



**TKM GLOBAL LOGISTICS LIMITED**


**ANNUAL REPORT 2015-16**

TKM Global Logistics Ltd.  
Balance Sheet as at 31st March 2016

		As at	
		31st March 2016	31st March 2015
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>	<b>Note</b>		
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	36,000,000	36,000,000
(b) Reserves and Surplus	3	210,834,872	180,725,609
		<b>246,834,872</b>	<b>216,725,609</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	23,200,000	58,000,000
(b) Deferred Tax Liabilities (Net)	30	729,005	-
(c) Long-Term Provisions	5	16,578,326	16,265,397
		<b>40,507,331</b>	<b>74,265,397</b>
<b>(3) Current Liabilities</b>			
(a) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	29	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6	68,660,821	99,693,446
(b) Other Current Liabilities	7	39,458,169	26,831,808
(c) Short-Term Provisions	8	250,069	1,922,053
		<b>108,369,059</b>	<b>128,447,307</b>
<b>Total</b>		<b>395,711,262</b>	<b>419,438,313</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9A	67,222,829	69,791,525
(ii) Intangible Assets	9B	243,271	351,195
(b) Non-Current Investments	10	54,941,215	54,941,215
(c) Long Term Loans and Advances	11	64,991,708	60,675,146
(d) Other Non-Current Assets	12	144,598	-
		<b>187,543,621</b>	<b>185,759,081</b>
<b>(2) Current Assets</b>			
(a) Current Investments	13	998,419	-
(b) Trade Receivables	14	151,408,028	183,651,848
(c) Cash and Bank Balances	15	38,997,537	32,515,929
(d) Short-Term Loans and Advances	16	16,669,062	17,426,847
(e) Other Current Assets	17	94,595	84,608
		<b>208,167,641</b>	<b>233,679,232</b>
<b>Total</b>		<b>395,711,262</b>	<b>419,438,313</b>


See accompanying notes forming part of the financial statements

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

  
Abhijit Bandyopadhyay  
Partner



For and on behalf of the Board of Directors

  
R N Murthy  
Chairman

  
Anand Chand  
Director

Kolkata, 20 April, 2016

Kolkata, 20 April, 2016



**TKM Global Logistics Ltd.**

**Statement of Profit & Loss for the year ended 31st March 2016**


	Note No	For the Year ended 31st March 2016	For the Year ended 31st March 2015
		₹	₹
<b>I Revenue from Operations</b>	18	638,663,573	925,668,261
<b>II Other Income</b>	19	10,078,141	12,282,692
<b>III Total Revenue (I +II)</b>		648,741,714	937,950,953
<b>IV Expenses:</b>			
(a) Operating Expenses	20	482,937,677	792,041,361
(b) Employee Benefits Expense	21	76,318,667	84,648,169
(c) Finance Costs	22	7,660,683	8,827,508
(d) Depreciation and Amortization Expense		3,062,886	4,140,513
(e) Other Expenses	23	40,821,534	38,703,102
<b>Total Expenses</b>		610,801,447	928,360,653
<b>V Profit Before Tax (III - IV)</b>		37,940,267	9,590,300
<b>VI Tax Expense:</b>			
Current Tax		8,382,000	1,218,265
Less : MAT credit entitlement		(1,280,000)	(1,098,000)
Deferred Tax	30	729,004	-
<b>VII Profit for the year (V-VI)</b>		30,109,263	9,470,035
<b>VIII Earning per Equity Share:</b>	32		
(1) Basic		8.36	3.87
(2) Diluted		8.36	3.87

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants



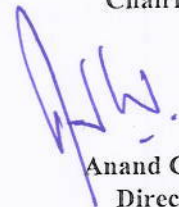
Abhijit Bandyopadhyay  
Partner



For and on behalf of the Board of Directors



R N Murthy  
Chairman



Anand Chand  
Director

Kolkata, 20 April, 2016

Kolkata, 20 April, 2016





**TKM Global Logistics Ltd.**  
**Cash Flow Statement for the year ended 31st March 2016**

	For the Year ended 31st March 2016	For the Year ended 31st March 2015
	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	37,940,267	9,590,300
Adjustments for:		
Depreciation	3,062,886	4,140,513
Profit on Sale of Fixed Assets (Net)	(57,434)	(10,546)
Assets/Capital work in Progress written off	-	163,394
Interest Income	(267,495)	(188,602)
Dividend Income	(1,195,347)	(620,948)
Interest Expense	7,660,683	8,827,508
Operating profit before Working Capital Changes	47,143,560	21,901,619
Adjustments for (increase) / decrease in Operating Assets:		
(Increase) /Decrease in Trade and Other Receivables	32,243,820	30,481,769
(Increase) /Decrease in Short Term Loans & Advances	2,747,992	7,460,915
(Increase) /Decrease in Long Term Loans & Advances	(185,157)	9,290,773
Adjustments for Increase/ (Decrease) in Operating Liabilities:		
Increase/ (Decrease) in Trade Payables & Other Liabilities	(33,440,982)	(38,117,401)
Increase/ (Decrease) in Short Term Provisions	28,120	22,430
Increase/ (Decrease) in Long Term Provisions	312,929	2,897,656
Cash generated from Operations	48,850,282	33,937,761
Direct Taxes Paid	(14,923,726)	(16,992,914)
Net cash from Operating Activities	33,926,556	16,944,847
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including Capital Work in Progress	(525,689)	(805,791)
Sale of Fixed Assets	231,586	39,024
Dividend Income from Investments in Mutual Funds	1,195,347	620,948
Purchase and Sale of Investments (Net)	(998,419)	-
(Increase)/Decrease in Fixed Deposits	(104,587)	(73,974)
Interest Received	254,519	162,215
Net Cash generated/(used) in Investing Activities	52,757	(57,578)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from issue of Equity Share Capital	-	18,000,000
Repayment of Unsecured Loan to Group Company	(19,800,000)	(41,861,795)
Unsecured Loan from Holding Company	-	34,000,000
Interest Paid	(7,660,683)	(9,064,038)
Net cash generated/(used) in Financing Activities	(27,460,683)	1,074,167
Net increase/(decrease) in Cash & Cash equivalents(A+B+C)	6,518,630	17,961,436
Cash and Cash equivalents at the beginning of the year	31,317,818	13,356,382
Cash and Cash equivalents at the end of the year ( Refer note 15)	37,836,448	31,317,818

