



SHREYAS

SHIPPING & LOGISTICS LTD

**24th ANNUAL REPORT
2011-2012**



SPEEDY • RELIABLE • SAFE

SHREYAS RELAY SYSTEMS LTD
Green Revolution in Logistics

TRANSWORLD
GROUP



BOARD OF DIRECTORS



S. Ramakrishnan
Chairman & Managing Director



V. Ramnarayan
Executive Director



S. Mahesh
Director



L. B. Culas
Director



Ritesh Ramakrishnan
Director



Capt. P. P. Radhakrishnan
Director



S. Ragothaman
Director



Mannil Venugopalan
Director



Amitabha Ghosh
Director



D. T. Joseph
Director



Management Team

- Mr. V. Ramnarayan** - Executive Director
Mr. Vinay Kshirsagar - Chief Financial Officer
Capt. V. K. Singh - Chief Executive Officer
Mr. S. Varadarajan - Chief Executive Officer - Shreyas Relay Systems Ltd.
Mr. Rajesh Desai - General Manager - Finance & Accounts
Ms. Namrata Malushte - Company Secretary

Bankers

Standard Chartered Bank
ICICI Bank Ltd.
Canara Bank, Mumbai
Canara Bank, London
State Bank of India
Axis Bank Ltd.
Deutsche Bank AG

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078.
Tel: 2594 6970
Fax: 2594 6969

Statutory Auditors

PKF Sridhar & Santhanam

Internal Auditors

Lovi Mehrotra & Associates, Chartered Accountants

Registered office

4th Floor, Himalayas, Geetmala Complex
Near Shah Industrial Estate,
Govandi (E), Mumbai-400 088.

Administrative office

2nd Floor, Sahyadris, Geetmala Complex,
Near Shah Industrial Estate,
Opp. Deonar Village Road,
Govandi (E), Mumbai-400 088.
Tel. No. : 66220300 • Fax. No. : 66220444

Letter to Shareholders

Dear Shareholders,

I am pleased to inform you that the performance of your Company has been encouraging during the current year. Overall the Indian container throughput has been on a northward journey despite the overall sluggishness in the global container shipping industry. In fact the year ahead will also bring testing times for the global shipping industry but the Indian container industry has a relatively stable outlook and this is depicted from the statistics herein. As per the data released by Indian Ports Association, the country's 13 state-owned gateway ports handled 7.77 millions teus in 2011-12, compared with 7.54 millions teus the previous year. Containerized tonnage rose 5.36 percent to 120 million tons from 114 million tons. The statistics reveal that container throughput at India's major ports grew 3 percent year-over-year in fiscal 2011-12.

The Company during the current year, has added capacity by acquiring container vessels on time charter. This has resulted in increase in the revenues from ` 126.87 crores in previous year 2010-2011 to ` 167.69 crores in the year 2011-2012. In the previous year 2010-11, the expenditure on fuel oil constituted 36% of the revenue. However during the current year, this has increased to 44%. Thus the EBIDTA has been impacted by 8%. The Company was able to successfully pass on some expenses to the customers and also had better utilization of tonnage. Therefore the Company has been able to post a Profit After Tax of ` 5.38 crores and cash profit of ` 16.98 crores.

The Company operated on the Indian coast as well as Karachi and Colombo which ensured stable and steady earnings that are not influenced by international markets. During the year, the Company shall be undertaking refurbishment of two of its vessels for enhancing the qualitative life of the vessel. The Company shall also be evaluating options for adding tonnage to its existing fleet. This will facilitate to rationalize its fleet as well as expand in other areas on the Indian coast.

During the current year, the Company has through its wholly owned subsidiary, Shreyas Relay Systems Limited (hereinafter referred as "SRS") ventured into new verticals in the logistics space which has augmented the top line. With the support from its clientele, SRS has now gained impetus in becoming the Lead Logistics Provider.

SRS is now adding branches and satellite branches at various locations within India to establish a strong set up. It has also hired adequate manpower in view of its expansion plans in the logistics space including road, rail transportation and freight forwarding. The turnover of SRS increased by more than 50 % over the previous year from ` 113.31 crores in year 2010-2011 to ` 172.18 crores in the year 2011-2012. However given the gestation period, SRS has been able to post a Net Profit of ` 2.19 crores.

At a consolidated level, the Company has been able to achieve a top line growth of 42% from ` 190.38 crores in the year 2010-2011 to ` 270.77 crores in the year 2011-2012. The Company posted a Net Profit of ` 5.62 crores.

I would like to express my gratitude for your continual support which gives us the confidence to rise to greater heights. I would also like to assure you that all our efforts will be directed towards strong growth in the future. I look forward to your patronage as always.

I take this opportunity to thank our shareholders and business partners for the trust they have placed in us and confidence and unflinching belief in our ability to deliver value. I also thank my colleagues on the Board, whose support and leadership has been invaluable. I also thank our employees who are the backbone of our organization and immensely value their unstinted effort and co-operation.

I also take this opportunity to recognise the support of our customers, suppliers, all regulatory and statutory authorities, our bankers, auditors, consultants, other business associates and legal advisors/counsels.

Mumbai
30th May, 2012

S. Ramakrishnan
Chairman & Managing Director





SHREYAS
 SHIPPING & LOGISTICS LTD

24th ANNUAL REPORT 2011-2012

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NOTICE

NOTICE is hereby given that the Twenty fourth Annual General Meeting of the Members of *Shreyas Shipping & Logistics Limited* will be held on Saturday, the 21st day of July, 2012 at 11.00 a.m. at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R. C. Marg, Opp. Vijaya Bank, Chembur, Mumbai - 400 071 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31st March, 2012 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of interim dividend on Preference shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Daniel Traveilyn Joseph, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Capt. Panthaloor Puthenveetil Radhakrishnan, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint M/s. PKF Sridhar & Santhanam, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Ritesh Ramakrishnan, who was appointed by the Board of Directors at its meeting held on 30th May, 2012 as an Additional Director with effect from 30th May, 2012 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, and further subject to the approval of the Central Government, if applicable, the remuneration of ₹ 73,44,800/- (Rupees Seventy Three Lacs Forty Four Thousand Eight Hundred Only) paid to Mr. S. Ramakrishnan in his capacity as the Chairman & Managing Director for the period 1st April, 2011 to 31st March, 2012 being in excess of the limits specified in Schedule XIII be and is hereby ratified and approved."

30th May, 2012
Registered Office:
4th Floor, Himalayas,
Geetmala Complex
Near Shah Industrial Estate,
Govandi East, Mumbai 400 088

By Order of the Board of Directors

Namrata Malushte
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF ON A POLL ONLY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business as set out above, is annexed hereto.
3. Profiles of the Directors retiring by rotation and Directors being appointed, as required by Clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, are given in the Report on Corporate Governance forming part of the Directors' Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 14th July, 2012 to 21st July, 2012, both days inclusive, for the purpose of payment of dividend, if declared at the Annual General Meeting.
5. The dividend on equity shares as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par on or after 25th July, 2012 to Members holding shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares on 21st July, 2012. In respect of Shares held in electronic form, the dividend will be paid to the beneficial owners of the Shares as at the end of the business hours on 21st July, 2012 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
6. As per the directives of the Securities and Exchange Board of India (SEBI), in respect of the Shareholders holding Shares in electronic form, dividend shall be paid through Electronic Clearing Service (ECS), where such facility is available, directly to their bank account as furnished by their respective Depositories to the Company. Where such facility is not available, the bank details as furnished by their respective Depositories to the Company, will be mandatorily printed on their dividend warrants. Further, instructions if any, given by them in respect of Shares held in physical form will not be automatically applicable to the dividend payable on Shares held in electronic form. Members are, therefore, requested to give instructions regarding the bank accounts in which they wish to receive dividend, directly to their respective Depository Participants. The Company or its Registrar and Share Transfer Agent will not act on any direct request from these Members for change of such bank details.
7. Members holding Shares in physical form who wish to avail of the National Electronic Clearing Service (NECS) facility are requested to submit the NECS mandate in the prescribed form to the Registrar and Share Transfer Agent on or before 13th July, 2012. The said form can be obtained from the Company's Registrar and Share Transfer Agent - M/s. Link Intime Private Limited or downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors Area'. Members holding Shares in physical form and who for any reason would not like to avail the National Electronic Clearing Service (NECS) facility are required to furnish to the Registrar and Share Transfer Agent (if not furnished earlier) details of bank account number and name of the bank and the branch, which would be printed on the dividend warrants / drafts.
8. Members are requested to:
 - (a) Notify any change in their address to the Registrar and Share Transfer Agent, M/s. Link Intime Private Limited; C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078, in case of Members holding shares in physical form and update such details with their respective Depository Participants, in case of Members holding shares in electronic form.
 - (b) Bring their attendance slips alongwith the copies of the Annual Report to the Meeting.
9. Pursuant to the provisions of Section 205 of the Companies Act, 1956, the Company has already transferred the unclaimed / unpaid dividend declared upto and including the financial year ended 31st March, 1995 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Shareholders who have so far not claimed or collected their dividends upto the aforesaid financial year are requested to forward their claims in the prescribed Form II of the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978 to:

Office of the Registrar of Companies
Central Government Office Building
"A" Wing, 2nd floor
CBD Belapur, Navi Mumbai, Maharashtra 400 614

In terms of the provisions of Sections 205A and 205C of the Companies Act, 1956, as amended, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund established by the Central Government (hereinafter referred to as the 'said Fund'). Accordingly, unclaimed / unpaid dividend for the financial years ended 31st March, 1996 and 31st March, 1997 and period ended 30th September, 1998, year ended 31st March, 1999, 31st March, 2001, 31st March, 2002, 31st March, 2004 and 31st March, 2005 (interim) has been transferred to the said Fund.

Unclaimed dividend for the financial year ended 31st March, 2005 (final) and thereafter (wherever declared) is still lying with the Company. The Members, who have not yet encashed the dividend warrants for the financial years ended 31st March, 2005 (final dividend), 31st March, 2006 (interim and final dividend), 31st March, 2007 (interim dividend), 31st March, 2008, 31st March, 2011 (interim and final) are requested to send claims to the Company, if any, before the respective amounts become due for transfer to the said Fund. No claim shall lie against the Company or the said Fund after transfer as mentioned above.

10. All documents referred to in the above Notice and the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.
11. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
12. Members who hold Shares in physical form can nominate a person in respect of Shares held by them singly or jointly pursuant to the provisions of Section 109A of the Companies Act, 1956. Members who hold Shares in a single name are advised, in their own interests, to avail of the nomination facility by completing and submitting Form no.2B, in duplicate, to the Company's Registrar and Share Transfer Agent, M/s. Link Intime Private Limited. Blank forms will be supplied by M/s. Link Intime Private Limited on request. Form No.2B can also be downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors Area'. Members holding Shares in the dematerialised form may contact their Depository Participant for recording the nomination in respect of their Shares.
13. Members desirous of getting any information about the Accounts and / or Operations of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.

30th May, 2012
Registered Office:
4th Floor, Himalayas,
Geetmala Complex
Near Shah Industrial Estate,
Govandi East, Mumbai 400 088

By Order of the Board of Directors

Namrata Malushte
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7.

Mr. Ritesh Ramakrishnan was appointed as an Additional Director of the Company with effect from 30th May, 2012 by the Board of Directors at its meeting held on the same day. As per Section 260 of the Companies Act, 1956, an Additional Director holds office upto the date of the Annual General Meeting only. The Company has received notice under Section 257 of the Companies Act, 1956 from a Member of the Company with requisite deposit signifying the intention to propose the appointment of Mr. Ritesh Ramakrishnan as a Director of the Company.

Mr. Ritesh has graduated from Purdue University with a BSC in Logistics and a double minor in communication and finance in the year 2009. After successfully working as an understudy in the various group companies of Transworld, Mr. Ritesh joined the group full time in January 2010. Thereafter, Mr. Ritesh has been involved in all aspects of the functioning of Transworld overseeing the financial, commercial, operational and administrative departments.

Mr. Ritesh Ramakrishnan holds 1,68,375 Equity shares in the Company as on date.

The Board of Directors is confident that his knowledge will be of great value to the Company and hence, commends Resolution no.7 for your approval.

None of the Directors other than Mr. S. Ramakrishnan, Mr. S. Mahesh and Mr. Ritesh Ramakrishnan are interested in the Resolution.

Item No. 8

At the Annual General Meeting held on 25th September, 2009, the Members have approved the revision in the terms of remuneration of Mr. S. Ramakrishnan, Chairman & Managing Director. He is paid remuneration in line with the aforesaid resolution passed by the Members.

However in view of inadequacy of profits of the Company for the year, the said remuneration rendered is in excess of the limits specified under the Companies Act, 1956. In terms of the provisions of Schedule XIII Part II Section II Part C, the said remuneration is required to be approved by the members vide Special Resolution being further subject to the approval of Central Government.

The information as required by Schedule XIII Part II Section II Clause 1 Sub-clause C is as under:

I. General Information:

- (1) Nature of Industry: Shipping & Logistics
- (2) Date or expected date of commencement of commercial production: Not applicable
- (3) Financial performance based on given indicators: The Financial performance of the Company is detailed in the Annual report sent along with this Notice. Hence the same is not repeated.
- (4) Export Performance: Not applicable
- (5) Foreign investments & Collaborators: The Company does not have any foreign collaborations or investments.

II. Information about the appointee:

(1) Background Details of Mr. S. Ramakrishnan :

Mr. S. Ramakrishnan is the Chairman & Managing Director of the Company. He is 51 years of age. He is a Commerce graduate and has extensive experience of about 30 years in the Shipping Industry including ship owning, chartering and ship management.

(2) Past remuneration :

The remuneration paid to Mr. S. Ramakrishnan for the year ended 31st March, 2011 was ` 68,84,400 /-. This figure does not include Company's contribution to the Gratuity fund.

