



Shreyas Shipping and Logistics LTD

Regd. Office : 4th Floor, Himalayas, Geetmala Complex,
Near Shah Industrial Estate, Govandi (East), Mumbai - 400 088.

Consolidated Financial Results for the Quarter and Period ended 31st December, 2013

(₹ in Lacs)

| Part-I Particulars | Consolidated Results | | | | | |
|--|----------------------|------------------|------------------|------------------|------------------|------------------|
| | Quarter ended | | | Period ended | | Year ended |
| | (UNAUDITED) | | | (UNAUDITED) | | (AUDITED) |
| | Dec-13 | Sep-13 | Dec-12 | Dec-13 | Dec-12 | March-13 |
| 1) Income from operations | | | | | | |
| a) Net sales/Income from Operations | 11,175.50 | 10,999.00 | 9,930.09 | 31,817.83 | 26,535.37 | 36,507.66 |
| b) Other Operating Income | 9.36 | 5.95 | 9.66 | 26.38 | 31.99 | 44.85 |
| c) Duty Credit Entitlement | - | - | - | - | - | 359.15 |
| d) Freight forwarding | 627.74 | 1,278.84 | 484.91 | 3,480.35 | 1,211.50 | 1,977.46 |
| Total | 11,812.60 | 12,283.79 | 10,424.66 | 35,324.56 | 27,778.86 | 38,889.12 |
| 2) Expenditure | | | | | | |
| a) Employees benefits expense | 1,003.12 | 945.28 | 921.42 | 2,872.62 | 2,349.42 | 3,277.35 |
| b) Fuel consumption | 3,397.71 | 2,697.79 | 2,414.21 | 8,541.00 | 7,024.62 | 9,312.04 |
| c) Port & marine dues | 2,165.95 | 2,077.81 | 1,687.00 | 5,994.09 | 4,230.48 | 5,919.29 |
| d) Stores & spares | 274.07 | 289.27 | 237.48 | 762.48 | 650.91 | 824.45 |
| e) Dry Dock expenditure | 128.67 | 128.67 | 48.79 | 362.08 | 125.90 | 188.04 |
| f) Ocean freight charges | 783.61 | 527.26 | 193.23 | 1,758.79 | 628.00 | 699.74 |
| g) Transportation expenses | 1,809.93 | 1,980.65 | 2,699.04 | 5,693.76 | 6,537.40 | 9,060.29 |
| h) Freight forwarding | 535.78 | 1,113.99 | 447.09 | 3,144.98 | 1,096.04 | 1,828.11 |
| i) Depreciation | 451.84 | 566.82 | 434.94 | 1,450.87 | 1,201.26 | 1,645.09 |
| j) Other expenses | 1,214.68 | 1,269.27 | 996.23 | 3,494.75 | 2,459.88 | 3,613.63 |
| Total | 11,765.36 | 11,596.81 | 10,079.43 | 34,075.42 | 26,303.91 | 36,368.03 |
| 3) Profit from operations before other income, finance costs & exceptional items (1-2) | 47.24 | 686.98 | 345.23 | 1,249.14 | 1,474.95 | 2,521.09 |
| 4) Other Income | | | | | | |
| a) Net exchange rate fluctuation - Gain/(Loss) | (31.79) | (14.29) | 7.39 | 25.62 | 112.11 | 108.44 |
| b) Miscellaneous Income | 52.73 | 32.41 | 69.17 | 97.03 | 117.64 | 100.72 |
| c) Dividend income from Subsidiary | - | - | - | - | - | - |
| Total | 20.94 | 18.12 | 76.56 | 122.65 | 229.75 | 209.16 |
| 5) Profit from ordinary activities before finance costs & exceptional Items (3+4) | 68.18 | 705.10 | 421.79 | 1,371.79 | 1,704.70 | 2,730.25 |
| 6) Finance costs | 306.90 | 305.24 | 272.53 | 886.76 | 665.90 | 950.63 |
| 7) Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6) | (238.72) | 399.86 | 149.26 | 485.03 | 1,038.80 | 1,779.62 |
| 8) Exceptional Items | - | - | - | - | - | - |
| 9) Profit/(Loss) from ordinary activities before tax (7-8) | (238.72) | 399.86 | 149.26 | 485.03 | 1,038.80 | 1,779.62 |
| 10) Tax expense | 52.42 | 25.93 | 2.49 | 115.38 | 156.27 | 239.25 |
| 11) Net Profit/(Loss) for the period (9-10) | (291.14) | 373.93 | 146.77 | 369.65 | 882.53 | 1,540.37 |
| 12) Minority Interest (Refer Note 10) | - | - | (3.39) | - | (13.28) | - |
| 13) Net Profit/(Loss) after taxes and minority interest (11-12) | (291.14) | 373.93 | 150.16 | 369.65 | 895.81 | 1,540.37 |
| 14) Paid up Share Capital | | | | | | |
| Equity Share Capital (Face value of ₹ 10/- each) | 2,195.75 | 2,195.75 | 2,195.75 | 2,195.75 | 2,195.75 | 2,195.75 |
| 15) Reserves excluding Revaluation Reserves as per last Audited balance sheet | - | - | - | - | - | 12,988.22 |
| 16) Earnings Per Share (EPS) of ₹ 10/- each (not annualised) | | | | | | |
| - Basic (Net of Tax) | (1.46) | 1.57 | 0.55 | 1.29 | 3.70 | 6.51 |
| - Diluted (Net of Tax) | (1.46) | 1.57 | 0.55 | 1.29 | 3.70 | 6.51 |