Additional Notes:

- 1) Figures in brackets indicate outflows
- 2) Cash and Bank Balances includes Cash and Cash equivalents (refer note 15)
- 3) Net cash from operating activities includes payment made for CSR activity ₹ 210,000
- 4) Previous year's figures have been regrouped/restated wherever necessary.

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells  
Chartered Accountants

Abhijit Bandyopadhyay  
Partner

R N Murthy  
Chairman

Anand Chand  
Director

Kolkata, 20 April, 2016

Kolkata, 20 April, 2016





## TKM GLOBAL LOGISTICS LIMITED

Notes forming part of financial statements for the year ended 31st March 2016

### 1. Accounting Policies

#### 1.01. Basis of accounting and preparation of financial statements

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

#### 1.02. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 1.03. Revenue Recognition

Income from Service:

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Other Income:

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

#### 1.04. Tangible Assets

Tangible assets are valued at cost less depreciation and net of impairment, if any. The cost of an item of tangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Interest on borrowings and financing cost during the period of construction is added to the cost of tangible assets.

#### 1.05. Intangible Assets

Intangible assets are stated at cost of acquisition, including any cost attributable for bringing the same to its working condition, less accumulated amortisation.

#### 1.06. Impairment of Assets

The carrying amounts of tangible and intangible assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.

#### 1.07. Investments

Long-term investments are carried at cost less provision for permanent diminution in value of such investments. Current Investments are stated at lower of cost and fair value.

#### 1.08. Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

#### 1.09. Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

#### 1.10. Transactions in Foreign Currency

Foreign Currency transactions are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing at the date of transaction. Monetary assets and liabilities in currencies other than the reporting currency are remeasured at the rates of exchange prevailing at the balance sheet date. Exchange difference arising on the settlement of monetary items, and on the remeasurement of monetary items, are included in the statement of profit and loss. In respect foreign exchange contracts, Premium/Amount is amortised over the period of contract.





## TKM GLOBAL LOGISTICS LIMITED

Notes forming part of financial statements for the year ended 31st March 2016

### 1.11. Depreciation

Depreciable amount of an asset is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets. The details of estimated life for each category is as under:

Type of Asset	Estimated life
Buildings	60 years.
Plant and Equipments	7-15 years
Furniture and Fixtures	10 years
Vehicles - Two Wheeler	10 years
Vehicles - Four Wheeler	8 years
Office Equipment	5 years
Computers	3 years

Intangible Assets in respect of accounting software is amortised over a period of 5 years. Other Intangible Assets are amortised equally over the period for which the right is obtained.

### 1.12. Employee Benefits

#### Short term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### Defined Contribution Plans

The Company provide Provident Fund to its employees. The contributions towards Provident fund are paid to the trust administered by the Government. The company has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay employee benefits. The contributions are recognised as expenses in the statement of profit and loss based on the amount of contribution required to be made and when services are rendered by employees.

#### Defined Benefit Plans

The Company provides Gratuity and Leave Encashment Benefits to its employees. Gratuity liabilities are funded through a separate trust funds managed by Life Insurance Corporation of India. The liability towards leave encashment is not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirement of Accounting Standards 15 - Employee Benefits. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognised past service costs. All actuarial gains and losses are recognised in Statement of Profit and Loss in full in the year in which they occur.

### 1.13. Taxes on Income

Provision for Current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.



