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TRL ASIA PRIVATE LIMITED
(Registration No. 200515287D)

DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

TRL ASIA PRIVATE LIMITED

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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TRL ASIA PRIVATE LIMITED

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of the company for the financial year ended March 31, 2016.

In the opinion of the directors, the accompanying financial statements set out on pages 5 to 19 are drawn up so as to give a true and fair view of the financial position of the company as at March 31, 2016 and the financial performance, changes in equity and cash flows of the company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the company in office at the date of this statement are:

Priyabrata Panda
Sanjib Nanda

(Appointed on April 29, 2015)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the financial year had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under Section 164 of the Singapore Companies Act.

TRL ASIA PRIVATE LIMITED

DIRECTORS' STATEMENT

4 SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the company were granted.

(b) *Options exercised*

During the financial year, there were no shares of the company issued by virtue of the exercise of options to take up unissued shares.

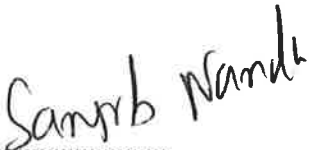
(c) *Unissued shares under options*

At the end of the financial year, there were no unissued shares of the company under options.

5 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.


.....
Priyabrata Panda


.....
Sanjib Nanda

Date: **25 APR 2016**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRL ASIA PRIVATE LIMITED

Report on the Financial Statements

We have audited the financial statements of TRL Asia Private Limited (the “company”) which comprise the statement of financial position of the company as at March 31, 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 19.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TRL ASIA PRIVATE LIMITED**

Opinion

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

Report on Other Legal and Regulatory Requirements

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

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

April 25, 2016

TRL ASIA PRIVATE LIMITED

STATEMENT OF FINANCIAL POSITION
March 31, 2016

	<u>Note</u>	<u>2016</u> RMB	<u>2015</u> RMB
<u>ASSETS</u>			
Current asset			
Cash and cash equivalents	7	<u>131,507</u>	<u>173,999</u>
Non-current asset			
Investment in subsidiary	8	<u>64,963,552</u>	<u>64,963,552</u>
Total assets		<u>65,095,059</u>	<u>65,137,551</u>
<u>LIABILITY AND EQUITY</u>			
Current liability			
Other payables	9	<u>57,974</u>	<u>40,134</u>
Capital and accumulated losses			
Share capital	10	<u>65,852,333</u>	<u>65,852,333</u>
Accumulated losses		<u>(815,248)</u>	<u>(754,916)</u>
Total equity		<u>65,037,085</u>	<u>65,097,417</u>
Total liability and equity		<u>65,095,059</u>	<u>65,137,551</u>

See accompanying notes to financial statements.

TRL ASIA PRIVATE LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended March 31, 2016

	<u>Note</u>	<u>2016</u> RMB	<u>2015</u> RMB
Other income		19	17,435
Administrative expenses		<u>(60,351)</u>	<u>(47,165)</u>
Loss before income tax		<u>(60,332)</u>	<u>(29,730)</u>
Income tax	11	<u>-</u>	<u>-</u>
Loss for the year, representing total comprehensive loss for the year	12	<u>(60,332)</u>	<u>(29,730)</u>

See accompanying notes to financial statements.

TRL ASIA PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY
Year ended March 31, 2016

	<u>Share capital</u> RMB	<u>Accumulated losses</u> RMB	<u>Total</u> RMB
Balance at April 1, 2014	65,852,333	(725,186)	65,127,147
Loss for the year, representing total comprehensive loss for the year	<u>-</u>	<u>(29,730)</u>	<u>(29,730)</u>
Balance at March 31, 2015	65,852,333	(754,916)	65,097,417
Loss for the year, representing total comprehensive loss for the year	<u>-</u>	<u>(60,332)</u>	<u>(60,332)</u>
Balance at March 31, 2016	<u>65,852,333</u>	<u>(815,248)</u>	<u>65,037,085</u>

See accompanying notes to financial statements.

