation on fixed and intangible assets	1.359	(41.000)	241	9.500
	109.905	(41.200)	(108.395)	3.600
TAX EXPENSES FOR CONTINUING OPERATIONS	686.679	40.440	1.102.540	303.089
The effect on disposal of sale TM Harbour Ltd. of the earnings before tax are:				
Profit before tax, provisional	2.046.360	122.984	8.086.028	817.746
Add: tax on capital gain	0	-	0	-
Revised profit before tax	2.046.360	122.984	8.086.028	817.746
TAX EXPENSES FOR DISCONTINUED OPERATIONS	22.			
PROFIT FROM DISCONTINUED OPERATIONS				
EARNINGS PER SHARE	23.			
Profit After Tax for continuing operations	1.587.959	82.544	7.211.767	514.657
Profit attributable to Shareholders	1.587.959	82.544	7.211.767	514.657
Weight average no. of Shares for Basic EPS	100	100	100	100
Nominal Value of ordinary Shares (Euro)	511	511	511	511

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017**

24. NUMBER OF EMPLOYEES

The number of employees at the period ended 31st March 2017 was 10 without the Global Head Logistics & Managing Director. This includes two apprentices.

25. RELATED PARTIES

Related parties comprise the following:

Ultimate parent company	Tata Steel Limited
	TM International Logistic Ltd.
Joint Ventures of the Parent company	IQ Martrade Holding und Management GmbH, Germany
	NYK Holding (Europe) B.V. Netherlands
Parent company	TKM Global Logistics Ltd.
Fellow Subsidiaries	International Shipping Ltd. FZE, Dubai
Subsidiary Company	TM Harbour Services Pvt.Ltd. (sold in 2016/2017)
Global Head Logistics & Managing Director	Mr. Amar Patnaik

TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

26. The nature of significant related party transactions and the amounts involved are as follows:

	For the quarter ended		For the period ended	
	31 03 2017	31 03 2016	31 03 2017	31 03 2016
Revenue (services rendered)				
TKM INDIA	53.549	72.260	247.519	223.831
TKM China	5.448	18.199	27.231	20.175
Direct costs (services availed)				
TKM INDIA	34.354	37.227	121.442	145.022
TKM China	77.757	198.089	1.011.900	852.020
TMILL	1.604	-	1.604	-
ISL Dubai	-	-	-	-
Dividend income				
TM Harbour Services Private Limited	-	-	3.228.561	-

At the balance sheet date balances with related parties were as follows

	As at 31 03 2017 EURO	As at 31 03 2016 EURO	As at 31 03 2015 EURO
Disclosed under trade receivables			
TKM INDIA	45.336	85.662	241.702
TKM China	1.648	251	(20)
TMILL	-	-	-
ISL Dubai	-	-	-
Disclosed under other assets			
TKM China	-	-	-
ISL Dubai	-	-	-
Disclosed under trade Payables			
TKM INDIA	57.993	28.127	150.516
TKM China	-	24.605	596
TMILL	-	(795)	-
ISL Dubai	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

27. FINANCIAL INSTRUMENTS: CREDIT, INTEREST RATE AND EXCHANGE RATE RISK EXPOSURES

Credit risk

Financial assets which potentially expose the establishment to concentrations of credit risk comprise principally bank accounts and trade receivables.

The establishment's bank accounts are placed with high credit quality financial institutions.

Trade receivables are stated net of the allowance for doubtful recoveries.

Interest rate risk

There are no interest rate risks.

Exchange rate risk

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Euro.

28. FINANCIAL INSTRUMENTS: FAIR VALUES

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of the financial assets and financial liabilities which are required to be carried at cost or at amortized cost approximate to their fair values.

TKM GLOBAL GmbH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2017

29. CONTINGENT LIABILITIES

	As at 31 03 2017 EURO	As at 31 03 2016 EURO	As at 31 03 2015 EURO
Banker's letter of guarantee	23.900	23.900	23.900

30. EARNINGS AND EXPENDITURE IN FOREIGN EXCHANGE

	For the period ended			For the period ended		
	31 03 2017 USD in Euro	31 03 2017 GBP in Euro	31 03 2017 JYP in Euro	31 03 2016 USD in Euro	31 03 2016 GBP in Euro	31 03 2016 JYP in Euro
Freight income	2.067.010	90.735	1.385	2.237.261	79.156	29.113
Freight expenditure	1.564.120	88.400	3.576	2.357.849	103.540	21.946
Spot transaction income	1.046.940	350.078	-	-	-	-
Spot transaction expenses	2.059.142	-	-	-	-	-
Other income	-	-	-	-	6.435	-
Bank charges	190	204	11	389	-	-
Other expenditure	91.858	-	-	-	7.025	-

31. PAYMENTS TO THE AUDITOR

	For the period ended	
	31 03 2017	31 03 2016
Auditing	6.000	6.000
Taxation matters	-	-
Company law matters	-	-
Management services	-	-
Other services	10.500	10.500
Reimbursement of expenses	-	-

Approved by the Directors on 7th April 2017

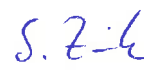
For TKM Global GmbH

GLOBAL HEAD LOGISTICS & MANAGING DIRECTOR


Amar Patnaik

For A2C Treuhand GmbH Wirtschaftsprüfungsgesellschaft


Mirco Schroeter
Wirtschaftsprüfer
Steuerberater


Sabine Zinke
Dipl.-Ing.-Ökonom
CINA, CVA

A2C Treuhand GmbH
Wirtschaftsprüfungsgesellschaft