**TKM Global Logistics Ltd.**

Notes forming part of the financial statements for the year ended 31st March 2016

Note 2 : SHARE CAPITAL	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Authorised 5,000,000 Equity Shares of ₹ 10 each (31.03.2015 : 5,000,000 Equity Shares of ₹ 10 each)	50,000,000	50,000,000
b) Issued, Subscribed and Paid-up 3,600,000 Equity Shares of ₹ 10 each (31.03.2015 : 3,600,000 Equity Shares of ₹ 10 each) (All the above shares are held by TM International Logistics Ltd.,the Holding Company.)	36,000,000	36,000,000
	36,000,000	36,000,000

Note 2A : RECONCILIATION OF SHARES	No. of Shares	
	31st March 2016	31st March 2015
Equity Shares of ₹ 10/- each		
Opening Balance at the beginning of the year	3,600,000	1,800,000
Issued during the year	-	1,800,000
Closing Balance at the end of the year	3,600,000	3,600,000

Note 2B : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF OUTSTANDING SHARES	% age of Shareholding	No. of Shares	
		31st March 2016	31st March 2015
		No. of Shares	No. of Shares
TM International Logistics Limited	100%	3,600,000	3,600,000

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 3 : RESERVES & SURPLUS	31st March 2016 ₹	31st March 2015 ₹
a) Reserves		
i) General Reserves		
Opening Balance at the beginning of the year	564,457	564,457
Add: Transfer from Statement of Profit & Loss	-	-
Closing Balance at the end of the year	564,457	564,457
b) Surplus		
i) Statement of Profit & Loss		
Opening Balance at the beginning of the year	180,161,152	170,691,117
Add: Profit for the year	30,109,263	9,470,035
Closing Balance at the end of the year	210,270,415	180,161,152
	210,834,872	180,725,609





**TKM Global Logistics Ltd.**

Notes forming part of the financial statements for the year ended 31st March 2016

Note 4 : LONG TERM BORROWINGS	As at	
	31st March 2016 ₹	31st March 2015 ₹
<b>UNSECURED</b>		
Loan from Related Party		
(i) TM Harbour Services Private Limited	-	30,000,000
(ii) TM International Logistics Limited	23,200,000	28,000,000
	23,200,000	58,000,000

Note 5 : LONG TERM PROVISIONS	As at	
	31st March 2016 ₹	31st March 2015 ₹
Provision for Employee Benefits		
a) Provision for Gratuity	1,182,079	2,952,980
b) Provision for compensated absences	15,396,247	13,312,417
	16,578,326	16,265,397

Note 6 : TRADE PAYABLES	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Creditors for supplies / services	57,898,317	84,919,813
b) Creditors for accrued wages and salaries	10,762,504	14,773,633
	68,660,821	99,693,446

Note 7 : OTHER CURRENT LIABILITIES	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Current Maturities of Long-Term Debt	34,800,000	19,800,000
b) Advances Received from Customers	541,053	3,179,850
c) Other Payables		
(i) Statutory Dues	1,840,733	1,810,293
(ii) Payable on purchase of fixed assets	2,076,383	2,041,665
(iii) Others	200,000	-
	39,458,169	26,831,808

Note 8 : SHORT TERM PROVISIONS	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Provision for Employee Benefits		
(i) Other Long Term Benefits	237,720	209,600
b) Provision for Taxation	12,349	1,712,453
[Net of Advance Tax: ₹ 1,105,000 (31.03.2015 : ₹ 5,132,471)]		
	250,069	1,922,053





**TKM Global Logistics Ltd.**

Notes forming part of the financial statements for the year ended 31st

**Note 9A: TANGIBLE ASSETS**

PARTICULARS	GROSS BLOCK ( AT COST)		
	As at 1st April 2015	Additions	Deletions
Building	67,030,093 (67,030,093)	- -	- -
Plant and Equipments	772,354 (772,354)	101,161 -	- -
Furniture and Fixtures	8,036,056 (8,372,601)	98,547 (6,600)	564,826 (343,145)
Vehicles	1,211,646 (1,264,766)	- -	44,127 (53,120)
Office Equipments	12,118,620 (13,304,100)	360,700 (496,286)	4,062,954 (1,681,766)
<b>Total</b>	<b>89,168,769</b> <b>(90,743,914)</b>	<b>560,408</b> <b>(502,886)</b>	<b>4,671,907</b> <b>(2,078,031)</b>

**Note 9B: INTANGIBLE ASSETS**

PARTICULARS	GROSS BLOCK ( AT COST)		
	As at 1st April 2015	Additions	Deletions
Software	538,440 (538,440)	- -	- -
<b>Total</b>	<b>538,440</b> <b>(538,440)</b>	<b>-</b> <b>-</b>	<b>-</b> <b>-</b>

Figures in brackets relate to the previous year comparative.



**TKM Global Logistics Ltd.**

**Notes forming part of the financial statements for the year ended 31st March 2016**

Note 10 : NON CURRENT INVESTMENTS	As at	
	31st March 2016 ₹	31st March 2015 ₹
<b>TRADE INVESTMENTS</b>		
Equity Instruments in Subsidiary Companies (Unquoted)		
i) TKM Global GmbH	11,063,715	11,063,715
100 Shares of Euro 511.29 each, fully paid up (31.03.2015 : 100 Shares of Euro 511.29 each, fully paid up)		
ii) TKM Global China Ltd	43,877,500	43,877,500
1 Share of USD 1,000,000 fully paid up (31.03.2015 : 1 Share of USD 1,000,000 fully paid up)		
	<b>54,941,215</b>	<b>54,941,215</b>

	As at	
	31st March 2016 ₹	31st March 2015 ₹
Aggregate value of Unquoted Investments	54,941,215	54,941,215
	<b>54,941,215</b>	<b>54,941,215</b>