(3) Recognition or Awards:

Mr. S. Ramakrishnan has been bestowed with the *Maritime Personality of the Year Award* for the year 2011-12 at Maritime And Logistics Awards (MALA).

Shreyas Shipping & Logistics Limited has been honoured with the *Shipping Line of the Year* for the year 2011-12 at Maritime And Logistics Awards (MALA). The Company has been able to achieve this success under the able guidance of Mr. S. Ramakrishnan.

(4) Job Profile and his suitability:

Mr. S. Ramakrishnan is a Commerce graduate. He is the driving force of the Company and directly oversees the day to day activities of the Company. His expertise in all facets of the shipping industry has helped the Company in making allround progress. He acts as the Chairman & Managing Director of the Company since its inception.

(5) Remuneration proposed to be approved:

Total remuneration of ₹ 73,44,800/- has been paid to Mr. S. Ramakrishnan during the financial year ended 31st March, 2012. A remuneration of ₹ 25,44,800/- requires approval.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The Company has a unique business model. It operates in various business segments like chartering, feeder and logistics business. It is therefore difficult to present a Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.

(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

The Company is founded by late Shri R. Sivaswamy, father of Mr. S. Ramakrishnan. He holds 1,08,375 shares in the Company. Mr. S. Mahesh, brother and Mr. Ritesh Ramakrishnan, son of Mr. S. Ramakrishnan are the members of the Board of Directors of the Company.

III Other Information:

(1) Reasons for loss or inadequate profit:

During the second and the third quarter, the bunker prices have increased substantially. Bunker is the fuel that is used in the ship. This increase in the fuel was beyond the control of the management. The Company was forced to continue with the existing freight rates due to its commitment to the customers. This has resulted in the reduction in the operating profit margins and has thus impacted the performance of the second and third quarter significantly.

(2) Steps taken or proposed to be taken for improvement:

During the fourth quarter, the Company has renewed its freight agreements with its customers. Accordingly, the freight escalation was linked with the increase in fuel prices. With this, the Company was able to pass on the burden of increase in fuel oil to the customers. This is demonstrated by the financial performance of the fourth quarter. In fact, the performance of this quarter was the best performance as compared to the earlier quarters. It may be noteworthy that the Company has posted profits for the current financial year against the losses posted by various other shipping companies. This has been possible due to the leadership skills and the timely decisions of the Chairman & Managing Director.

(3) Expected increase in productivity and profits in measurable terms:

Not applicable.

IV. Disclosure:

1. Remuneration package of Mr. S. Ramakrishnan:

Components	Amount
Basic salary	50,40,000
Special Allowance	12,00,000
Contribution to PF	6,04,800
L. T. A	5,00,000
Total Remuneration	73,44,800

2. Other disclosures:

- i. All elements or remuneration package such as salary, benefits, bonus, stock options, pension etc of all Directors: Please refer table given in IV 1 above.
- ii. Details of fixed component and performance linked incentive along with performance criteria: Salary is the fixed component. The Company does not pay performance linked incentive.
- iii. Service contract: Mr. S. Ramakrishnan is appointed for a period of 5 years from 1st April, 2009.

- iv. Notice Period: Not Applicable
- v. Severance fees: NIL
- vi. Stock options: NIL. The Company does not have a system of stock options.

Mr. S. Ramakrishnan is interested in the said resolution. Mr. S. Mahesh and Mr. Ritesh Ramakrishnan being related to Mr. S. Ramakrishnan are deemed to be interested in the resolution. None of the other Directors of the Company are interested in the said resolution.

30th May, 2012
Registered Office:
4th Floor, Himalayas,
Geetmala Complex
Near Shah Industrial Estate,
Govandi East, Mumbai 400 088

By Order of the Board of Directors

Namrata Malushte
Company Secretary

Directors' Report

Your Directors are pleased to present the Twenty Fourth Annual Report and the audited accounts for the financial year ended 31st March, 2012.

FINANCIAL PERFORMANCE

(` in Lacs)

	Current Year ended 31.03.2012	Previous Year ended 31.03.2011
Operating Income	16769.25	12687.62
Other Income	351.75	200.13
Profit before Interest, Depreciation and Tax	2068.54	2561.07
Less: Financial Cost	379.69	618.72
Depreciation	1159.94	1054.11
Profit before Tax and Prior Year Adjustment	528.92	888.24
Less: Provision for Taxation	(9.56)	13.00
Profit After Tax and Exceptional Items	538.48	875.24
Add: Balance brought forward from previous year	3528.67	3207.20
Amount available for appropriation	4067.15	4082.44
Appropriations:		
Transfer to General Reserve	-	25.00
Transfer to Capital Redemption Reserve	800.00	-
Transfer to Tonnage Tax Reserve	-	159.00
Dividend paid on Preference Shares	75.17	76.00
Tax on dividend paid on Preference Shares	12.19	12.62
Interim Dividend paid on Equity Shares	-	109.79
Tax on Interim dividend on Equity Shares	-	18.23
Proposed Dividend on Equity Shares	109.79	131.75
Tax on proposed dividend on Equity Shares	17.81	21.37
Net surplus in Statement of Profit and Loss Account	3052.19	3528.68

DIVIDEND

In view of the turnaround performance of the Company, the Board of Directors recommends a Dividend of 5% on the Equity shares for the current financial year. This Dividend is subject to the approval of the Members at the Twenty fourth Annual General Meeting to be held on 21st July, 2012. The Company has during the year paid dividend on Preference shares amounting to ` 87.36 lacs including dividend distribution tax. The total outflow on account of Equity and Preference dividend is ` 2.14 crores including dividend distribution tax.

REVIEW OF OPERATIONS

During the year, the turnover of the Company increased from ` 126.87 crores in the previous year to ` 167.69 crores in the current year. In the previous year 2010-11, the expenditure on fuel oil constituted 36% of the revenue which has increased to 44% during the current year. This constituted an impact of 8% on the EBIDTA. The Company was able to successfully pass on some expenses to the customers and also had better utilization of tonnage. Therefore the Company has been able to post a Profit After Tax of ` 5.38 crores and cash profit of ` 16.98 crores

As regards, containerized logistics, Shreyas has through its wholly owned subsidiary Shreyas Relay Systems Limited (SRS), ventured into road transportation, warehousing and rail movement. SRS

now has moved towards a complete backward integrated model thereby offering its clientele various services. Shreyas is now concentrating on the Lead Logistics Provider concept whereby it offers a single window solution to its clients for their entire logistics needs.

SRS has added branches and satellite branches at various locations within India. It has also hired adequate manpower in view of its expansion plans in the logistics space including road, rail transportation and freight forwarding. The turnover of the Company increased more than 50% from ` 113.31 crores to ` 172.18 crores. However given the gestation period, the Company has been able to post a Net Profit of the wholly owned subsidiary of ` 2.19 crores and cash profit of ` 4.07 crores.

At a consolidated level, the Company has been able to achieve a top line growth of over 42% from ` 190.38 crores in the year 2010-2011 to ` 270.77 crores in the year 2011-2012. The Net Profit After tax was ` 5.63 crores in the current year and the cash profit was ` 19.13 crores.

As requested by the preference shareholders, the Company has early redeemed 9.50% Non convertible Cumulative Redeemable Preference Shares of ` 100/- each on 28th March, 2012 out of internal accruals. The Company has created Capital Redemption Reserve to that effect.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis appearing as Annexure I to this Report.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956 an amount of ₹ 2.98 lacs being unclaimed dividend (interim dividend) for the year ending 31st March, 2005 was transferred during the year to the Investor Education and Protection Fund established by the Central Government.

QUALITY

Quality, integrity and safety have been core to the Company. We firmly believe that the pursuit of excellence is one of the most critical components for success in the competitive market and therefore, consistently strive to adhere to the highest quality standards. Shreyas has been re-certified by DNV Quality Registrar in accordance with the Standard ISO 9001: 2008 upto 31st October, 2012.

Moving forward, the Company shall continue to further strengthen its processes by adopting best-in-class standards.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

DIRECTORS

Mr. D. T. Joseph and Capt. P. P. Radhakrishnan retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. Ritesh Ramakrishnan was appointed as an Additional Director w.e.f 30th May, 2012.

The above appointment and re-appointments form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval.

Profiles of these Directors, as required by Clause 49 of the Listing Agreement, are given in the Report on Corporate Governance forming part of this Report.

SUBSIDIARY COMPANY

In compliance with the provisions of Section 212 of the Companies Act, 1956, the audited statement of accounts alongwith the Directors' and Auditors' report for the year ended 31st March, 2012 of Shreyas Relay Systems Ltd, the wholly owned subsidiary and Haytrans (India) Ltd, the subsidiary of Shreyas Relay Systems Limited are annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2012:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended on 31st March, 2012;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a 'going concern' basis.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing agreement entered into with the Stock Exchanges, a detailed Report on Corporate Governance is given as Annexure II to this Report alongwith the Auditors' Certificate on its compliance by the Company (Annexure IV) and applicable certification of the Chief Executive Officer and Chief Financial Officer (Annexure III).

AUDITORS

M/s. PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the 24th Annual General Meeting and offer themselves for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

As regards the observation made in the Auditor's report, your Directors wish to state that the interpretation of the Institute of Chartered Accountants of India is not found in the notification issued by the Government of India and hence has no legal sanction. Accounting Standard-16 covers capitalisation of interest in projects in respect of 'qualifying assets' and cannot be applied to all cases of capital expenditure. Such an interpretation by the Institute of Chartered Accountants of India has the effect of taking foreign exchange gains to the credit of capital expenditure but a major part of foreign exchange loss to interest expenditure, which cannot be the intention of the Government notification, which is to give relief to industries from violent negative fluctuations in foreign exchange. In our view the accounting treatment given by the Company is correct and helps reflect a true and fair view of profit of the year.

COST AUDIT

The Central Government has not recommended cost audit of the Company during the year under consideration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Under the Notification No.GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company, as the shipping industry is not included in the Schedule to the relevant rules.

With regard to foreign exchange earnings and outgo, the position is as under:

Sr. No.	Particulars	in Lacs (2011-12)
(i)	Foreign exchange earnings including proceeds on sale of ship (on accrual basis)	5,852.56
(ii)	Foreign exchange outgo including operating components and spare parts and other expenditure in foreign currency (on accrual basis)	5,885.32

PERSONNEL

Information as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of section 219(1)(b)(iv) of the said Act, this Report and the Accounts Statement are being sent to all Shareholders excluding the Statement of Particulars of Employees under section 217(2A). Any Shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

ACKNOWLEDGMENTS

Your Directors thank the Company's clients, vendors, charterers, business associates, main line operators, investors, shareholders

and bankers for their continued support during the year. It will be your Company's endeavour to build and nurture strong links with them based on mutuality, respect and co-operation with each other. Your Directors take this opportunity to thank all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry despite increased competition from several existing and new players.

Your Directors place on record their appreciation for the support and continued co-operation that the Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Company Affairs, the Directorate General of Shipping, the Mercantile Marine Department, the Stock Exchanges, the Reserve Bank of India, the Central Board of Excise and Customs, and other Government agencies. Your Directors also express their sincere thanks to the Indian National Ship Owners Association, Port authorities, Insurance companies, Protection and Indemnity clubs for their continued support during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 30th May, 2012

S. Ramakrishnan
Chairman & Managing Director

Management's Discussion and Analysis

(Annexure I to the Directors' Report)

Industry review

As per the data released by Indian Ports Association, the country's 13 state-owned gateway ports handled 7.77 million TEUs in 2011-12, compared with 7.54 million TEUs the previous year. Containerized tonnage rose 5.36 percent to 120 million tons from 114 million tons. The statistics reveal that container throughput at India's major ports grew 3 percent year-over-year in the year 2011-12. Overall there has been a measured growth in the industry.

Jawaharlal Nehru Port (Nhava Sheva), which accounts for more than 60 percent of India's total container movements, reported its highest-ever throughput of 4.32 million TEUs from 4.27 million TEUs in 2010-11. Traffic at Chennai, the second-largest container gateway, increased 3 percent to 1.56 million TEUs from 1.52 million TEUs.

With the Indian logistics industry being highly fragmented with only 6% being organized players, there remains much scope for improvement. Despite this, it is one of the fastest growing industries within India. The Indian corporate sector is growingly recognising the need for a strong and integrated system to cater to its logistics requirements. Notably, it is expected that the industry is set to grow annually at the rate of 15- 20 per cent, reaching revenues of approximately \$ 385bn by 2015. Market share of organised logistics players is also expected to double to approximately 12 per cent by 2015. It is therefore termed as the sunrise industry.

Container cargo represents only about 30% (by value) of India's external trade-much lower when compared with the global containerized cargo average of 70-75%. At a growth rate of 12%, India's container cargo traffic is estimated to reach 15 million TEUs by FY16E from about 7.7 million TEUs presently.

Performance review of Shreyas

Your company presently has a fleet of four vessels which operate on the East and West coast of India. These vessels carry three types of cargoes viz feeder, domestic and regional. Feeder cargo is the transshipment cargo for Main Line Operators (MLO) from hub ports to smaller ports since the big vessels cannot call all the Indian ports. In fact your Company is the first Indian private sector company to start feeder services in India. Domestic cargo is the movement of cargo from Northern India to Southern India. Within India, there is disparity in the pattern of production and consumption. Northern India is the producer and Southern India is the consumer. Thus within India itself there is substantial movement of cargo from North India to South India. Regional cargo is the movement of cargo from India to other regional ports like Karachi and Colombo. The Company has an edge in the market on account of its ability to generate cargo on the round voyage.

During the year, the turnover of the Company increased from ` 126.87 crores in the previous year to ` 167.69 crores in the current year, thereby registering a growth of about 32%. In the previous year 2010-11, the fuel oil constituted 36% of the revenue which has increased to 44% during the current year. This constituted an impact of 8% on the EBIDTA. The Company was able to successfully pass on some expenses to the customers and

also had better utilization of tonnage. The Company has therefore been able to post a Profit After Tax of ` 5.38 crores and a cash profit of ` 16.98 cr.