TRL ASIA PRIVATE LIMITED

STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	<u>2016</u> RMB	<u>2015</u> RMB
Operating activities		
Loss before income tax, representing cash flows before movements in working capital	(60,332)	(29,730)
Other payables	<u>17,840</u>	<u>(32,742)</u>
Cash used in operations, representing net cash used in operating activities	<u>(42,492)</u>	<u>(62,472)</u>
Net decrease in cash and cash equivalents	(42,492)	(62,472)
Cash and cash equivalents at the beginning of the year	<u>173,999</u>	<u>236,471</u>
Cash and cash equivalents at the end of the year	<u>131,507</u>	<u>173,999</u>

See accompanying notes to financial statements.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

1 GENERAL

The company (Registration No. 200515287D) is incorporated in the Republic of Singapore with its principal place of business and registered office at 22 Tanjong Kling Road, Singapore 628048. The financial statements are expressed in Chinese Renmibi (“RMB”).

The principal activity of the company is that of an investment holding company.

The principal activity of its subsidiary is disclosed in Note 8 to the financial statements.

The financial statements of the company for the year ended March 31, 2016 were authorised for issue by the Board of Directors on April 25, 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (“FRS”).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payments*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

ADOPTION OF NEW AND REVISED STANDARDS - On April 1, 2015, the company adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company’s accounting policies and has no material effect on the amounts reported for the current or prior financial years.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

At the date of authorisation of these financial statements, management anticipates that the adoption of the FRSs, INT FRSs and amendments to FRS that were issued but not effective until future periods will not have a material impact on the financial statements of the company in the period of their initial adoption.

BASIS OF CONSOLIDATION – One set of consolidated financial statements of the company and its subsidiary has not been prepared as the company is a partially-owned subsidiary of another entity and all its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the company not presenting consolidated financial statements. Consolidated financial statements which are available for public use, are prepared by its ultimate holding company, Krosaki Harima Corporation, incorporated in Japan, whose registered address is 1-1, Higashihama-Machi, Yaha, Ta Nis Hi Ku, Kitakyshu, Japan.

SUBSIDIARY – A subsidiary is an entity that is controlled by another entity.

Control is achieved when the company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Investment in subsidiary is carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities

Other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis except for short-term payables when the recognition of interest would be immaterial.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

IMPAIRMENT OF ASSETS – At the end of each reporting period, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value 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 assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

PROVISIONS - Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

INTEREST INCOME - Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in profit or loss.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FOREIGN CURRENCY TRANSACTIONS - The financial statements of the company is measured and presented in the currency of the primary economic environment in which the entity operates (i.e. its functional currency) which is Renminbi.

Transactions in currencies other than the company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

i) Critical judgements in applying the company's accounting policies

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

ii) Key sources of estimation uncertainty

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

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Investment in subsidiary

Investment in subsidiary is stated at cost less impairment loss. The company follows the guidance of FRS 36 *Impairment of Assets* to determine when its investment in the subsidiary is impaired. This determination requires significant judgement. In making this judgement, the company evaluates, among other factors, the market and economic environment in which the subsidiary operates and economic performance of the entity, the duration and extent to which the cost of investment in the entity exceed its net tangible assets values and fair value of investment less cost to sell.

The company had considered and assessed the value of its investment and satisfied that no impairment is necessary. If the performance of the subsidiary and/or market conditions were to deteriorate which will affect the company's investment in the subsidiary, impairment may be required.

The carrying amount of the investment in subsidiary at March 31, 2016 is RMB64,963,552 (2015 : RMB64,963,552).

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) *Categories of financial instruments*

The table below shows sets out the financial instruments as at the end of the reporting period:

	<u>2016</u>	<u>2015</u>
	RMB	RMB
Financial assets		
Cash and cash equivalents	<u>131,507</u>	<u>173,999</u>
Financial liabilities		
Amortised cost	<u>57,974</u>	<u>40,134</u>

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT
(cont'd)

(b) *Financial risk management policies and objectives*

(i) Foreign exchange risk

The company transacts business and conducts its operations mainly in Singapore dollars and United States dollars. As at year end, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than Renminbi are as below.