| Part-II | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| A) PARTICULARS OF SHAREHOLDING | | | | | | |
| 17) Public Shareholding | | | | | | |
| - Number of Shares | 5,864,438 | 5,864,438 | 5,864,438 | 5,864,438 | 5,864,438 | 5,864,438 |
| - Percentage of Shareholding | 26.71% | 26.71% | 26.71% | 26.71% | 26.71% | 26.71% |
| A. Promoters and promoter group Shareholding | | | | | | |
| 1) Pledged / Encumbered | | | | | | |
| - Number of Shares | - | - | - | - | - | - |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | - | - | - | - | - | - |
| - Percentage of shares (as a % of the total share capital of the company) | - | - | - | - | - | - |
| 2) Non-encumbered | | | | | | |
| - Number of Shares | 16,093,095 | 16,093,095 | 16,093,095 | 16,093,095 | 16,093,095 | 16,093,095 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% | 100% | 100% | 100% |
| - Percentage of shares (as a % of the total share capital of the company) | 73.29% | 73.29% | 73.29% | 73.29% | 73.29% | 73.29% |

| Particulars | 3 months ended on 31.12.2013 | | | | | |
|--|------------------------------|--|--|--|-----|--|
| B) INVESTOR COMPLAINTS | | | | | | |
| Pending at the beginning of the quarter | | | | | Nil | |
| Received during the quarter | | | | | 7 | |
| Disposed during the quarter | | | | | 7 | |
| Remaining unsolved at the end of the quarter | | | | | Nil | |

NOTES :-

1) The above results were reviewed by the Audit Committee and approved by the Board at its Meeting held on 11th February, 2014. The financial results have been reviewed by the Statutory Auditors as required under clause 41 of the Listing Agreement.

2) The following companies have been considered for the purpose of preparing Consolidated Financial Statements as per Accounting Standard 21 on Consolidated Financial Statements.

| Name of the Company | Equity Ownership % |
|---|--------------------|
| a) Shreyas Relay Systems Ltd. | 100% |
| b) SRS Freight Management Limited, (formerly known as Haytrans (India) Ltd, Subsidiary of Shreyas Relay Systems Ltd.) | 51.10% |