As regards, containerized logistics, Shreyas has through its wholly owned subsidiary Shreyas Relay Systems Limited (SRS), ventured into road transportation, warehousing and rail movement. SRS now has moved towards a complete backward integrated model thereby offering its clientele various services. Shreyas is now concentrating on the Lead Logistics Provider concept whereby it offers a single window solution to its clients for their entire logistics needs.

SRS has added branches and satellite branches at various locations within India. It has also hired adequate manpower in view of its expansion plans in the logistics space including road, rail transportation and freight forwarding. The turnover of the Company increased by over 50% from ` 113.31 crores to ` 172.18 crores. However given the gestation period, the Company has been able to post a Net Profit of the wholly owned subsidiary of ` 2.19 crores and cash profit of ` 4.07 crores.

At a consolidated level, the Company has been able to achieve a top line growth of over 42% from ` 190.38 crores in the year 2010-2011 to ` 270.77 crores in the year 2011-2012. The Net Profit After tax was ` 5.63 crores in the current year and the cash profit was ` 19.13 crores.

We give below a snapshot of the salient features of the Company's stand-alone performance during 2011-12 vis-à-vis the performance during 2010-2011:

- ? Total Income increased from ` 126.87 crores to ` 167.69 crores.
- ? Interest cost reduced from ` 6.18 crores to ` 3.79 crores.
- ? Depreciation increased from ` 10.54 crores to ` 11.59 crores
- ? Fuel Consumption increased from ` 47.53 crores to ` 75.82 crores.
- ? Profit After Tax reduced from ` 8.88 crores to ` 5.28 crores.

Outlook on opportunities

Coastal shipping is an environment-friendly, fuel efficient and a safer alternative amongst all the modes of transport. According to industry estimates, combining coastal and rail transportation can reduce the cost of transporting goods from north to south India and vice versa by around 40% - 50%. The diversion of cargo traffic to coastal shipping can help reduce road congestion and protect the National Highways. Coastal shipping is safer for transporting hazardous and inflammable material. Coastal shipping has the ability to transport large-sized cargo.

Given India's long coastline and the ever-increasing strain on the land to carry out activities, coastal shipping offers a viable alternative that could complement the rail and road transport network in India. In addition, efficient and economical coastal shipping has the potential to drive transshipment at Indian ports and substantially enhance the price competitiveness of Indian exports. Increased coastal shipping can also incentivize the development of port hubs in India. Currently, coastal traffic accounts for only 7% of the total freight traffic. This indicates that the sector's potential has not been adequately exploited. The comparable figures for the US and the EU are 15% and 43%, respectively. Considering the length of the Indian coastline, there is a significant opportunity to account for a much higher

percentage of the country's total traffic. The inherent benefits of coastal shipping give immense opportunities for its growth in India. Additionally multimodal transportation of cargo is gaining importance in the Indian industry which further improves the scope of Indian coastal shipping.

The logistics sector plays a crucial role and forms the backbone of the Indian economy and has substantially contributed towards its growth and development. Industry estimates that the Indian logistics industry is expected to grow at 15% to 20% per annum, reaching its revenues of US\$385 billion by 2015 from its current size of USD 80 billion. Therefore, there are a lot of expectations from the sector which is still believed to be in its nascent stage when compared to other emerging nations. Policy and infrastructural changes will take the logistics industry towards improved performance.

India is witnessing an increasing demand for the third party logistics (3PL) business, with companies now concentrating on managing their supply-chain mechanisms in a better way to deepen their market penetration. Companies are shifting their focus from transaction strategies to relationship-based alliances.

Indian market is full of opportunities as compared to developed markets, because of the infrastructural development, such as ports, highways, bridges as well as increasing connectivity and rising significance of logistic services in the country.

Outlook on Threats, Risks and Concerns

India needs an integrated transport policy, which will facilitate distribution of cargo evenly. Major ports do not have separate berthing facilities, which results in a higher turnaround time and operation costs. Minor ports have inadequate infrastructure and large inventories of dysfunctional equipment. The ship-building capacity for appropriate coastal vessels is inadequate.

Even if the present berthing and handling capacities at the Indian ports have improved since the past, they are far behind their international counterparts. The shipping industry needs a recognition as a critical infrastructure segment in order to receive due importance in terms of investments.

The rising oil prices shall continue to be a major concern for the shipping companies in India. Further the operational costs under Indian flag and Indian registry are numerous. There are also several tax regimes involved. There is also a difficulty in attracting shipboard staff for coastal operations. Manning costs of Indian registered coastal vessels are extremely high which also needs attention.

Logistics management in India is too complex, with millions of retailers catering to the requirements of more than one billion people and the infrastructure is yet to develop to cater properly to a growing economy. Furthermore the total logistics cost is a factor of transportation cost, inventory management cost, warehousing, packaging etc. All these costs mount up as there is a lack of infrastructure and also lack of economies of scale.

The poor condition of roads translates directly to higher vehicle turnover, which in turn pushes up the operating costs and reduces efficiency. The reduced efficiency is passed on the logistics service providers, with transportation costs accounting for nearly 40 per cent of the total logistics cost. There are other problems such as complex tax laws and insufficient technological aids.

The need of the hour is also the right integration of IT enabled technology to streamline the business processes. With the adoption of latest technology, logistics service providers can move beyond the geographical boundaries and can expand their business to any location across the globe and maintain visibility and control.

Internal control systems and their adequacy

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data.

The Internal Audit, an independent appraisal function to examine and evaluate the efficiency and effectiveness of the internal control system, appraises periodically about activities and audit findings to the Audit Committee, Statutory auditors and the Top Management.

Internal audit ensures that systems are designed and implemented with adequate internal controls commensurate with the size and operations; transactions are executed and assets are safeguarded and deployed in accordance with the policies, existence of adequacy of internal controls in all existing policies and procedures.

Human resources

As on 31st March, 2012, the Company had 30 shore staff and 110 floating staff.

The relations between the employees and the Company remained cordial throughout the year. The Company continues to focus on the safety, training and development of the employees.

Cautionary statement

Statements in this report describing the company's objectives, projections, estimates and expectations may be forward looking statements, within the meaning of applicable laws and regulations, based on beliefs of Shreyas' Management. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including amongst others, changes in the general economic and business conditions, changes in the currency exchange rates and interest rates, introduction of competing services, lack of acceptance of new services, and changes in business strategy. Shreyas does not intend to assume any obligation to update any forward-looking statements or information, which speak as of their respective dates reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 30th May, 2012

S. Ramakrishnan
Chairman & Managing Director

Report on Corporate Governance

(Annexure II to the Directors' Report)

(As required by Annexure IC to Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

I. Corporate Governance Philosophy and Practice

The Corporate Governance philosophy of the Company is based on the principles of transparency and high degree of disclosure levels and accountability for all its stakeholders. We believe that sound corporate governance is critical to enhance and retain stakeholders' trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

II. Board of Directors

Composition of Board of Directors

The composition of the Board is in accordance with the requirements set forth by Clause 49 in this regard. All the Directors are experts in their respective fields / professions. The Board consists of nine Directors of which two are Executive Directors and seven are Non-Executive Directors. The Chairman and Managing Director is an Executive Director and Promoter. Five Directors of the Company are Independent Directors and four are Promoters.

Details, as on date, of the composition of the Board and changes therein since the last Report, category of the Directors and their attendance at Board meetings and the last Annual General Meeting and number of their other directorships and Committee Memberships/ Chairmanships are given below:

Name of the Director	Category of Directorship ¹	Number of Board meetings attended out of six held during the year 2011-2012	Attendance at the last AGM (17.08.11)	No. of Directorships in other public limited companies as on 31.03.2012	No. of Committee positions held in other public limited companies as on 31.03.2012 ²	
					Chairman	Member
Mr. S. Ramakrishnan ³ Chairman & Managing Director	ED	5	Yes	10	NIL	NIL
Mr. V. Ramnarayan Executive Director	ED	5	Yes	10	NIL	1
Mr. S. Mahesh ³ Director	NED (NI)	1	No	9	NIL	1
Mr. L. B. Culas Director	NED (NI)	4	No	0	NIL	NIL
Mr. Mannil Venugopalan Director	NED (I)	6	No	3	NIL	NIL
Capt. P. P. Radhakrishnan Director	NED (I)	4	No	3	NIL	1
Mr. Amitabha Ghosh Director	NED (I)	6	Yes	12	5	6
Mr. S. Ragothaman Director	NED (I)	4	Yes	6	3	2
Mr. D. T. Joseph Director	NED (I)	5	No	6	1	4

Notes:

1. Category of Directorship:

- ED - Executive Director
- NED (NI) - Non-Executive Director and not Independent
- NED (I) - Non-Executive Director and Independent

2. As required by Clause 49 of the Listing agreement entered into with the Stock Exchanges, only Membership / Chairmanship of the Audit Committee and Shareholders' / Investors Grievance Committee have been considered. None of the Directors of the Company is a Member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he is a Director.
3. Mr. S. Ramakrishnan and Mr. S. Mahesh are brothers.

Number of Board Meetings

Six Board meetings were held during the year ended 31st March, 2012. These were on 6th April 2011, 25th May 2011, 26th July 2011, 1st November 2011, 2nd February 2012 and 27th March 2012.

The gap between any two Board meetings did not exceed four months as required by Clause 49 of the Listing agreement with the Stock Exchanges.

Information supplied to the Board

To enable the Board members to discharge their responsibilities effectively and take informed decisions, a comprehensive Agenda folder with explanation on each item is sent to each Director well in advance of the Board meeting. All the Agenda items are discussed in detail during the Board meeting. The Board members have complete access to any information within the Company and to any employee of the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as the related details that require deliberation by the members of the Board.

The information as specified in Annexure 1A to Clause 49 is made available to the Board whenever applicable and materially significant.

Code of Conduct

All Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year ended 31st March, 2012. The said Code has been posted on the website of the Company, i.e., www.shreyas.co.in.

III. Audit Committee of Directors (Audit Committee)

Composition

The present composition of the Audit Committee is as follows:

Name	Position held	Category
Mr. Amitabha Ghosh	Chairman	Non-Executive and Independent Director
Capt. P. P. Radhakrishnan	Member	Non-Executive and Independent Director
Mr. S. Ragothaman	Member	Non-Executive and Independent Director
Mr. D.T. Joseph	Member	Non-Executive and Independent Director
Mr. Mannil Venugopalan	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary

All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, Mr. Amitabha Ghosh, Mr. S. Ragothaman and Mr. Mannil Venugopalan are considered to have accounting and related financial management expertise.

The Chief Financial Officer, representative of the internal auditors and the statutory auditors are invitees to the

meetings of the Audit Committee.

Terms of reference

The powers and terms of reference of the Audit Committee are comprehensive and include all that is mandated as per Clause 49 of the Listing agreement and Section 292A of the Companies Act, 1956. The Committee is vested with necessary powers, as defined in its Charter, to achieve its objectives.

The Committee, inter alia, has reviewed the financial statements including Auditors Report for the year ended 31st March, 2012 and has recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management and the financial statements of the subsidiary companies.

Meetings and attendance during the year

Sr. No.	Name of Director	Meetings / Attendance			
		25.05.2011	26.07.2011	31.10.2011	01.02.2012
1.	Mr. Amitabha Ghosh	Present	Present	Present	Present
2.	Capt. P. P. Radhakrishnan	Present	Absent	Present	Present
3.	Mr. S. Ragothaman	Absent	Present	Present	Absent
4.	Mr. D.T. Joseph	Present	Present	Present	Present
5.	Mr. Mannil Venugopalan	N.A.	N.A.	Absent	Present

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the Board meetings.

The Chairman of the Audit Committee was present at the Annual General Meeting held on 17th August, 2011.

IV. Shareholders' / Investors Grievance Committee of Directors

Composition

The present composition of the Shareholders' / Investors Grievance Committee is as follows:

Name	Position held	Category
Capt. P. P. Radhakrishnan	Chairman	Non-Executive and Independent Director
Mr. V. Ramnarayan	Member	Executive Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Terms of reference

- Review the existing investor redressal system and suggest measures for improvement.
- Resolution of investor grievances / complaints.
- Suggest improvement in investor relations.

- d. Consider and take on record Certificate from a practicing Company Secretary under Clause 47(c) of the Listing agreement.
- e. Propose to the Board of Directors, the appointment / re-appointment of the Registrar and Share Transfer Agent, including the terms and conditions, remuneration, service charge / fees.

Meetings and attendance during the year

The Company has held two meetings of the Shareholders' / Investors Grievance Committee during the year ended on 31st March, 2012. These were on 26th July, 2011 and 15th March, 2012. All members of the Committee and the Secretary were present at the above meetings.

The Secretarial Department of the Company, under the supervision of the Company Secretary, who is also nominated by the Company as the "Compliance Officer" as required under SEBI Regulations / Listing Agreement, and the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. attend to all grievances of the Shareholders and the investors. The Company and M/s. Link Intime India Pvt. Ltd. are making further attempts to ensure that the grievances are expeditiously addressed and redressed to the full satisfaction of the Shareholders. The minutes of the Share Transfer Committee are noted by the Board of Directors at the Board Meetings.

A comparative statement of the various complaints received and redressed by the Company and M/s. Link Intime India Pvt. Ltd. during the year 2011-12 is given below:

Nature of complaints	Number of complaints	
	Received	Pending
Non-receipt of dividend	15	0
Non-receipt of Share certificates after transfer	0	0
Non-receipt of Annual report	0	0
Non-receipt of demat credit / remat credit	0	0
Non-receipt of rejected Demat Requisition Form	0	0
Others (not included above)	0	0
TOTAL	15	0

V. Remuneration Committee

Composition

The present composition of the Remuneration Committee is as follows:

Name	Position held	Category
Capt. P. P. Radhakrishnan	Chairman	Non-Executive and Independent Director
Mr. S. Ragothaman	Member	Non-Executive and Independent Director
Mr. Amitabha Ghosh	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Terms of reference

- Determine the Company's policy on specific remuneration packages for Executive Directors.
- Bring about objectivity in determining the remuneration package of Executive Directors while striking a balance between the interest of the Company and the Shareholders.
- Recommend the remuneration package of Executive Directors to the Board for its approval.