Note 11 : LONG TERM LOANS & ADVANCES	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Security Deposit	2,693,150	2,508,150
b) Loan to Employees	33,000	27,280
c) Prepaid	8,031	13,594
d) Advance Payment of Taxes	62,257,527	58,126,122
[Net of Provisions for Tax ₹ 30,741,497 (31.03.2015 : ₹ 15,921,717)]		
	<b>64,991,708</b>	<b>60,675,146</b>

Note 12 : OTHER NON CURRENT ASSETS	As at	
	31st March 2016 ₹	31st March 2015 ₹
Bank Deposits with more than 12 months maturity	141,609	-
Interest Accrued on Deposits	2,989	-
	<b>144,598</b>	<b>-</b>

Note 13 : CURRENT INVESTMENTS	31st March 2016	31st March 2015
	₹	₹
Investment in Units of Mutual Fund(Unquoted)		
At lower of cost or fair value		
In units of ₹ 1000/- each		
TATA Liquid Fund Direct Plan-Daily Div Re-invest	998,419	-
895.828 Units (31.03.2015 Nil)		
	<b>998,419</b>	<b>-</b>
Less: Excess of Cost over Fair Value of Current Investment	-	-
	<b>998,419</b>	<b>-</b>

Note:

Particulars	31st March 2016	31st March 2015
	₹	₹
(i) Aggregate value of Quoted Investments	-	-
(ii) Aggregate value of Unquoted Investments	998,419	-
	<b>998,419</b>	<b>-</b>





**TKM Global Logistics Ltd.**

Notes forming part of the financial statements for the year ended 31st March 2016

Note 14 : TRADE RECEIVABLES	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Debts Outstanding for a period exceeding six months	9,942,803	5,317,543
b) Other Debts	149,774,451	182,439,059
	159,717,254	187,756,602
Less : Provision for Doubtful Debts		
a) For a period exceeding six months	7,888,101	3,524,287
b) Other Debts	421,125	580,467
	151,408,028	183,651,848
Of the above:		
- Secured Considered Good	-	-
- Unsecured Considered Good	151,408,028	183,651,848
- Doubtful	8,309,226	4,104,754
	159,717,254	187,756,602

Note 15 : CASH AND BANK BALANCES	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Cash in hand	145,137	151,902
b) Cheques, Drafts on hand	9,073	1,016,055
c) Balance with Banks :		
- In Current Accounts	11,682,238	18,149,861
- In Deposit Accounts (maturity less than 3 months)	26,000,000	12,000,000
<b>Total Cash and Cash Equivalents</b>	<b>37,836,448</b>	<b>31,317,818</b>
Other Bank Balance (more than 3 months less than 12 months)	1,161,089	1,198,111
<b>Total Cash and Bank Balances</b>	<b>38,997,537</b>	<b>32,515,929</b>

Note 16 : SHORT TERM LOANS & ADVANCES	As at	
	31st March 2016 ₹	31st March 2015 ₹
a) Loan to Employees	1,625,795	771,024
b) Advance with Public Bodies	2,891,582	3,780,841
c) Security Deposit	6,472,309	7,080,009
d) Prepaid	1,882,957	2,410,874
e) MAT credit entitlement	3,088,207	1,098,000
f) Others	758,212	2,386,099
	16,719,062	17,526,847
Less: Provision for Bad & Doubtful Loans & Advances	50,000	100,000
	16,669,062	17,426,847
Of the above:		
- Secured Considered Good	-	-
- Unsecured Considered Good	16,669,062	17,426,847
- Doubtful	50,000	100,000
	16,719,062	17,526,847

Note 17 : OTHER CURRENT ASSETS	As at	
	31st March 2016 ₹	31st March 2015 ₹
Interest Accrued on Deposits	94,595	84,608
	94,595	84,608

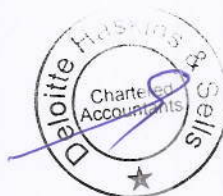


	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>Note 18 : REVENUE FROM OPERATIONS</b>	₹	₹
a) Sale of services		
i) Freight	281,728,595	505,018,307
ii) Charges Collect Fees	3,043,849	3,727,992
iii) Delivery Order Fees	8,824,317	8,715,675
iv) Clearing & Forwarding	59,003,536	88,005,653
v) Warehousing	139,884,375	131,614,931
vi) Others	134,714,664	180,701,840
b) Other operating revenues		
i) Service Charge	11,464,237	7,883,863
<b>Total</b>	<b>638,663,573</b>	<b>925,668,261</b>

	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>Note 19 : OTHER INCOME</b>	₹	₹
a) Dividend from Current Investments	1,195,347	620,948
b) Liabilities no longer required written back	3,617,229	4,562,544
c) Profit on Sale of Fixed Assets (net)	57,434	10,546
d) Recovery of bad debt	22,600	16,674
e) Profit on Foreign Currency Transactions (net)	3,838,915	6,678,248
f) Provision for Bad and Doubtful Debts written back (net)	-	38,139
g) Interest on Deposits etc.	267,495	188,602
h) Rental Income	950,500	-
i) Other Non-Operating Income	128,621	166,991
	<b>10,078,141</b>	<b>12,282,692</b>