3) The Company has a policy of amortizing Dry dock Expenses over 30 months. Accordingly ₹128.67 lacs out of unamortized amount at the beginning of the quarter have been charged to statement of profit and loss and balance amount of ₹ 725.41 lacs have been deferred to be amortized over the balance period. The Auditors have qualified their Review Report stating that this treatment is not in accordance with Accounting Standard and dry dock expenses are overstated to the extent of ₹128.67 lacs for the quarter and overstated by ₹128.67 lacs for the previous quarter. Cumulatively the profit is overstated by ₹ 725.41 lacs as on 31st December, 2013 (to the extent carried forward), and the entire expenses should have been charged off to statement of Profit and Loss in the respective quarter itself. However, in the opinion of the Board, the Company's accounting treatment reflects the profit for the quarter/year more correctly. Further, the capitalisation of dry-dock expenditure (major inspection/overhaul expenditure) is permitted by the draft new accounting standard on 'tangible fixed asset' under consideration by the ICAI (para 15 of draft AS 10 (revised)).

- The Company has exercised the option provided by the Government notification dated 29th December, 2011, in furtherance to the earlier Government Notification dated 31st March, 2009, under Accounting Standard 11 to capitalise/adjust the foreign exchange differences arising on reporting of long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets. Ministry of Corporate Affairs has clarified that borrowing costs as defined in Para 4(e) of Accounting Standard 16 (borrowing costs) need not be excluded for such capitalisation under Accounting Standard 11 notification w.e.f. 1st April, 2011. This has vindicated the Company's stand on the issue but only from 1st April, 2011. If the capitalisation had been done after adjusting the borrowing cost, depreciation for the quarter would have been less to the extent of ₹ 3.01 Lacs, ₹ 3.01 lacs for previous quarter, ₹ 9 lacs for the nine months ended 31st December, 2013, ₹11.94 Lacs for the year ended 31st March, 2013 & cumulative depreciation overstated by ₹ 57.03 lacs. ₹ 212.28 lacs would have been charged to statement of profit and loss as a prior year expenses & the Fixed assets and Reserves would have been less by ₹155.25 lacs. The Auditors have qualified this due to non-adoption of FAQ issued by ICAI (till 31st March, 2011). The Company does not agree with this interpretation of ICAI of the notification.
- One of the subsidiaries has deferred container repositioning expenses and business process redesign expenses incurred in the period proportionately over the remaining quarters of the year instead of charging off the same to Statement of Profit and loss on their incurrence, due to which expenses for the current quarter are overstated to the extent of ₹13.63 lacs and understated to the extent of ₹ 56.89 lacs in the previous quarter. As of 31st December, 2013, expenses are understated to the extent of ₹43.26 lacs.
- As per the Company's accounting policy, the notional loss amounting to ₹ 1,382.55 lacs as on 31st December, 2013, on fair valuation of cross currency swap has been taken to the Hedging Reserve account.
- Segment Reporting based on review of risks and rewards of the various business activities - Refer Annexure 1.
- Previous year / period figures have been regrouped / recast, wherever necessary.

(₹ in Lacs)

| 9) Standalone Results of Shreyas Shipping & Logistics Limited is as under: | | | | | | |
|--|---------------------------|----------|----------|--------------------------|-----------|----------------------|
| Particulars | Quarter ended (Unaudited) | | | Period ended (Unaudited) | | Year ended (Audited) |
| | Dec-13 | Sep-13 | Dec-12 | Dec-13 | Dec-12 | March-13 |
| Net sales / Income from Operations | 6,245.45 | 6,081.61 | 5,212.24 | 17,570.37 | 14,704.34 | 20,431.97 |
| Profit Before Tax | (342.21) | 343.02 | 144.22 | 250.60 | 626.31 | 1,327.98 |
| Profit/(Loss) After Tax | (377.59) | 328.23 | 137.67 | 179.93 | 610.80 | 1,262.98 |

10) Minority interest represents their share in profit/ losses of one of the subsidiaries.