During the year the meeting of the Remuneration committee was held on 25th May, 2011.

Remuneration Policy

a. For Executive Directors

The Board of Directors is authorised to decide the remuneration of the Executive Director(s), subject to the recommendation of the Remuneration Committee of Directors and approval of the Shareholders and the Central Government, if required. The details of remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director for the year 2010-11 have been disclosed in Note no: 5 to the accounts. The appointment of Mr. S. Ramakrishnan is in terms of the approval received from the Central Government vide its letter bearing reference no. A59091868-CL-VII dated 3rd February, 2010 which is valid from 1st April, 2009 upto 31st March, 2014.

The Whole-time director Mr. S. Ramakrishnan and Mr. V. Ramnarayan were paid remuneration as per their respective terms of appointment as approved by the Shareholders.

b. For Non-Executive Directors

All fees / compensation paid to Non-Executive Directors are fixed by the Board of Directors of the Company with the previous approval of the Shareholders in the General meeting. Presently, Non-Executive Directors are paid remuneration by way of Sitting fees of ` 20,000/- per Board Meeting and ` 10,000/- per Audit Committee and Remuneration Committee Meeting attended. The details of sitting fees paid to the Non-Executive Directors for the year 2011-12 and shares held by them in the Company as on 31st March, 2012 are as follows:

Name of the Director	Sitting Fees for Board Meetings attended	Sitting Fees for Audit Committee Meetings attended	Number of Equity shares held in Shreyas Shipping & Logistics Ltd. as on 31 st March, 2012
Mr. S. Mahesh	20,000/-	N.A	112,475
Mr. L. B. Culas	64,000/-	N.A	130,845
Capt. P. P. Radhakrishnan	64,000/-	40,000/-	NIL
Mr. Amitabha Ghosh	96,000/-	40,000/-	NIL
Mr. S. Ragothaman	64,000/-	20,000/-	3,000
Mr. D. T. Joseph	76,000/-	40,000/-	NIL
Mr. Mannil Venugopalan	96,000/-	10,000/-	NIL

Presently, the Directors of the Company who are not in whole-time employment of the Company are compensated only by way of sitting fees for attending the meetings of the Board and its Committees. The Board of Directors have not recommended commission for the Directors not in whole-time employment of the Company for the year ended 31st March, 2012.

The Company does not have a scheme for stock options for its Directors. None of the Non-executive Directors had pecuniary interest in or transactions with the Company during the year.

VI. Share Transfer Committee

The Share Transfer Committee has been specifically constituted for approving the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced share certificates, etc. ensuring compliance with legal requirements of share transfers and co-ordination with the Registrar and Share Transfer Agent, Depositories, etc. The present composition of the Committee is as follows:

Name	Position held	Category
Mr. S. Ramakrishnan	Chairman	Chairman and Managing Director
Mr. V. Ramnarayan	Member	Executive Director
Mr. S. Mahesh	Member	Director
Mr. Rajesh Desai	Member	General Manager - Finance & Accounts
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Meetings of the Share Transfer Committee are usually held fortnightly. 24 meetings of the Share Transfer Committee were held during the year 2011-12.

VII. General Body Meetings

a. Particulars of the last three Annual General Meetings (AGM's)

Financial year	AGM No.	Date	Venue	Time
2010-11	23 rd	17 th August, 2011	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.
2009-10	22 nd	21 st September, 2010	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.
2008-09	21 st	25 th September, 2009	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.

b. Special resolutions passed at last three AGM's

The following Special resolution was passed by the Shareholders at the AGM held on 17th August, 2011:

- ? Revision in Remuneration of Mr. V. Ramnarayan, Executive Director

The following two Special resolutions were passed by the Shareholders at the AGM held on 21st September, 2010:

- ? Approved the revised remuneration package of Mr. V. Ramnarayan, Executive Director of the Company.
- ? To raise the funds to the extent of Rs. 100 Crores (Rupees one Hundred Crores only) through Rights Issue, public issue(s), preferential issue, private placement(s) or a combination thereof through prospectus, offer document, offer letter, offer circular or otherwise, at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest etc., as may be deemed appropriate by the Board at its absolute discretion.

The following two Special resolutions were passed by the Shareholders at the AGM held on 25th September, 2009:

- ? Reappointment of Mr. S. Ramakrishnan as a Chairman and Managing Director of the Company for the period of 5 years w.e.f. 1st April, 2009 on such remuneration and terms and conditions as set out in the notice.
- ? Appointment of Mr. V. Ramnarayan as an Executive Director of the Company for the period of 5 years w.e.f. 13th January, 2009 on such remuneration and terms and conditions as set out in the notice.

c. Passing of resolutions by Postal ballot

No resolutions were passed by postal ballot during the year ended 31st March, 2012. Postal ballot shall be conducted as per the provisions of the Companies Act, 1956, as and when situations arise.

VIII. Disclosures

a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interests of the Company in view of the following:

- (i) All details relating to financial and commercial transactions, wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.
- (ii) These are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.

b. In continuation of the practice of keeping the Board of Directors informed about the potential risks of running the business and the Company's processes for risk mitigation and control, the Management periodically submits to the Board, a

Risk Assessment & Minimisation Report outlining the various risks encountered by the Company, the control mechanisms adopted for mitigating such risks and the impact of materialization of such risks. The Management continues to take effective steps to mitigate such risks by devising an elaborate business strategy to counter and deal with the components of risks.

c. Disclosures have been received from Senior Management personnel to the effect that during the year ended 31st March, 2012, there were no financial and commercial transactions in which they had personal interest that may have a potential conflict with the interest of the Company at large.

d. With regard to matters related to capital markets, the Company has duly complied with the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority.

e. As on 31st March, 2012, the Company has one subsidiary as follows:

Shreyas Relay Systems Ltd : 100% holding by the Company

The Company has sold its shareholding in Haytrans (India) Limited to Shreyas Relay Systems Limited.

f. The Company has fully complied with all the mandatory requirements of Clause 49.

The status of compliance with non-mandatory requirements stipulated by the said Clause is as under:

1. Tenure of Independent Directors is not being restricted to period of nine years in the aggregate since the Board of Directors unanimously opine that the length of the tenure on the Board would not have any material negative impact on the performance of Independent directors and discharge of their duties towards the Company.

2. The Board of Directors has constituted a Remuneration Committee consisting of four members, who are non-executive and independent. The Chairman of the Remuneration Committee was not present at the 23rd Annual General Meeting held on 17th August, 2011.

3. Since the half-yearly financial results are being published in leading newspapers as well as being displayed on the Company's website, the said results and summary of significant events are not being sent to each household of Shareholders.

4. Adequate and transparent information is circulated to the members of the Board of Directors at its various meetings, which provide valuable inputs on the business of the Company and their responsibilities as Directors. Also, the Directors are kept abreast of the latest developments in Laws, Rules and Regulations, as also on the various risks to which the Company is subject and the manner in which these risks are mitigated and/or minimised. Therefore, the need for a formal training on these issues is not felt necessary presently.

5. The re-appointment of Non-executive Directors is proposed and seconded at meetings of the Board of Directors on the basis of the contribution and performance of the Director being re-appointed. The Director being re-appointed does not participate during such discussions nor does he vote on the resolution proposing his re-appointment.

6. The Company presently does not have a documented Whistle Blower Policy in place. However, given its dedication to principles such as honesty, quality, responsibility, compassion, fairness, respect, adaptability and gratitude, the Company personnel feel free to report to the Management, any concerns they may have about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

7. The Company ensures that any person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an Independent Director.

g. Disclosure regarding appointment or re-appointment of Directors

Mr. D. T. Joseph and Capt. P. P. Radhakrishnan retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. Ritesh Ramakrishnan who was appointed as Additional Director w.e.f 30th May, 2012 is recommended for being appointed as a Director of the Company.

i. Name: D. T. Joseph

Experience:

Mr. D. T. Joseph, born in 1945, is IAS (ret'd) by profession. He took over as Secretary in the Ministry of Shipping in the year 2003 and retired in 2005. Earlier, he was Secretary (Co-ordination) in the Cabinet Secretariat. He also served as Director General of Shipping. As Secretary Shipping, he helped in getting the tonnage tax option implemented for shipowners. As Director-General of Shipping, he streamlined chartering guidelines for ships in March 2000 and simplified Articles of Agreement for sailors. He was instrumental in the liberalization of maritime training and education, setting up standards for private institutions and building maritime constituencies. He played an important role in preparation of the comprehensive draft Maritime Policy, and also the National Maritime Development Programme.

Other Directorships:

Name of the companies/firm	Nature of interest
Adani Ports and SEZ Ltd	Director
Tata Teleservices Maharashtra Ltd	Director
Ocean Sparkle Ltd	Director
West Asia Maritime Ltd	Director
Shreyas Relay Systems Ltd	Director
Dedicated Freight Corridor Corporation Ltd	Director

Committee Memberships:

Name of the companies/firm	Name of Committee	Committee Position
Dedicated Freight Corridor Corporation Ltd	Audit Committee	Chairman
Adani Ports and SEZ Ltd	Audit Committee	Member
Adani Ports and SEZ Ltd	Shareholders & Investors Grievance	Member
Shreyas Relay Systems Ltd	Audit Committee	Member
West Asia Maritime Ltd	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2012: NIL

II. Name: Capt. P. P. Radhakrishnan

Experience:

Capt. P. P. Radhakrishnan is a Master Mariner holding Certificate of Competency. He was appointed as Chairman & Managing Director (CMD) of Shipping Corporation of India (SCI) during 1991-1995 and has commanded various types of vessels in the SCI fleet. Prior to his stint as CMD of SCI, he occupied the position of Director of Technical Services Division, Bulk Carrier and Tanker Division at various times. He has been associated with the shipping industry for several decades and has dealt with all facets of the shipping and ship building industry.

Other Directorships:

Name of the companies/firm	Nature of interest
1. West Asia Maritime Limited	Director
2. E C Ship Management Co. Ltd	Director
3. Haytrans (India) Limited	Director

Committee Memberships:

Name of the companies/firm	Name of Committee	Committee Position
West Asia Maritime Co. Ltd	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2012: NIL

III. Name: Mr. Ritesh Ramakrishnan

Experience:

Mr. Ritesh Ramakrishnan has graduated from Purdue University with a BSC in Logistics and a double minor in communication and finance in the year 2009. After successfully working as an understudy in the various group companies of Transworld, Mr. Ritesh joined the group full time in January 2010.

Thereafter, Mr. Ritesh has been involved in all aspects of the functioning of Transworld overseeing the financial,

commercial, operational and administrative departments.

Other Directorships:

1. Balaji Shipping (U.K) Ltd., UK	Director
2. Orient Express Lines Inc. (Panama)	Director
3. Transworld FZE	Director
4. Transworld Holdings Ltd., Mauritius	Director
5. Transworld Logistics & Shipping Services, Inc., USA	Director
6. Balaji Shipping Lines FZCO	Director
7. Orient Express Lines FZCO	Director
8. Transworld Ship, Trading & Logistics Services LLC., Oman	Director
9. Transworld Saudi Arabia., Saudi Arabia	Director
10. Albatross Shipping Ltd.	Director
11. Shreyas Relay Systems Ltd.	Director

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2012: 168,375 Equity Shares

IX. Means of communication

- a. The financial results of the Company are being published in leading newspapers to provide easier accessibility to the Shareholders and are also displayed on the Company's website www.shreyas.co.in.

The financial results during the year 2011-12 were published in the newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31/03/2011	30/06/2011	30/09/2011	31/12/2011
Free Press Journal	26/05/2011	27/07/2011	02/11/2011	03/02/2012
Navashakti	26/05/2011	27/07/2011	02/11/2011	03/02/2012

- b. Official press releases and presentations as and when made to the media and Analysts are made available on the Company's website www.shreyas.co.in.
- c. The Management's Discussion & Analysis Report is appearing as Annexure I to the Directors' Report.

X. Auditors' certificate on Corporate Governance

The Auditors' certificate on compliance with the Corporate Governance requirements under Clause 49 of the Listing agreements entered into with the Stock Exchanges is given as Annexure IV to the Directors' Report.

XI. Code of Conduct for prevention of Insider trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended in 2002 and 2008, the Company has adopted a comprehensive "Code of Conduct for Prevention of Insider Trading" and "Code of Corporate Disclosure Practices". The Company believes that these Codes will help in ensuring compliance of the SEBI Regulations.