	<u>Assets</u>		<u>Liabilities</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<u>RMB</u>	<u>RMB</u>	<u>RMB</u>	<u>RMB</u>
United States dollars	<u>97,780</u>	<u>94,058</u>	-	-
Singapore dollars	<u>33,727</u>	<u>79,941</u>	<u>57,974</u>	<u>40,134</u>

Foreign currency sensitivity

The sensitivity rate used when reporting foreign currency risk to key management personnel is 10%, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at period end.

If the United States dollars were to strengthen/weaken by 10% against the RMB, loss before tax will decrease/increase by approximately RMB9,778 (2015 : decrease/increase by RMB9,406).

If the Singapore dollars were to strengthen/weaken by 10% against the RMB, loss before tax will increase/decrease by approximately RMB2,425 (2015 : decrease/increase by approximately RMB3,981).

(ii) Interest rate risk

The company exposure to interest rate risk is minimal as the company does not have any significant interest earning asset or interest bearing liability.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT
(cont'd)

(iii) Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the company. Credit risk is minimal as the company places its cash balances with creditworthy financial institutions.

(iv) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company maintains sufficient cash and cash equivalents to finance its activities.

The company's financial assets and liabilities are non-derivative in nature, non-interest bearing and are due on demand or within a year.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(c) *Capital risk management policies and objectives*

The company manages its capital to ensure that the company will be able to continue as a going concern. The capital structure of the company consists of issued capital. The company's overall strategy remains unchanged from prior year.

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The company's immediate holding company is TRL Krosaki Refractories Ltd, a company incorporated in the India. The company's ultimate holding company is Krosaki Harima Corporation, a company incorporated in Japan.

Related companies in these financial statements refer to members of the ultimate holding company's group of companies. Related party in these financial statements is an entity with common direct or indirect shareholders and/or directors.

There were no transactions and arrangements between members of the group during the financial year.

6 RELATED PARTY TRANSACTIONS

Compensation of directors and key management personnel

There are no key managerial personnel other than the directors of the company. These directors are paid remuneration by related companies for their capacity as executives of the related companies.

7 CASH AND CASH EQUIVALENTS

	<u>2016</u> RMB	<u>2015</u> RMB
Cash at bank	<u>131,507</u>	<u>173,999</u>

8 INVESTMENT IN SUBSIDIARY

	<u>2016</u> RMB	<u>2015</u> RMB
Unquoted equity shares, at cost	<u>64,963,552</u>	<u>64,963,552</u>

Details of the company's subsidiary as at the end of the reporting period are as follows:

<u>Name of subsidiary</u>	<u>Principal activities</u>	<u>Country of incorporation/ Place of business</u>	<u>Percentage of equity held</u>	
			<u>2016</u> %	<u>2015</u> %
TRL China Ltd	Produces refractories and conduct other business	China	100	100

TRL ASIA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

9 OTHER PAYABLES

Other payables mainly comprise of accruals for on-going operating costs and are denominated in Singapore dollars.

10 SHARE CAPITAL

	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	Number of ordinary shares		RMB	RMB
Issued and paid up capital at beginning and end of year	<u>12,993,470</u>	<u>12,993,470</u>	<u>65,852,333</u>	<u>65,852,333</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends.

11 INCOME TAX

Domestic income tax is calculated at 17 % (2015 : 17%) of the estimated assessable loss for the year. The total income tax for the year can be reconciled to the accounting loss as follows:

	<u>2016</u>	<u>2015</u>
	RMB	RMB
Loss before tax	<u>(60,332)</u>	<u>(29,730)</u>
Income tax credit at domestic tax rate	(10,256)	(5,054)
Effect of expenses that are not deductible	<u>10,256</u>	<u>5,054</u>
	<u>-</u>	<u>-</u>

12 LOSS FOR THE YEAR

Loss for the year has been arrived at after (crediting) charging:

	<u>2016</u>	<u>2015</u>
	RMB	RMB
Foreign exchange adjustment (gain) loss	<u>(4,202)</u>	<u>4,925</u>

There are no staff costs incurred in current year and prior year. The administrative service was performed by the company's holding company at no charge.