Annexure 1 - Segment Reporting

(₹ in Lacs)

| Particulars | Consolidated Results | | | | | |
|---|----------------------|------------------|------------------|------------------|------------------|------------------|
| | Quarter ended | | | Period ended | | Year ended |
| | (UNAUDITED) | | | (UNAUDITED) | | (AUDITED) |
| | Dec-13 | Sep-13 | Dec-12 | Dec-13 | Dec-12 | March-13 |
| a) Segmentwise Revenue and Results | | | | | | |
| Revenue by Segment | | | | | | |
| Shipping | 353.03 | 316.11 | 373.89 | 934.51 | 373.89 | 636.72 |
| Logistics | 13,353.98 | 13,888.27 | 12,678.85 | 39,402.45 | 33,565.45 | 46,115.96 |
| Freight Forwarding | 627.75 | 1,278.83 | 484.91 | 3,480.35 | 1,211.50 | 1,977.46 |
| Others | 9.36 | 5.95 | 9.66 | 26.38 | 31.99 | 404.01 |
| Total | 14,344.12 | 15,489.16 | 13,547.31 | 43,843.69 | 35,182.83 | 49,134.15 |
| Less: Intersegment Revenue | 2,531.52 | 3,205.37 | 3,122.65 | 8,519.13 | 7,403.97 | 10,245.03 |
| Total Revenue | 11,812.60 | 12,283.79 | 10,424.66 | 35,324.56 | 27,778.86 | 38,889.12 |
| Segment Results | | | | | | |
| Shipping | 10.78 | (99.98) | (118.27) | (141.10) | (118.27) | (771.47) |
| Logistics | (132.57) | 627.86 | 418.77 | 1,032.04 | 1,448.54 | 2,932.95 |
| Freight Forwarding | 170.35 | 142.64 | 37.82 | 335.37 | 115.46 | (44.27) |
| Others | (1.32) | 16.46 | 6.91 | 22.83 | 29.22 | 403.88 |
| Total | 47.24 | 686.98 | 345.23 | 1,249.14 | 1,474.95 | 2,521.09 |
| Add: Other Income | 20.94 | 18.12 | 76.56 | 122.65 | 229.75 | 209.16 |
| Less: i) Interest & Finance Charges | 306.90 | 305.24 | 272.53 | 886.76 | 665.90 | 950.63 |
| ii) Unallocated Expenditure | - | - | - | - | - | - |
| Profit before Tax, Prior Period, Exceptional & Extra Ordinary Items | (238.72) | 399.86 | 149.26 | 485.03 | 1,038.80 | 1,779.62 |
| Depreciation | | | | | | |
| Shipping | 90.79 | 145.48 | 87.38 | 324.23 | 87.38 | 213.27 |
| Logistics | 355.81 | 416.56 | 342.71 | 1,111.54 | 1,106.03 | 1,415.59 |
| Freight Forwarding | 1.25 | 0.97 | 1.03 | 3.09 | 4.03 | 3.14 |
| Unallocated | 3.99 | 3.81 | 3.82 | 12.01 | 3.82 | 13.08 |
| Total | 451.84 | 566.82 | 434.94 | 1,450.87 | 1,201.26 | 1,645.09 |
| b) Geographical Segment (based on location of customers) | | | | | | |
| | Dec-13 | Sep-13 | Dec-12 | Dec-13 | Dec-12 | March-13 |
| In India | 8,745.09 | 9,492.16 | 9,009.26 | 27,391.10 | 25,170.84 | 31,699.03 |
| In Pakistan | 79.01 | 78.33 | 94.92 | 267.37 | 213.51 | 407.56 |
| Rest of the World | 2,988.50 | 2,713.30 | 1,320.48 | 7,666.09 | 2,394.51 | 6,782.53 |
| Total | 11,812.60 | 12,283.79 | 10,424.66 | 35,324.56 | 27,778.86 | 38,889.12 |

- The Group operates in three business segments viz Shipping, Logistics and Freight Forwarding.
- Shipping comprises Charter hire.
- Logistics includes Feeder, Domestic and Regional Services.
- Freight Forwarding includes Air Services of SRS Freight Management Limited.
- Segment Capital Employed

Fixed Assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to individual segment assets and liabilities has been made. However, depreciation has been allocated amongst segments based on best estimates of usage of fixed assets in the respective segments in the respective period.

Place: Mumbai
Date: 11th February, 2014

For Shreyas Shipping and Logistics Limited
S. Ramakrishnan
Chairman & Managing Director