XII. General Shareholders' Information

S. No.	Salient items of interest	Particulars
i.	AGM date	21 st July, 2012
ii.	AGM Time	11.00 a.m.
iii.	AGM Venue	Sivaswamy Auditorium of Fine Arts Cultural Centre Chembur (East), Mumbai – 400 071
iv.	Financial Calendar (tentative)	1.04.2012 to 31.03.2013
	Results for the quarter ending	
	30 th June, 2012	Upto 15 th August, 2012
	30 th September, 2012	Upto 15 th November, 2012
	31 st December, 2012	Upto 15 th February, 2013
	31 st March, 2013	Upto 30 th May, 2013
		Annual General Meeting is proposed to be held in September, 2013
v.	Dates of Book Closure	14 th July, 2012 - 21 st July, 2012 (both days inclusive)
vi.	Dividend Payment date	The Board recommended Equity Dividend @ 5% which is subject to approvals of shareholders at ensuing Annual General Meeting
vii.	Listing on Stock Exchanges	Equity shares: The Bombay Stock Exchange Ltd., Mumbai National Stock Exchange of India Ltd. The Company has paid listing fees for the year 2012-13 to the Indian Stock Exchanges where its securities are listed. The Company has during the year, delisted its Preference Share Capital.
viii.	Stock Code	Equity shares: The Bombay Stock Exchange Ltd., Mumbai - 520151 National Stock Exchange of India Ltd. - SHREYAS The Company has during the year, delisted its Preference Share Capital.
ix.	The International Securities Identification Number (ISIN) for the Company's Shares in Dematerialised form.	Equity shares: INE757B01015
x.	Registrar & Share Transfer Agent	M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (West), Mumbai – 400 078 Tel no. 022 – 25946970, Fax No. 022 -25946969 E-mail: rnt.helpdesk@linkintime.co.in
xi.	Share Transfer System	Transfers of Shares in physical form are processed by M/s. Link Intime India Pvt. Ltd. and are approved by the Share Transfer Committee, which usually meets fortnightly. Transfers of Shares are effected and Share

S. No.	Salient items of Interest	Particulars
		Certificates are dispatched within a period of 30 days from the date of receipt of the request, provided the relevant documents are valid and complete in all respects. Trading in the Company's Shares is permitted only in dematerialised form. In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit / credit of the accounts involved.
xii.	Dematerialisation of shares (Equity)	As at 31 st March, 2012, 90,09,282 Equity Shares of ` 10/- each (41.03% of the total Equity Shares) are in dematerialised mode.
xiii.	Outstanding GDRs / ADRs / Warrants or any convertible Instruments, conversion date and likely impact on equity	NIL
xiv.	Plant locations	Not applicable as the Company is in shipping and logistics business.
xv.	Address for correspondence	Registered Office: 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (East), Mumbai - 400 088. Administrative office: 2nd Floor, Sahyadris, Geetmala Complex, Near Shah Industrial Estate, Opp. Deonar Village Road, Govandi (E), Mumbai - 400 088. Tel. No. 022 - 66220300 Fax. No.: 022 – 66220444. Registrar & Share Transfer Agents M/s. Link Intime India Pvt. Limited. C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (West) Mumbai – 400 078. Tel No. 022 – 25946970, Fax No. 022 -25946969 E-mail: rnt.helpdesk@linkintime.co.in

Distribution of Shareholding as on 31st March, 2012

Category (Nominal value of shares)	No. of Shareholders	% of Total Shareholders	Share amount (In `)	% of Total Shareholding
Upto 5000	14,206	91.01	1,78,75,900	8.14
5,001 - 10,000	729	4.67	60,92,550	2.78
10,001 - 20,000	343	2.20	52,93,450	2.41
20,001 - 30,000	118	0.76	30,02,000	1.37
30,001 - 40,000	55	0.35	19,68,110	0.9
40,001 - 50,000	26	0.17	12,15,080	0.55
50,001 - 1,00,000	56	0.36	39,20,800	1.79
1,00,001 & above	76	0.49	18,02,07,440	82.07
Total	15,609	100.00	21,95,75,330	100.00

Shareholders' profile

As on 31st March, 2012, the Company had 15,609 shareholders. The Company's Shares are held by diverse entities as per the following break-up:

	Category	No. of Shares held	Percentage of Shareholding	No. Shares Pledged or otherwise encumbered	Percentage of Shares Pledged
A	Promoter's Holding				
1	Promoters				
	Indian Promoters:	6,31,445	2.88	NIL	0
	Foreign Promoters:	1,54,61,650	70.42	NIL	0
B	Non-Promoter Holding				
2	Institutional Investors				
	a. Mutual Funds and UTI	900	0.00	N.A.	N.A.
	b. Banks, Financial Institutions	0	0.00	N.A.	N.A.
	c. Foreign Institutional Investors	1,22,999	0.56	N.A.	N.A.
3	Others				
	a. Bodies Corporate	7,21,127	3.28	N.A.	N.A.
	b. Indian Public	44,22,766	20.15	N.A.	N.A.
	c. NRIs/OCBs	3,82,568	1.74	N.A.	N.A.
	d. HUF	1,84,276	0.84	N.A.	N.A.
	e. Clearing Member	7118	0.03	N.A.	N.A.
	f. Market Maker	22,684	0.10	N.A.	N.A.
	Total (1+2+3)	2,19,57,533	100.00	NIL	0

Top 10 shareholders as on 31st March, 2012

Sr. No	Name of the Shareholder	Number of Shares held as on 31.03.12	% of Shareholding
1	Transworld Holdings Limited	1,23,51,650	56.25
2	Anisha Ramakrishnan	11,67,325	5.32
3	Mithila Mahesh	11,67,325	5.32
4	Master Murlil Mahesh	1,68,375	0.77
5	Ritesh Ramakrishnan	1,68,375	0.77
6	Rajan Ramnarayan	1,40,875	0.64
7	Rajiv Ramnarayan	1,36,375	0.62
8	Equity Intelligence India Pvt. Ltd.	1,32,203	0.60
9	L. B. Culas	1,30,845	0.60
10	Mahesh Sivaswamy	1,12,475	0.51

Stock price data

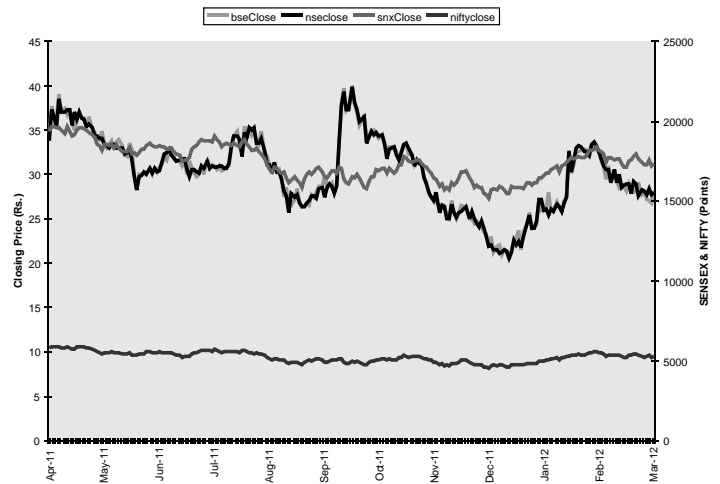
(1) The monthly high and low stock quotations during the financial year 2011-12 and performance in comparison to the BSE Sensex and S&P CNX Nifty is given below:

Month & Year	Share Price of Shreyas on BSE		BSE SENSEX		Share Price of Shreyas on NSE		S&P CNX Nifty	
	Month's High	Month's Low	Month's High	Month's Low	Month's High	Month's Low	Month's High	Month's Low
	(₹)	(₹)	(Index point)	(Index point)	(₹)	(₹)	(Index point)	(Index point)
April 11	39.65	33.10	19811.14	18976.19	40.15	33.00	5944.45	5693.25
May 11	36.95	27.20	19253.87	17786.13	35.95	27.00	5775.25	5328.70
June 11	33.25	29.25	18873.39	17314.38	36.00	28.85	5657.90	5195.90
July 11	37.15	29.80	19131.70	18131.86	37.45	29.25	5740.40	5453.95
August 11	35.90	25.20	18440.07	15765.53	36.85	25.20	5551.90	4720.00
September 11	45.80	26.20	17211.80	15801.01	42.00	26.25	5169.25	4758.85
October 11	37.90	31.00	17908.13	15745.43	38.80	31.30	5399.70	4728.30
November 11	34.20	24.65	17702.26	15478.69	34.00	24.50	5326.45	4639.10
December 11	30.65	20.70	17003.71	15135.86	27.35	20.65	5099.25	4531.15
January 12	29.70	20.50	17258.97	15358.02	29.60	20.30	5217.00	4588.05
February 12	35.20	25.95	18523.78	17061.55	34.95	26.30	5629.95	5159.00
March 12	30.90	25.95	18040.69	16920.61	30.55	25.25	5499.40	5135.95

(2) Shares traded during 1st April, 2011 to 31st March, 2012

Particulars	On BSE	On NSE
No. of shares traded	8,87,524	16,23,525
Highest Share price	₹ 45.80 (23 rd September, 2011)	₹ 42.00 (22 nd September, 2011)
Lowest Share price	₹ 20.50 (2 nd January, 2012)	₹ 20.30 (2 nd January, 2012)
Closing Share price as on 31 st March, 2012	₹ 27.35	₹ 28.00
Market capitalization as on 31 st March, 2012	₹ 60,05,38,527.55	₹ 61,48,10,924.00

(3) The Company's share price movement during 2011-12 on BSE and NSE vis-à-vis respective indices:



For and on behalf of the Board of Directors

Place: Mumbai
 Date: 30th May, 2012

S. Ramakrishnan
 Chairman & Managing Director

Certificate

(Annexure IV to the Directors' Report)
 (As required by clause 49 of the Listing Agreement entered into with Stock Exchanges)

To the Members of Shreyas Shipping and Logistics Limited

We have examined the compliance of conditions of Corporate Governance by Shreyas Shipping and Logistics Ltd for the year ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the Certificate of the Registrar and Transfer Agents of the Company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For PKF Sridhar & Santhanam
 Chartered Accountants
 Firm Regn No : 003990S

Place: Mumbai
 Date: 30th May, 2012

S.Narasimhan
 Partner
 M. No. 206047

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

(Annexure III to the Directors' Report)

(As required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

To
The Shareholders and the Board of Directors
Shreyas Shipping & Logistics Limited

We, S. Ramakrishnan, Chief Executive Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges) and Vinay Kshirsagar, Chief Financial Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges), of Shreyas Shipping & Logistics Limited, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 (hereinafter referred to as 'the year') and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and have taken requisite steps to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year; and
 - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- e. There have been no instances of significant fraud of which we have become aware and any involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- f. All Board members and Senior managerial personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics during the year ended 31st March, 2012.

Mumbai
30th May, 2012

S. Ramakrishnan
Chief Executive Officer

Vinay Kshirsagar
Chief Financial Officer

Auditors Report

To,

The Members of Shreyas Shipping and Logistics Ltd
 Mumbai

1. We have audited the attached Balance Sheet of Shreyas Shipping and Logistics Ltd. as at 31st March 2012, the Statement of Profit and Loss and also the Statement of Cash Flow for the year ended on that date annexed thereto. The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Statement of Profit and Loss and Statement of Cash Flow dealt with by this report are in agreement with the books of account;
 - (iv) On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (v) *As per the Guidance provided by the Accounting Standards Board of the Institute of Chartered Accountants of India through Frequently Asked Questions on AS 11 Notification, the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are to be considered as "borrowing costs" and accounted for in accordance with Accounting*

Standard 16 (AS 16) - Borrowing Costs. The company has not considered the "borrowing costs" while adjusting the foreign currency differences to the cost of the assets. In view of this

- a) *Cumulative foreign exchange loss is understated to the extent of ` 2,86,64,072 (of this ` 32,15,949 relates to the period before March 31 2008, ` 1,44,20,050 for the period March 2009, ` 26,40,609 for the period March 31 2010, ` 9,51,104 for the period ended March 31 2011 and ` 74,36,360 for the current year,*
 - b) *Depreciation related to above including the adjustment to opening reserves is overstated to the extent of ` 41,48,390 (of this ` 1,398 relates to the period before March 31 2008, ` 1,73,929 for the period March 2009, ` 18,82,072 for the period March 31 2010, ` 3,57,473 for the period ended March 31 2011 and ` 17,33,518 for the current year),*
 - c) *Profit after tax for the year ended 31 March 2012 is stated higher by ` 57,02,842 and*
 - d) *Fixed assets and Reserves are stated higher to the extent of ` 2,45,15,682.*
- (vi) In our opinion, the Balance Sheet, Statement of Profit and Loss and Statement of Cash Flow with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except to the extent indicated in Para (v) above relating to capitalization of certain borrowing costs that are not eligible for capitalization.
- (vii) *Subject to our comments with respect to capitalization of certain borrowing costs that are not eligible for capitalization as referred to in paragraph (v) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
 - (b) In case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) In the case of the Statement of Cash Flow, the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam
 Chartered Accountants
 Firm Regn No. 003990S

S. Narasimhan
 Partner

Place: Mumbai
 Date: 30th May, 2012

Membership No. 206047

Annexure to the Auditors' Report

Re: Shreyas Shipping and Logistics Limited

Referred to in paragraph 3 of our report of even date,

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The Company has not disposed any material assets during the year.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) Except for unsecured interest bearing loan of Rs 5,25,00,000 given to Shreyas Relay Systems Limited, a wholly owned subsidiary company, which has been repaid in full during the year, the Company has not given any other loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. In our opinion the terms and conditions of loan given to wholly owned subsidiary are not prima facie prejudicial to the interest of the Company.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and
- (b) In respect of transactions exceeding the value of Rs five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, wherever applicable;
- (vi) The Company has not accepted deposits from the public;
- (vii) The Company has an internal audit system commensurate with its size and nature of its business;
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act,
- (ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities except for a solitary instance of delay in remitting unpaid dividend into Investor Education and Protection Fund. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) There are no dues of Income tax/Sales tax/Wealth tax/Service tax/Custom duty /Cess that have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the financial year and in the immediately preceding financial year;
- (xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xiii) As the Company is not a Nidhi/Mutual benefit fund/ Society, the provisions of special statute applicable to chit fund is not applicable to this Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions except for guaranteeing loans taken by its Subsidiary, the terms and conditions of which are not prejudicial to the interest of the Company.
- (xvi) Term loans were applied for the purpose for which the loans were obtained;
- (xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The Company has not issued any debentures.
- (xx) There have been no public issues during the year.
- (xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 003990S