	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>Note 20 : OPERATING EXPENSE</b>	₹	₹
a) Freight Charges	252,621,668	460,825,685
b) Delivery Order Costs	1,770,352	2,495,909
c) Clearing & Forwarding	51,770,069	78,906,855
d) Warehousing	80,196,293	88,644,219
e) Others	96,579,295	161,168,693
	<b>482,937,677</b>	<b>792,041,361</b>

	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>Note 21 : EMPLOYEE BENEFITS EXPENSE</b>	₹	₹
a) Salaries and wages, including bonus	67,898,309	74,997,514
b) Contribution to Provident and other Funds	3,567,440	6,428,217
c) Staff Welfare	4,852,918	3,222,438
	<b>76,318,667</b>	<b>84,648,169</b>





TKM Global Logistics Ltd.  
Notes forming part of the financial statements for the year ended 31st March 2016

	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>Note 22 : FINANCE COSTS</b>	₹	₹
a) Interest on Secured Term Loan	-	2,501,333
b) Interest on Unsecured Loan from related party	7,660,683	6,326,175
	<b>7,660,683</b>	<b>8,827,508</b>

	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>Note 23 : OTHER EXPENSES</b>	₹	₹
a) <u>Administrative Expenses</u>		
- Power and Fuel	1,477,053	1,724,533
- Rent	11,457,470	9,989,618
b) <u>Repairs</u>		
- Building	365,130	586,592
- Others	2,355,583	2,366,544
c) Insurance	1,664,462	2,627,837
d) Rates and Taxes	531,421	642,322
e) Assets/ capital work-in- progress written off	-	163,394
f) Provision for Bad and Doubtful Debt (Net)	4,363,740	100,000
g) <u>Auditor's Remuneration:</u>		
- As Auditors	910,800	660,000
- Other Services	457,600	110,000
- Out of Pocket Expenses	16,000	3,700
h) CSR Expenditure	404,092	-
i) Bad Debts, Loans and Advances written off	748,435	1,292,447
j) Miscellaneous Expenses	16,069,748	18,436,115
	<b>40,821,534</b>	<b>38,703,102</b>



**TKM GLOBAL LOGISTICS LIMITED**

Notes forming part of the financial statement for the year ended 31st March 2016

**Additional Information to the financial statements**

**24. Contingent Liabilities**

24.1. Outstanding Bank Guarantees - ₹ 75,000 (31.03.2015- ₹ 1,075,000)

24.2. Service Tax - ₹ 667,763,367 (Comprising of Interest ₹ 222,587,789 & Penalty of ₹ 222,587,789 ) (31.03.2015- ₹ 667,763,367)

The Service Tax Department has raised the demand on applicability of service tax on remittances made to Overseas Logistics Service Providers by the company from Financial Year 2005-2006 to Financial Year 2009-2010. Company has filed an appeal against the demand and has obtained stay from Kolkata High Court against the pre-deposit demanded by the CESTAT Eastern Zone. The matter is pending with CESTAT Eastern Zone.

24.3. Other Matters - ₹ 6,661,085 (31.03.2015- ₹ 6,661,085)

i) A case has been filed against the company by New India Assurance Company for ₹ 4,986,826 (31.03.2015 - ₹ 4,986,826 ) for the cargo damage handled by the company in year 2008. Insurance company has paid the claim for damages to the consignee and has filed a claim for re-imbursalment with the company. The matter is pending before Civil Court, Secunderabad.

ii) A case has been filed against the company by New India Assurance Company for ₹ 1,674,259 (31.03.2015 - ₹ 1,674,259) for the cargo damage handled by the company in year 2006. Insurance company has paid the claim for damages to the consignee and has filed a claim for re-imbursalment with the company. The matter is pending before Civil Court, Hyderabad.

24.4. The Deputy Commissioner of Income Tax has passed an order under section 143(3) relating to FY 2010-11 on dated 5th May 2015 demanding ₹ 14,200,550 (31.03.15 - ₹ 14,200,550). Company has filed an appeal on 3rd June 2015 against the order. On 28th March 2016 the Company has deposited ₹ 2,140,000 which is 15% of the disputed amount.

24.5. The Assistant Commissioner of Income Tax has passed a draft order relating to FY 2011-12 on dated 17th February 2016 and disallowed ₹ 1,448,940 (31.03.15 - ₹ NIL) under section 14A of Income Tax Act 1961 read with Rule 8D of Income Tax Rule 1962. Expected consequent liability on the company is ₹ 470,109 (31.03.15 - ₹ NIL)

24.6. The Deputy Commissioner of Income Tax (Transfer Pricing)-II, Kolkata has passed an order related to FY 2011-12 on dated 25th January 2016 and made an upward adjustment of ₹ 50,873,621 (31.03.15 - ₹ NIL) which is added back to the total income. Subsequently the company has filed an appeal on dated 10th March 2016 under section 154 and to rectify the mistake and our submission has been considered. The revised order dated 30th March 2016 has been received in which upward adjustment of ₹ 25,906,151 is made. Accordingly expected consequent liability on the company is ₹ 8,405,251 (31.03.15 - ₹ NIL).