S. Narasimhan
Partner

Place: Mumbai
Date: 30th May, 2012

Membership No. 206047

BALANCE SHEET AS AT 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Note No	As at 31 st March 2012	As at 31 st March 2011
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	219,575,330	299,575,330
Reserves and Surplus	4	1,215,726,707	1,183,375,230
Non-Current Liabilities			
Long-term borrowings	5	479,391,698	539,902,893
Long-term provisions	6	3,315,700	3,146,434
Current Liabilities			
Trade payables	7	124,741,136	109,606,186
Other current liabilities	8	165,712,621	57,064,159
Short-term provisions	9	13,933,921	15,832,621
Total		<u><u>2,222,397,113</u></u>	<u><u>2,208,502,853</u></u>
Assets			
Non-current assets			
Fixed assets			
(i) Tangible assets	10	1,619,127,747	1,623,142,104
(ii) Intangible assets		-	184,857
Non-current investments	11	25,150,000	143,384,171
Other non-current assets	12	27,169,997	41,998,339
Current assets			
Current investments	13	111,614,580	50,653,329
Inventories	14	59,025,091	47,949,354
Trade receivables	15	241,251,599	122,098,749
Cash and bank balances	16	73,447,927	30,330,823
Short-term loans and advances	17	34,202,902	122,331,400
Other current assets	18	31,407,270	26,429,727
Total		<u><u>2,222,397,113</u></u>	<u><u>2,208,502,853</u></u>
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statement			

As per our report of even date

 FOR PKF SRIDHAR & SANTHANAM
 Chartered Accountants
 Firm Regn No. 003990S

 S. Narasimhan
 Partner
 Membership No. 206047

 Place : Mumbai
 Date : 30th May, 2012

For and On behalf of the Board

 S. Ramakrishnan
 Chairman & Managing Director

 V. Ramnarayan
 Executive Director

 Amitabha Ghosh
 Director

 Vinay Kshirsagar
 Chief Financial Officer

 Namrata Malushte
 Company Secretary

 Place : Mumbai
 Date : 30th May, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Note No	Year ended 31 st March 2012	Year ended 31 st March 2011
Income			
I. Revenue from operations	19	1,676,925,188	1,268,761,543
II. Other Income	20	35,175,074	20,012,689
III. Total Revenue (I + II)		<u>1,712,100,262</u>	<u>1,288,774,232</u>
IV. Expenses:			
Operation cost	21	541,554,673	380,865,830
Fuel cost	22	758,281,110	475,355,669
Employee benefit expense	23	180,488,189	155,706,623
Financial costs	24	37,968,899	61,872,058
Depreciation and amortization expense	10	115,993,763	105,410,838
Other expenses	25	24,922,090	20,738,864
Total Expenses (IV)		<u>1,659,208,724</u>	<u>1,199,949,882</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		52,891,538	88,824,350
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V -VI)		52,891,538	88,824,350
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		<u>52,891,538</u>	<u>88,824,350</u>
X. Tax expense:			
Current tax		1,210,000	1,300,000
Prior Year tax		(2,166,149)	-
XI. Profit/(Loss) for the year from continuing operations (IX-X)		<u>53,847,686</u>	<u>87,524,350</u>
Earning per equity share: (Nominal Value of Share ` 10)	25		
(31 st March, 2012: ` 10/-)		2.05	3.58
- Basic		2.05	3.58
- Diluted			
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statement			

As per our report of even date

FOR PKF SRIDHAR & SANTHANAM
Chartered Accountants
Firm Regn No. 003990S

S. Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 30th May, 2012

For and On behalf of the Board

S. Ramakrishnan
Chairman & Managing Director

V. Ramnarayan
Executive Director

Amitabha Ghosh
Director

Vinay Kshirsagar
Chief Financial Officer

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 30th May, 2012

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Year Ended 31 st March, 2012	Year Ended 31 st March, 2011
A Cashflow from operating activities		
Net profit/ (Loss) before tax	52,891,536	88,824,350
Adjusted for Non cash / Non Operating items		
Depreciation	115,993,763	105,410,838
Amortisation of miscellaneous expenses		
Loss on Sale on Fixed assets	716,877	10,075
Loss/(Profit) on Sale of Investments	-	2,200,000
Provision for Gratuity & Leave Encashment adjusted against Opening Reserve		
Interest Expenses on Loans	37,968,899	61,833,378
Unrealised Exchange / swap Loss / (Gain) on current assets & Liabilities	(1,165,166)	(599,556)
Dividend received from Subsidiary	(21,879,781)	(11,000,000)
Income for current Investments	(4,210,589)	(3,129,145)
Interest Income	(123,314)	(384,978)
(Profit)/Loss on Sale of Ship		
Operating Profit Before Working Capital changes	(a) <u>180,192,225</u>	<u>243,164,962</u>
Adjustments for : Increase/(Decrease)		
Increase/(Decrease) in Current Assets		
Inventories	11,075,737	17,881,411
Sundry Debtors	116,687,680	19,866,233
Other Current Assets, Loans and Advances	<u>(31,353,256)</u>	<u>12,660,365</u>
	<u>96,410,161</u>	<u>50,408,009</u>
Less: Increase/(Decrease) in Current Liabilities & Provision	13,934,107	(9,465,342)
Net Increase/(Decrease) in Working Capital	(b) 82,476,054	59,873,351
Cash Generated from Operations	(a) - (b) = (c) <u>97,716,171</u>	<u>183,291,611</u>
Less: Taxation	<u>15,082,190</u>	<u>(11,411,139)</u>
NET CASH FROM OPERATING ACTIVITIES	(A) <u>112,798,362</u>	<u>171,880,472</u>
B Cash flow from investing activities		
Addition / Revaluation to Fixed Assets including Capital Work in Progress	(113,762,929)	(19,298,031)
Sale of Fixed Assets	1,251,504	5,298,364
Sale of Investments	118,234,171	10,000,000
Purchase of Investments		
Interest Income	123,314	384,978
Dividend received from Subsidiary	21,879,781	11,000,000
Income from Current Investments	<u>4,210,589</u>	<u>929,145</u>
NET CASH FROM INVESTING ACTIVITIES	(B) <u>31,936,430</u>	<u>8,314,456</u>
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	50,110,161	(140,508,136)
Redemption of Preference Share capital	(80,000,000)	
Loan to Subsidiary (Net of Repayment)	52,500,000	(52,500,000)
Interest Expenses	(37,968,899)	(61,833,378)
Dividend Paid	(24,048,175)	(30,746,229)
Tax on dividend paid		
NET CASH FROM FINANCING ACTIVITIES	(C) <u>(39,406,913)</u>	<u>(285,587,743)</u>
NET CHANGES IN CASH & CASH EQUIVALENT	(A+B+C) <u>105,327,878</u>	<u>(105,392,815)</u>
CASH & CASH EQUIVALENTS - OPENING BALANCE	77,470,561	181,732,895
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	105,327,878	(105,392,815)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(734,913)	1,130,481
CASH & CASH EQUIVALENTS - CLOSING BALANCE	<u>182,063,526</u>	<u>77,470,561</u>
CLOSING CASH & CASH EQUIVALENTS CONSISTS OF		
CASH ON HAND (Refer Note 16)	550,931	652,700
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Note 16)	69898015	26,164,532
INVESTMENT IN LIQUID FUND SECURITIES	<u>111,614,580</u>	<u>50,653,329</u>
TOTAL	<u>182,063,526</u>	<u>77,470,561</u>

Notes:

- The above statement has been prepared by indirect method.
- Cash and Cash equivalents include cash and bank balances and Investments in Liquid fund securities of Mutual Funds maturing within 90 days and exclude margin money deposits.

 As per our report of even date
 FOR PKF SRI DHAR & SANTHANAM
 Chartered Accountants
 Firm Regn No. 003990S

 S. Narasimhan
 Partner
 Membership No. 206047

 Place : Mumbai
 Date : 30th May, 2012

 For and On behalf of the Board
 S. Ramakrishnan
 Chairman & Managing Director

 Amitabha Ghosh
 Director

 Place : Mumbai
 Date : 30th May, 2012

 V. Ramnarayan
 Executive Director

 Vinay Kshirsagar
 Chief Financial Officer

 Namrata Malushte
 Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Corporate Information

1 Shreyas Shipping and Logistics Limited (SLL) is India's first container feeder owning and operating company. Shreyas started its operations in 1993 primarily to fill the gap for feeding of containers between Indian ports and internationally renowned transshipment ports such as Dubai, Jebel Ali, Colombo. SLL's shares are listed on both the stock exchanges BSE as well as NSE.

2 Summary of significant accounting policies

Basis of Preparation & Use of Estimates

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

a. Fixed Assets - Tangible & Intangible

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Expenses specifically attributable to construction of new built ship including forex loss/gain on forward covers taken for the purpose of payment of installments to the ship-builder are capitalised.

When assets are retired or otherwise disposed off, the cost of such assets and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in the profit and loss account.

b. Dry Dock/Special Survey expenses

Major Improvements/ Upgradation included in dry dock expenditure are capitalized as part of cost of ship. Other dry dock/Special Survey expenses are charged to Profit and Loss account as and when incurred.

c. Depreciation

Tangible assets

In respect of fleet, the amount determined by charging the cost reduced by residual value as technically assessed equally over the expected useful life of the fleet or depreciation at the rate prescribed (5%) under the Schedule XIV to the Companies Act, 1956 which ever is higher, is provided as depreciation.

Depreciation on Tangible Assets has been provided on

straight line method on pro-rata basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Depreciation has been provided prospectively, where the cost of depreciable asset has undergone change due to following :

- (a) Increase/decrease in Long term foreign currency liability on account of exchange fluctuations.
- (b) Additions and major improvements forming an integral part of an asset."

Assets individually costing ` 5000 or less are depreciated in full in the year of acquisition.

Intangible assets

In respect of software, Depreciation is provided at 33.33% on straight line method, which is higher than the rate prescribed in schedule XIV to the Companies Act, 1956.

d. Revenue Recognition

- i) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills.
- ii) Operating Earnings represent the value of charter hire and freight earnings. Freight income is recognized once the ship calls on the port of delivery.
- iii) Income and Expenses relating to unfinished leg of the voyage as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg of voyages include fixed and semi-fixed ship operating costs.
- iv) Stores and Spares (other than lube oils and victualling) are charged off to Profit and Loss Account, on receipt.
- v) The revenue in respect of the duty free import licenses, under Served From India Scheme, is recognized as income in the books of account when and to the extent there is no significant uncertainty as to their ultimate realization.
- vi) Interest on deposits of surplus funds is recognised on time proportion basis.

e. Investments

Long term Investments are stated at cost. Diminution in the value of investments, other than temporary in nature, is provided for. Current investments are valued at cost or market value whichever is lower.

f. Inventories

Inventories are valued at lower of Cost or Net Realisable Value. The cost is determined under "First in First out" formula.

g. Foreign Exchange Transactions

- i) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Statement of Profit and Loss.
- ii) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from the cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.
- iii) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April, 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard 11.
- iv) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the Statement of Profit and Loss.
- v) In respect of forward exchange contracts covering either Company's earnings or payments (other than firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period. In case of a new built ship, in respect of forward exchange contract entered into to hedge the foreign currency risk of a firm commitment or highly probable forecast transaction (not covered by Accounting Standard 11 revised 2003), the company capitalises all the related costs including premium or discount, exchange differences and profit/loss on cancellation of such contracts, if any.

h. Derivatives

Derivatives are accounted as follows based on a limited early adoption of AS-30 to the extent not in conflict with legal provisions and other Accounting Standards:

- a) Fair value hedges are marked to market and the notional Loss or Gain is accounted in the Profit and Loss account.
- b) Cash flow hedges are marked to market and the notional loss or gain is taken to Hedging reserve account.
- c) Other derivatives are marked to market and the notional losses or gains are booked in the Statement of Profit and Loss.

i. Employee Benefits

The Company has a defined Contribution plan for shore employees for provident fund and contributions made to the

relevant authorities under this scheme are charged to the Profit and Loss account. Company has no other obligation

3) SHARE CAPITAL

(AMOUNT IN `)

PARTICULARS	As at 31 st March 2012	As at 31 st March 2011
AUTHORISED		
2,40,00,000 (2,40,00,000) Equity Shares of ` 10/- each	240,000,000	240,000,000
14,00,000 (14,00,000) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each	140,000,000	140,000,000
	<u>380,000,000</u>	<u>380,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
2,19,57,533 (2,19,57,533) Equity Shares of ` 10/- each fully Paid up	219,575,330	219,575,330
Nil (8,00,000) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully Paid up Date of allotment 27 th October, 2005	-	80,000,000
TOTAL	219,575,330	299,575,330

3a. During the year, the Company has not issued/bought back any of the Equity Shares. Movement in respect of Preference Shares are given below

Particulars	31 st March, 2012		31 st March, 2011	
	Nos.	Amt. (`)	Nos.	Amt. (`)
At the beginning of the period	800,000	80,000,000	800,000	80,000,000
(+) Issued during the period	-	-	-	-
(-) Redeemed during the period*	800,000	80,000,000	-	-
Outstanding at the end of the period	-	-	800,000	80,000,000

* Redemption of 8,00,000, 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully paid up, out of free reserves of the company, Date of redemption : 28th March, 2012. In terms of Section 80 of the Companies Act, 1956, Company has created Capital Redemption reserve equivalent to face value of Preference shares redeemed (Refer Note No 4)

3b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	31 st March, 2012		31 st March, 2011	
	Nos.	% of Holding	Nos.	% of Holding
Transworld Holdings Limited (Holding Company)	12,351,650	56.25%	12,351,650	56.25%
Mithila V Mahesh	1,167,325	5.32%	-	-
Anisha Valli Ramakrishnan	1,167,325	5.32%	-	-

3d. 1,23,51,650 Equity shares of ` 10/- each, held by Holding Company Transworld Holdings Limited, Mauritius.

3e. 1,01,62,750 Equity shares of ` 10/- each, allotted as fully paid up pursuant to contract(s) without payment being received in cash in the financial year 1994-95.

3f. 21,33,333 Equity shares of ` 10/- each, issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR) in the financial year 2006-07.

4) RESERVE AND SURPLUS

(AMOUNT IN `)

PARTICULARS	As at 31 st March 2012	As at 31 st March 2011
a) Capital Redemption Reserve		
As per last balance sheet	50,000,000	50,000,000
Add: Transfer from Profit and Loss account on redemption of Non-Cumulative Redeemable Preference Shares (Refer Note No.3 for details of redemption)	<u>80,000,000</u>	<u>-</u>
	130,000,000	50,000,000
b) Securities Premium		
As per last Balance sheet	382,292,449	382,292,449
c) General Reserve		
As per last balance sheet	141,715,149	139,215,149
Add: Transfer from Profit and Loss account	-	2,500,000
Add: Transfer from Asset Impairment Reserve	<u>30,000,000</u>	<u>-</u>
	171,715,149	141,715,149
d) Tonnage Tax Reserve		
As per last balance sheet	123,046,945	107,146,945
Add: Transfer from Profit and Loss account	<u>6,000,000</u>	<u>15,900,000</u>
	129,046,945	123,046,945
e) Tonnage Tax Utilisation Reserve		
As per last balance sheet	103,453,055	103,453,055
f) Asset Impairment Reserve		
As per last balance sheet	30,000,000	30,000,000
Less: Transfer to General Reserve *	<u>30,000,000</u>	<u>-</u>
	-	30,000,000
g) Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial Statement	352,867,632	320,719,522
Profit(Loss) for the year	<u>53,847,686</u>	<u>87,524,350</u>
Amount available for appropriation	406,715,318	408,243,872
Less Appropriations		
Transfer to General Reserves	-	2,500,000
Transfer to Capital Redemption Reserve	80,000,000	-
Transfer to Tonnage Tax Reserve	6,000,000	15,900,000
Interim Dividend Paid on Equity Shares	-	10,978,767
Tax on Interim Dividend on Equity Shares	-	1,823,442
Dividend paid on Preference shares	7,516,940	7,600,000
Tax on Dividend Paid on Preference Shares	1,219,472	1,262,269
Proposed Dividend on Equity Shares	10,978,767	13,174,520
Tax on Proposed Dividend on Equity Shares	<u>17,81,030</u>	<u>2,137,242</u>
Total Appropriations	<u>107,496,209</u>	<u>55,376,240</u>
Net Surplus in the statement of profit and loss	299,219,109	352,867,632
Total reserves and surplus	1,215,726,707	1,183,315,230

* Company had created an Asset Impairment Reserve in the year 2004-05. As there were no impairment during the last seven years, Company has decided to transfer the same to the General Reserve.

(5) Long-term borrowings

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Secured :		
Term Loans		
From Banks	621,230,028	571,119,868
Less: Current Maturities of above loans disclosed under the Head "Other Current Liabilities" (Note no. 8)	141,838,330	31,216,975
TOTAL	479,391,698	539,902,893

(5a) Nature of security and terms of repayment for secured loan availed from Banks

- (i) Canara Bank FCNR Loan \$12779460, the loan is secured by a first charge over the Vessel M.V.Oel Trust and M.V.Oel Shreyas and collateral charge over M.V.Oel Unity. The loan is repaid in 58 structured monthly installments with the first repayment starting from Jan 2012 i.e. \$229190. Foreign currency loan carries interest @ Libor (6months) +450bps.
- (ii) Axis Bank Car loan of ` 33,87,872, the loan is secured by hypothecation of car, carrying interest @10.06%, (on a monthly reducing basis) . The Loan is repayable in 36 equal monthly instalment of ` 1,12,000 starting from July 2011.
- (iii) ICICI Bank Car loan of ` 25,31,600 ,the loan is secured by hypothecation of car, carrying interest @9.60%. The Loan is repayable in 36 equal monthly instalment of ` 54,000. The Loan has been repaid during the year.

(5b) There has been no defaults in repayment of any of the loans or interest thereon as at the end of the year.

(6) Long term provisions

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Provision for employee benefits		
(a) Provision for Gratuity	-	-
(b) Provision for Compensated Absence	3,315,700	3,146,434
TOTAL	3,315,700	3,146,434

Disclosures required as per AS15 on "Employees Benefits" has been made in Note no. 27

(7) Trade payables

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) Sundry Creditors for Trade		
Due to Micro and Small Enterprises (excluding Interest)	-	-
Due to Others	124,741,136	109,606,186
TOTAL	124,741,136	109,606,186

7a) Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.

Particulars	2011-2012	2010-2011
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Nil	Interest ` 6644/-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

(8) Other current liabilities

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) Current Maturities of Long Term Borrowings (Refer Note no. 5) (Secured term loan from Banks)	141,838,330	31,216,975
(ii) Interest accrued but not due on loans	10,939	119,149
(iii) Unclaimed Dividend (No amount is due and outstanding to be credited to the Investor Education and Protection fund.)	2,998,981	3,513,592
(iv) Unfinished Voyage income	3,411,723	2,807,392
(v) Others Liabilities	17,452,648	19,407,051
TOTAL	165,712,621	57,064,159

(8a) During the year, pursuant to section 205C of the Companies Act, 1956, following unclaimed dividend has been transferred to Investor Education and Protection fund

Particulars	2011-12	2010-11
Final Dividend relating to the FY 2003-04 declared on 23 rd July, 2004	419,858	-
Interim Dividend relating to the FY 2004-05 declared on 22 nd Jan, 2005	293,028	-

There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

(8b) Unfinished Voyage income relates to unfinished voyage legs as at the balance sheet (Also refer Note 2(d) (iii))

(9) Short term provisions

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) Provision for employee benefits (Also refer Note no 27)		
(a) Provision for Gratuity	-	-
(b) Provision for Compensated Absence	1,174,124	520,859
(ii) Others		
(a) Proposed Preference Dividend	-	-
(b) Provision for tax on Preference Dividend	-	-
(c) Proposed Equity Dividend	10,978,767	13,174,520
(d) Provision for tax on Equity Dividend	1,781,030	2,137,242
TOTAL	13,933,921	15,832,621

(10) Fixed Assets

(AMOUNT IN `)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2011	ADDITIONS	DEDUCTIONS/ADJUSTMENTS	COST AS AT 31.03.2012	AS AT 01.04.2011	FOR THE YEAR	DEDUCTIONS/ADJUSTMENTS	AS AT 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
TANGIBLES										
FLEET	2,068,880,741	26,035,572	82,758,818	2,177,675,131	451,777,276	114,693,760	-	566,471,036	1,611,204,095	1,617,103,465
FURNITURE & FIXTURES	196,469	104,940	-	301,409	60,198	16,859	-	77,057	224,352	136,271
OFFICE EQUIPMENTS	2,790,639	77,573	(160,125)	2,708,087	547,474	141,425	(33,621)	655,278	2,052,809	2,243,166
COMPUTERS	3,319,992	168,394	(10,500)	3,477,886	2,151,403	447,762	(10,500)	2,588,665	889,221	1,168,588
VEHICLES	4,364,369	4,617,632	(3,154,863)	5,827,138	1,873,755	509,099	(1,312,986)	1,069,868	4,757,270	2,490,614
A)TOTAL TANGIBLE ASSETS AS ON 31.03.2012	2,079,552,210	31,004,111	79,433,330	2,189,989,651	456,410,106	115,808,906	(1,357,107)	570,861,904	1,619,127,747	1,623,142,104
A)TOTAL TANGIBLE ASSETS AS ON 31.03.2011	2,070,941,015	14,002,187	5,390,992	2,079,552,210	351,266,678	105,225,981	82,553	456,410,106	1,623,142,104	
INTANGIBLES										
COMPUTER SOFT WARE	2,058,002	-	-	2,058,002	1,873,146	184,857	-	2,058,003	-	184,857
B)TOTAL INTANGIBLE ASSETS AS ON 31.03.2012	2,058,002	-	-	2,058,002	1,873,146	184,857	-	2,058,003	-	184,857
B)TOTAL INTANGIBLE ASSETS AS ON 31.03.2011	2,058,002	-	-	2,058,002	1,688,288	184,857	-	1,873,145	184,857	
TOTAL (A + B) AS ON 31.03.2012	2,081,610,212	31,004,111	79,433,330	2,192,047,653	458,283,252	115,993,763	(1,357,107)	572,919,907	1,619,127,747	1,623,326,961
TOTAL (A + B) AS ON 31.03.2011	2,072,999,017	14,002,187	(5,390,992)	2,081,610,212	352,954,966	105,410,838	(82,553)	458,283,251	1,623,326,961	

10(a) During the year, company has spent ` 5,81,47,785 for dry dock of M.V. OEL. Shreyas. Major improvements relating to deck steel ` 2,60,35,572 has been capitalised and balance is charged of to Statement of profit & loss

10(b) Deduction/adjustments from gross block and depreciation / amortisation for the year includes:

	Gross Block		Accumulated Depreciation/Amortisation	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Disposal of assets	(3,325,488)	(95,161)	(1,357,107)	(82,553)
Retirement of assets	-	-	-	-
Cost adjustments representing exchange differences	82,758,818	(5,295,831)	2,810,015	(85,275)
Others				
	<u>79,433,330</u>	<u>(5,390,992)</u>	<u>1,452,908</u>	<u>(167,828)</u>

(11) Non-current Investments

Particulars	Face Value	As at 31.03.2012		As at 31.03.2011	
		No. of Shares/ debentures	Amt (₹)	No. of Shares/ debentures	Amt (₹)
1) TRADE-UNQUOTED- Fully Paid - At Cost IN SUBSIDIARIES					
a SHREYAS RELAY SYSTEMS LIMITED (Wholly owned subsidiary) - Equity Shares.	10	2,500,000	25,000,000	2,500,000	25,000,000
b HAYTRANS (INDIA) LTD. - Equity Shares.	10	-	-	10,450	5,434,171
c HAYTRANS (INDIA) LTD. - Equity Share Application Money.			-		12,800,000
d SHREYAS RELAY SYSTEMS LIMITED - 11 % Non -Convertible, Cumulative, Redeemable Preference Shares		-	-	1,000,000	100,000,000
OTHERS					
e ORIENT EXPRESS SHIP MANAGEMENT LIMITED - Equity Shares.	10	15,000	150,000	15,000	150,000
TOTAL NON CURRENT INVESTMENTS			25,150,000		143,384,171

a) Investment has been valued considering the significant accounting policy no. (e) disclosed in note no. 2 to these financial statements.

(12) Other non-current assets

(AMOUNT IN ₹)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Unsecured considered good, unless otherwise stated		
Advance Income Tax [Net of provision of ₹ 83,97,404/- (March 31, 2011: ₹ 5,93,67,404/-)]	23,816,699	37,942,736
Unamortised Loan Processing charges*	2,849,401	3,567,124
Others**	503,897	488,479
TOTAL	27,169,997	41,998,339

* Loan processing charges which is getting amortised over the tenure of the loan.

**Others represent "Deposits" Deposit includes amount with Port Trust of India ₹ 50,000/- (March 31, 2011: ₹ 50,000/-)

(13) Current Investments

S. No.	Particulars	As at 31.03.2012		As at 31.03.2012		As at 31.03.2011	
		NAV	Face Value	Units	Amount	Units	Amount
	At cost or market value, whichever is less Mutual Fund (Unquoted)						
a	DWS ULTRA SHORT TERM FUND -INST.DAILY DIVIDEND-REINVESTMENT	105.735	100	99,402	10,510,231	95,840	10,133,689
b	BIRLA SUNLIFE CASH PLUS-INST.DAILY DIVIDEND-REINV.	108.023	100	23,283	2,515,078	-	-
c	BIRLA SUNLIFE CASH MANAGER-IP DAILY DIVIDEND-REINV.	100.03	100	100,467	10,049,672	-	-
d	Prudential ICICI Short Term Plan-Fortnightly Div	10.0055	10	-	-	9,061	90,657
e	Reliance Money Manager Fund-Retail-Daily Div	1001.12	1,000	9,993	10,003,986	1,011,665	10,116,655
f	IDBI ULTRA SHORT TERM FUND -DAILY DIVIDEND -REINVESTMENT	-	-	-	-	5,017	5,023,050
g	HDFC Cash Management Fund-Treasury Advantage Plan - Daily Div.	10.03	10	1,994,694	20,009,771	1,261,041	12,655,304
h	TATA FLOATER FUND- DAILY DIVIDEND	-	-	-	-	12,631	12,633,974
i	BARODA PIONEER TREASURY ADVANTAGE FUND-REQUAR DAILY DIV.	1000.95	1,000	12,615	12,627,288	-	-
j	DWS ULTRA SHORT TERM FUND -IP DAILY DIVIDEND-REINV.	10.0179	10	1,559,437	15,622,280	-	-
k	TEMPLETON INDIA ULTRA SHORT BOND FUND- IP DAILY DIV.REINV	10.01	10	1,998,342	20,006,605	-	-
l	CANARA ROBECO LIQUID SUPER - IP DAILY DIV. REINV.	1005.5	1,000	10,213	10,269,669	-	-
	TOTAL CURRENT INVESTMENTS				111,614,580		50,653,329

a) Investment has been valued considering the significant accounting policy no. e disclosed in note no. 2 to these financial statements.