24.7. Claim against the company not acknowledged as debt - ₹ 3,552,045 (31.03.15 - ₹ 2,096,300)

**25. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:**

As at 31st March 2016 amount receivable & payable are as below:

**Receivables:**

Foreign Currency	As at 31st March 2016		As at 31st March 2015	
	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
CAD	-	-	82	3,860
EUR	10,514	765,412	25,164	1,650,758
GBP	197	18,169	1,034	92,760
JPY	113,143	64,831	-	-
CHF	82	5,425	353	21,773
SGD	355	16,918	130	5,643
USD	77,382	4,979,533	211,128	12,815,470

**Payables:**

Foreign Currency	As at 31st March 2016		As at 31st March 2015	
	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
AUD	587	30,656	-	-
CHF	12,122	857,656	13,356	901,664
EUR	73,355	5,671,075	39,869	2,778,471
GBP	4,284	419,587	9,322	888,480
HKD	-	-	18,538	156,275
JPY	106,349	64,660	84,964	46,237
NOK	-	-	3,099	25,226
SGD	3,008	152,039	4,269	202,991
THB	-	-	66,976	134,742
USD	84,548	5,777,163	193,854	12,497,767

**26. Earnings in Foreign Currency:**

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Freight, Agency Fees and related income	19,977,836	37,279,503

**27. Expenditure in Foreign Currency (Accruals)**

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Freight	97,290,082	144,085,206
Travelling	-	176,840
<b>Total</b>	<b>97,290,082</b>	<b>144,262,046</b>





**TKM GLOBAL LOGISTICS LIMITED**

Notes forming part of the financial statement for the year ended 31st March 2016

28. The terms of repayment of Long Term Borrowings as on 31st March, 2016 are as under:

**28.1 UNSECURED LONG TERM LOAN FROM RELATED PARTY**

(a) Loan from TM International Logistics Limited

- (i) Period of Maturity : 31st March 2022
- (ii) No of Quarterly Principal Instalments : 29
- (iii) No of Instalments Outstanding: 24
- (iv) Quarterly Principal Re-payment : ₹ 1,200,000
- (v) Rate of Interest : Floating, Currently 10.50 %
- (vi) Interest Payment Due Date : At the end of each month

Financial Year	Yearly Principal Repayable
FY 2016-17	4,800,000
FY 2017-18	4,800,000
FY 2018-19	4,800,000
FY 2019-20	4,800,000
FY 2020-21	4,800,000
FY 2021-22	4,000,000

(b) Loan from TM Harbour Services Private Limited

- (i) Rate of Interest : Floating, Currently 10.50 %
- (ii) Interest Payment Due Date : At the end of each month
- (iii) Period of Maturity :

Re-payment Date	Amount in ₹
31st December 2016	30,000,000

29. Based on and to the extent of information obtained from suppliers regarding their status as Micro, Small or Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 there are no amounts due to them as at the end of the year. The Company has not paid any interest during the year in terms of Sec 16 of The Micro, Small and Medium Enterprise Development Act, 2006.

30. Deferred Tax Liability/(Asset) Net

	As at 31st March'15	Charge/ (credit) for the year	₹ As at 31st March'16
<b>Deferred Tax Liabilities</b>			
Difference between Book and Tax Depreciation	7,236,619	1,425,255	<b>8,661,874</b>
	7,236,619	1,425,255	<b>8,661,874</b>
<b>Deferred Tax Assets</b>			
Provision for Doubtful Debts and Advances	(1,299,270)	(1,464,542)	<b>(2,763,812)</b>
Leave Encashment	(4,178,302)	(990,755)	<b>(5,169,057)</b>
Carry Forward Business Loss	(1,759,047)	1,759,047	-
	(7,236,619)	(696,250)	<b>(7,932,869)</b>
<b>Net Deferred Tax Liability/(Assets)</b>	0	729,005	<b>729,005</b>



**TKM GLOBAL LOGISTICS LIMITED**

Notes forming part of the financial statement for the year ended 31st March 2016

31. The Company has recognized, in the statement of profit and loss for the year, an amount of ₹ 3,570,864 (Previous year : ₹ 3,575,731) expenses under defined contribution plans.

	₹	
Benefit (Contribution to)	31st March 2016	31st March 2015
Provident Fund	2,205,091	2,470,265
Employees Pension Scheme	1,365,773	1,098,492
Superannuation Fund	100,000	100,000
Employees State Insurance	-	6,974
<b>Total</b>	<b>3,670,864</b>	<b>3,675,731</b>

- 31.1. The company operates post retirement defined benefit plans as follows:

a. Funded

(i) Post Retirement Gratuity

- 31.2. Gratuity Scheme

Description	31st March 2016	31st March 2015			
<b>1.Reconciliation of opening and closing balances of obligation</b>					
a. Obligation as at 01.04.2015	12,041,110	10,315,030			
b. Current Service Cost	1,366,000	1,339,980			
c. Interest Cost	932,710	896,190			
d. Actuarial Loss	333,190	1,242,390			
e. Benefits paid	(469,210)	(714,800)			
f. Acquisitions	-	(774,800)			
g. Plan Amendments	-	(262,880)			
h. Obligation as at 31.03.2016	14,203,800	12,041,110			
<b>2.Change in Plan Assets(Reconciliation of opening &amp; closing balances)</b>					
a. Fair value of plan assets as at 01.04.2015	9,088,130	7,609,710			
b. Acquisitions	-	-			
c. Expected return on plan assets	772,770	642,220			
d. Actuarial Gain	2,017,930	-			
e. Contributions from Employer	1,612,101	1,551,000			
f. Benefits paid	(469,211)	(714,800)			
g. Fair value of plan assets as at 31.03.2016	13,021,720	9,088,130			
<b>3.Reconciliation of fair value of assets and obligations</b>					
a. Fair value of plan assets as at 31.03.2016	13,021,720	9,088,130			
b. Present value of obligation as at 31.03.2016	14,203,800	12,041,110			
c. Unrecognized past service costs	-	-			
d. Amount recognized in the balance sheet	(1,182,080)	(2,952,980)			
<b>4.Expense recognized during the year</b>					
a. Current service cost	1,366,000	1,339,980			
b. Interest cost	932,710	896,190			
c. Expected return on plan assets	(772,770)	(642,220)			
d. Past Service Cost	-	(262,880)			
e. Actuarial Loss	(1,684,740)	1,242,390			
f. Expense recognized during the year	(158,800)	2,573,460			
The expense is disclosed in the line item - Contribution to Provident & other funds under Employee benefit expenses in note 21					
<b>5.Assumptions</b>					
a. Discount rate (per annum)	7.75%	7.90%			
b. Estimated rate of return on plan assets (per annum)	8.00%	8.00%			
c. Rate of escalation in salary (per annum)	9.00%	9.00%			
Investment details are not available, all contributions are deposited and managed by Life Insurance Corporation of India.					
<b>6. Information for current and previous years</b>	<b>31st March 2016</b>	<b>31st March 2015</b>	<b>31st March 2014</b>	<b>31st March 2013</b>	<b>31st March 2012</b>
I. (a) Present value of defined benefit obligation	14,203,800	12,041,110	10,315,030	8,839,390	7,362,440
(b) Fair value of Plan Assets	13,021,720	9,088,130	7,609,710	6,697,590	5,979,160
(c) Surplus/(Deficit) in Plan Assets	(1,182,080)	(2,952,980)	(2,705,320)	(2,141,800)	(1,383,280)
II. (a) Experience gain/(loss) adjustment on plan liabilities	69,050	350,780	(182,580)	(563,640)	(567,490)
(b) Experience gain/(loss) adjustment on plan assets	-	-	-	-	-
III. Expected contribution (best estimate) to funded plans in subsequent financial year.	1,182,080	2,952,980	2,705,320	2,141,800	1,383,280





**TKM GLOBAL LOGISTICS LIMITED**

Notes forming part of the financial statement for the year ended 31st March 2016

## 32. Earnings Per Share (EPS) :

	For the year ended 31st March 2016	For the year ended 31st March 2015
Profit after Tax (₹)	30,109,263	9,470,035
Profit attributable to Shareholders (₹)	30,109,263	9,470,035
Weighted average No. of Shares for Basic EPS	3,600,000	2,446,027
Nominal value of Equity Shares (₹)	10.00	10.00
Basic/Diluted Earning per Share (₹)	8.36	3.87

33. In accordance to section 135 of Companies Act 2013, the company has incurred ₹ 404,092 as CSR expenditure. Under the CSR activities, the company has contributed Rs.210,000 to Chind in Need Institute (CINI).

- a) Gross amount required to be spent by the company during the year : ₹.1,94,092.  
b) Amount spent during the year on:

	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	210,000	194,092	404,092

## 34. Related Party Disclosures

a) List of Related Parties & Relationships.

**Holding Company**

- (1) Tata Steel Limited --- Ultimate Holding Company  
(2) TM International Logistics Limited --- Holding Company

**Subsidiary**

- (1) TKM Global GmbH  
(2) TM Harbour Services Private Limited  
(3) TKM Global China Limited

**Fellow Subsidiaries#**

- (1) Tayo Rolls Limited  
(2) Indian Steel & Wire Products Ltd.  
(3) Tata Steel Asia HK Limited  
(4) Centennial Steel Company Limited  
(5) Tata Steel UK Limited  
(6) International Shipping and Logistics,FZE  
(7) Natsteel Holding Pte Ltd  
(8) Jamshedpur Continuous Annealing and Processing Pvt. Ltd.  
(9) Tata Metaliks Ltd  
(10) The Tinplate Company of India Ltd

# Company with which there are transactions during the current and previous year.



**TKM GLOBAL LOGISTICS LIMITED**

Notes forming part of the financial statement for the year ended 31st March 2016

## b) Transactions with Related Parties

Particulars	₹				
	Ultimate Holding Company	Holding Company	Subsidiary Company	Fellow Subsidiaries	Total
	TATA Steel Ltd.	TM International Logistics Ltd.			
Rendering of Services	194,592,223 (167,468,406)	368,242 (2,581,156)	14,315,772 (25,857,931)	37,495,576 (101,978,328)	246,771,813 (297,885,821)
Receiving of services	-	6,459,079 (927,102)	40,120,550 (62,774,622)	-	46,579,628 (63,701,724)
Loan Received	-	- (34,000,000)	-	-	- (34,000,000)
Loan Re-paid	-	4,800,000 (1,200,000)	15,000,000 (5,000,000)	-	19,800,000 (6,200,000)
Interest paid	-	3,255,000 (1,163,917)	4,405,685 (5,162,260)	-	7,660,685 (6,326,177)
Reimbursement Received	49,588,493 (74,222,927)	7,662,794 (8,019,464)	- (3,469,032)	38,572,397 (80,249,367)	95,823,684 (165,960,990)
Reimbursement Paid	- (12,579)	6,516,620 (12,643,572)	16,321 (67,474)	-	6,532,941 (12,723,625)
Bad Debt written off	- (97,129)	60,000	-	213,260 (55,470)	273,260 (152,599)
Provision against Debtors	704,659 (28,423)	60,000	-	160,819	925,478 (28,423)
Rental Income	-	-	-	950,500	950,500
Security Deposit Received	-	-	-	200,000	200,000
Director Candidature Fees Received	-	200,000	-	-	200,000
Director Candidature Fees Paid	-	200,000	-	-	200,000
Issue of Share Capital	-	(18,000,000)	-	-	(18,000,000)
Outstanding Loan Payable as on 31-03-16 as on 31-03-15	-	28,000,000 (32,800,000)	30,000,000 (45,000,000)	-	58,000,000 (77,800,000)
Outstanding Receivables as on 31-03-16 as on 31-03-15	72,354,226 (58,385,049)	796,706 (485,209)	3,464,183 (4,436,410)	3,784,629 (19,823,737)	80,399,745 (83,130,405)
Outstanding Payables as on 31-03-16 as on 31-03-15	-	800,809 (589,487)	6,969,331 (9,346,202)	200,000	7,970,139 (9,935,689)
Advance From Customers as on 31-03-16 as on 31-03-15	56,602 (29,898)	-	-	190,721 (135,312)	247,323 (165,210)
Provision for Doubtful Debts as on 31-03-16 as on 31-03-15	721,742 (28,423)	-	-	155,896	877,638 (28,423)
Advance to Parties as on 31-03-16 as on 31-03-15	-	147	-	-	147

c) Details of transactions and closing balances with fellow subsidiaries (included under column 'Fellow subsidiaries' in 'b' above) the amount of which in excess of 10% of the total related party transaction of the similar nature





**TKM GLOBAL LOGISTICS LIMITED**

Notes forming part of the financial statement for the year ended 31st March 2016

Nature of Transaction	Name of Company	Fellow Subsidiaries	Subsidiaries
Rendering of Services	Tayo Rolls Ltd.	786,225 (18,691,252)	- -
	Tata Steel Asia HK Ltd	(39,808,288)	-
	The Tinplate Co. of India Ltd.	16,764,815 (38,667,264)	- -
	Tata Steel Processing and Distribution Company Ltd.	9,693,649	-
	International Shipping Logistics FZE	6,720,000	-
	TKM Global GmbH	-	10,950,652 (20,866,993)
	TKM Global China Ltd.	-	3,365,119 (4,990,938)
	Rental Income	The Tinplate Co. of India Ltd.	950,500
Receiving of Services	TKM Global GmbH	-	18,799,018 (21,238,697)
	TKM Global China Ltd.	-	21,321,532 (41,535,925)
Reimbursement Received	Tata Steel Asia HK Ltd	37,193,762 (76,984,425)	- -
	TKM Global GmbH	-	(3,457,325)
Reimbursement Paid	TKM Global China Ltd.	-	16,321 (67,474)
Bad Debts Written Off	The Tinplate Co. of India Ltd.	213,260 (55,470)	- -
Provision for Debtors during the period	Tayo Rolls Ltd.	155,896	-
Loan Repayment during the year	TM Harbour Services Pvt. Ltd.	-	15,000,000 (5,000,000)
Interest Paid	TM Harbour Services Pvt. Ltd.	-	4,405,685 (5,162,260)
<b>Debit Balance Outstanding as on 31.03.16</b>			
Outstanding Receivables	Tata Steel Processing and Distribution Company Ltd.	414,953	-
	The Tinplate Co. of India Ltd.	55,863 (12,395,626)	- -
	Tata Steel Asia HK Ltd	3,194,461 (5,080,882)	- -
	Tayo Rolls Ltd.	(2,051,960)	-
	TKM Global GmbH	-	3,011,069 (3,573,874)
	TKM Global China Ltd.	-	453,115 (862,536)
<b>Credit Balance Outstanding as on 31.03.16</b>			
Outstanding Payables	TKM Global GmbH	-	4,851,974 (1,004,179)
	TKM Global China Ltd.	-	2,117,357 (8,342,023)
	The Tinplate Co. of India Ltd.	200,000	-
Provision for Debtors	Tata Steel Asia HK Ltd	155,896	-
Loan Payable	TM Harbour Services Pvt. Ltd.	-	30,000,000 (45,000,000)
Advance from Customers	Tayo Rolls Ltd.	79,933 (79,933)	- -
	The Tinplate Co. of India Ltd.	100,346 (55,379)	- -

35. Previous year's figures have been regrouped/restated wherever necessary.

Signatories to Additional Information

For and on behalf of the Board of Directors

Place: Kolkata  
Dated:

20 April, 2016

  
Anand Chand  
Director

  
R N Murthy  
Chairman