(14) Inventories

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(At lower of Cost or Net Realisable Value)		
a) Lube Oils and Fuel Oil *	49,153,607	47,252,695
b) Victualling Stock*	811,417	696,659
c) Inventory for Dry Dock*	9,060,067	-
*(As valued and certified by the Management)		
TOTAL	59,025,091	47,949,354

(15) Trade receivables

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	-	-
Considered doubtful	-	-
Others		
Considered Good	241,251,599	122,098,749
Considered doubtful	-	-
TOTAL	241,251,599	122,098,749

(16) Cash and Bank Balances

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
a) Cash and cash Equivalents		
i) Cash on Hand	550,931	652,700
ii) Balances with Banks		
on current accounts	34,039,692	5,997,550
on deposits with original maturity of less than three months	35,858,323	20,166,981
	70,448,946	26,817,231
b) Other bank balances- Available for payment of dividend :		
Unclaimed dividend accounts	2,998,981	3,513,592
TOTAL	73,447,927	30,330,823

(17) Short-term loans and advances

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Unsecured considered good, unless otherwise stated		
Loans and advances to related parties		
- Considered good	3,938,631	54,577,318
- Considered doubtful	-	-
Others		
- Considered good	30,264,271	67,754,082
- Considered doubtful	766,769	4,610,804
	31,031,040	72,364,886
Less: Provision for Doubtful Advances	766,769	4,610,804
	30,264,271	67,754,082
TOTAL	34,202,902	122,331,400

18) Other Current Assets

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Claims Receivable	139,580	3,604,659
Interest accrued and not due on fixed deposits with banks	20,389	16,346
Prepaid Expenses	10,808,022	7,454,883
Income accrued*	11,137,583	3,930,798
Unfinished Voyages Expenses**	7,925,922	9,455,033
Unamortised Loan Processing charges***	717,723	786,486
Gratuity Fund with Life Insurance Corporation	658,051	1,181,522
TOTAL	31,407,270	26,429,727

* Income accrued relates to completed legs as at the balance sheet date but billed in subsequent period (Also refer Note 2(d)(ii))

** Expense relates to expenses of unfinished legs as at the balance sheet date (Also refer Note 2(d)(iii))

*** Loan processing charges which is getting amortised over the tenure of the loan.

(19) Revenue from Operations

(AMOUNT IN `)

Particulars #	Year ended 31 st March 2012	Year ended 31 st March 2011
Service Income	1,674,079,892	1,195,651,897
Charter Hire Income	-	55,764,205
Non Liner Income	2,845,296	380,249
Duty Credit Entitlement	-	16,965,192
TOTAL	1,676,925,188	1,268,761,543

Service tax amount not included in turnover.

(20) Other Income

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
i) Interest received on Deposits with Banks	123,314	384,978
ii) Interest received on Income Tax refund	302,146	2,960,045
iii) Dividend from mutual fund investments (Current - Non Trade)	4,210,589	3,129,145
iv) Dividend received from Subsidiary	21,879,781	11,000,000
v) Profit on sale of mutual fund investments (Current - Non Trade)	-	2,200,000
vi) Liabilities/Provisions for expenses no longer required written back	83,151	1,747,517
vii) Other miscellaneous Income	1,964,306	1,979,642
viii) Exchange Difference (Net)	6,611,787	(3,388,638)
TOTAL	35,175,074	20,012,689

20a) During the year, company has received dividend on ` 10 crores 11% Non -Convertible, Cumulative, Redeemable Preference Shares redeemable at par from M/s Shreyas Relay Systems Limited for the Financial year 2010-11 and 2011-12 till 28th March, 2012. (Date of redemption)

(21) Operation cost

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Port and Marine Dues	233,472,461	164,114,557
Ocean Freight Charges	98,680,742	21,878,133
Stores and Spares Consumed	71,585,076	68,150,356
Vessel Management and Agency Fees	37,469,233	40,683,431
Dry Dock Expenses	32,112,214	15,726,086
Insurance and Protection Club fee	27,019,303	27,882,047
Repairs and Maintenance to Fleet	21,915,868	25,668,241
Crew Victualling	9,531,189	8,579,839
Sundry Expenses	7,941,457	7,219,893
Rates & Taxes	917,617	214,401
Brokerage / Commission	909,513	748,846
TOTAL	541,554,673	380,865,830

(22) Fuel Cost

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Inventory at the beginning of the year	47,252,695	30,067,943
Add: Purchases	760,182,022	492,540,421
Less: inventory at the end of the year	49,153,607	47,252,695
TOTAL	758,281,110	475,355,669

(22a) Details of Fuel consumed

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
i) Fuel Oil		
Fuel oil consumption	558,540,831	319,009,719
Gas oil consumption	147,160,172	104,938,661
ii) Lube Oil		
Lube Oil consumption	48,247,626	46,440,494
Fresh water	4,332,481	4,966,795
TOTAL	758,281,110	475,355,669

(22b) Details of Inventory

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
i) Fuel Oil		
Fuel oil Stock	29,173,655	25,094,995
Gas oil Stock	10,671,174	9,533,382
ii) Lube Oil		
Lube oil Stock	9,308,778	12,624,318
TOTAL	49,153,607	47,252,695

(23) Employee Benefit Expenses

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Floating staff		
Salaries, Wages & Other Allowances for Floating Staff	140,668,913	123,544,634
Contribution to Provident Fund for Floating Staff (Also Refer Note No.27)	2,046,395	1,652,805
Staff Welfare for Floating Staff	720,447	660,566
Shore Staff		
Salaries and Bonus	31,042,063	25,170,176
Contribution to Provident Fund and Gratuity (Also Refer Note No.27)	2,973,761	1,766,383
Staff Welfare	3,036,610	2,912,059
TOTAL	180,488,189	155,706,623

(24) Finance Cost

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
a) Interest Expense		
i) Fixed Period Loans	37,134,420	41,550,482
ii) Working Capital Loans	1,749	5,185,311
iii) Others	46,244	371,485
b) Loan Processing Charges *	786,486	38,680
c) Preclosure charges for Fixed Loan from Banks	-	7,201,226
d) Premium on forward Contracts	-	7,524,874
TOTAL	37,968,899	61,872,058

* Loan Processing Charges represents amortised portion relatable to respective year.

(25) Other expenses

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Bad debts/Bills receivable written off	2,266,418	136,795
Less: Charged to provision for doubtful debts	2,266,418	-
	-	136,795
Payment to auditor (refer details below)	1,954,659	1,918,973
Travelling and Conveyance	2,754,208	1,908,570
Professional & Consultancy Fees	3,562,383	3,168,668
Advertisement and Business Promotion	2,205,756	768,909
Repairs and Maintenance- other assets.	1,549,687	1,632,123
Rent	1,952,377	1,705,123
Communication Expenses	1,636,620	1,456,174
Vehicle Lease rent (Refer Note No. 36)	1,317,333	867,000
Insurance Expenses	913,959	674,383
Director's Sitting fees	628,000	492,000
Rates & Taxes	114,010	30,461
Donations	51,000	5,000
Loss on Sale / Restatement of Current Non-trade Investments	-	973,412
Loss on Sale / Discard of Assets	716,877	10,075
Other Expenses	5,565,221	4,991,198
TOTAL	24,922,090	20,738,864

(25a) Payment to auditor

(AMOUNT IN `)

Particulars	Year ended 31 st March, 2012	Year ended 31 st March, 2011
i) As Auditors (including Service Tax)	1,123,600	1,103,000
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	224,720	220,600
b) Fees for Certification and Others	419,140	357,979
iii) Reimbursement of expenses	187,199	237,394
TOTAL	1,954,659	1,918,973

26. The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

27. (A) Gratuity Benefits

(a) Description of the Gratuity Plan:

The Company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees.

(b) Amount recognized in the Balance Sheet and movements in net liability:

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Present Value of Funded Obligations	7,211,646	5,298,783
Fair Value of Plan Assets	(7,880,884)	(6,569,534)
Amount not Recognized as an Asset (limit in Para 59(b))	11,187	89,229
Net Liability / (Asset) recognized in the Balance Sheet	(658,051)	(1,181,522)

Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation This is available for future adjustment and considered recoverable.

The fair value of the plan assets does not include the Company's own financial instruments

The net asset recognized is grouped under "Other current assets".

(c) Expenses recognized in the Statement of Profit & Loss

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Current Service Cost	467,905	435,954
Interest on Defined Benefit Obligation	445,828	397,707
Expected Return on Plan Assets	(475,581)	(451,924)
Net Actuarial Losses/ (Gains) Recognized in the year	1,022,775	(162,212)
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	(78,042)	(64,649)
Total	1,382,885	154,876

*The Actual Return on Plan Assets is ` 588,505 (Previous Year ` 346,167).

(d) Reconciliation of Benefit Obligation & Plan assets for the Period

Change in Defined Benefit Obligation

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Opening Defined Benefit Obligation	5,298,783	4,733,091
Current Service Cost	467,905	435,954
Interest Cost	445,828	397,707
Actuarial Losses / (Gain)	1,135,699	(267,969)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / (Settled on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(136,569)	-
Closing Defined Benefit Obligation	7,211,646	5,298,783

Change in Fair Value of Assets

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Opening Fair Value of Plan Assets	6,569,534	6,223,367
Expected Return on Plan Assets	475,581	451,924
Actuarial Gain / (Losses)	112,924	(105,757)
Assets Distributed on Settlements	-	-
Contributions by Employer	-	-
Assets Acquired on Acquisition / (Distributed on Divestiture	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	722,845	-
Sub Total	7,880,884	6,569,534
Amount no recognized as per asset (Limit para 59(b)	-	-
Closing Fair Value of Plan Assets	7,880,884	6,569,534
Expected Employer's Contribution Next Year	400,000	

(e) Actuarial Assumptions at the Valuation date

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Discount Rate	8.05% p.a	8.05% p.a
Expected Rate of Return on Plan Assets*	8.05% p.a	7.50% p.a
Salary Escalation Rate	7.00% p.a.	10.00% for the first 1 year & 7% thereafter

This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Descriptions of the Plan Assets

Category of Assets	2011-2012	2010-2011
Government of India Securities	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
Insurer Managed Funds	100%	100%
Others	-	-
TOTAL	100%	100%

(g) Experience Adjustments

(AMOUNT IN `)

Particulars	2011-2012	2010-2011	2009-2010
Defined Benefit Obligation	7,211,646	5,298,783	4,733,091
Plan Assets	7,880,884	6,569,534	6,223,367
Surplus / (Deficit)	669,238	1,270,751	1,490,276
Exp. Adj. on Plan Liabilities	1,320,940	(251,060)	390,212
Exp. Adj. on Plan Assets	112,924	(105,757)	40,211

(B) Compensated Absences for Employees

The Company permits encashment of privileged leave accumulated by their employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2011-2012	2010-2011
Discount Rate	8.05% p.a.	8.05% p.a.
Salary Escalation Rate	7.00% p.a.	10.00% for the first 1 year & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	3,667,000	3,393,000
Closing balance of present value of Compensated Absences (Y) (Current Liability Rs. 11,74,124 and Non-current Liability ` 33,15,700)	4,489,824	3,667,000
Movement in Net Liability (X-Y)	(822,824)	(274,000)

(c) Payments made under defined contribution scheme.

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Contribution to Provident Fund Crew & Offshore Staff for floating Staff.	2,046,395	1,652,805
Contribution to Provident Fund for shore Staff	1,590,875	1,419,306

28. Dividend remitted in Foreign Currency

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Dividend (Gross)	7,410,990	6,175,825
Number of Non-resident shareholders	1	1
Number of Shares held	12,351,650	12,351,650
Type	Final	Interim
For the year	2010-2011	2010-2011

29. Foreign Currency exposures not hedged by derivative instrument or otherwise: .

Particulars	Currencies	Year ended 31 st March 2012	Year ended 31 st March 2011
a)Receivables	USD	1,555,827	944,075
	SGD	20,380	
b) Payables	DHS	2,250	35,209
	EURO	113,211	97,288
	SGD	5,302	
	CHF		3,360
	POUND		71,352
	TKA	54,050	310,798
	USD	343,017	455,492
	YEN	1,289,145	1,774,045
	SLR	945,558	2,491,134
	PKR	3,290,421	371,230
c) FCNR Loan taken from Bank	USD	12,091,890	12,779,460
d) Cash and Bank Balances	USD	1,265,680	581,929
e) Balances with collection agents	USD	67,037	
	SLR	1,055,247	3,348,911

30. MANAGERIAL REMUNERATION*
(Included under Salary, Wages and Allowances-Note - 23)

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
I) TO MANAGING DIRECTOR		
a) Remuneration	6,240,000	5,940,000
b) Contribution to Provident Fund	604,800	576,000
c) Leave Travel Allowance	500,000	368,800
	7,344,800	6,884,800
II) TO EXECUTIVE DIRECTOR		
a) Remuneration	3,696,000	-
b) Contribution to Provident Fund	-	-
c) Leave Travel Allowance	-	-
	3,696,000	-

- a) The remuneration does not include the provision made for gratuity and leave encashment, as they are determined on an actuarial basis for company as a whole.
- b) During the year, remuneration to Managing Director exceeds the maximum permissible limits prescribed in Section 269 and schedule XIII to the Companies Act, 1956, Company is in the process of getting Central Government approval.

31. Capital and other Commitments

(AMOUNT IN `)

Particulars	As at 31.03.2012	As at 31.03.2011
Estimated amount of Contracts remaining to be executed on Capital Account and others not provided for.	5,937,955	-

32. Contingent Liabilities

(AMOUNT IN `)

Particulars	As at 31.03.2012	As at 31.03.2011
a) Claims against the Company not acknowledged as debts.	NIL	NIL
b) Corporate guarantee given on behalf of Subsidiary company (including interest)	121,194,262	10,221,200
c) Investments of Company given as security for overdraft facility availed by subsidiary.	NIL	NIL
d) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company).	30,597,784	30,597,784

33. Segment Reporting

- a) The Company operates in two business segments viz. Shipping and Logistics. Shipping comprises Charter hire and Logistics includes Feeder, Domestic and Liner business.

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Revenue by Segment		
Shipping	-	55,764,205
Logistics (Shipping part)	1,674,079,892	1,195,651,897
Others	2,845,296	17,345,441
Total Revenue	1,676,925,188	1,268,761,543

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Segment Results		
Shipping	-	(76,950,632)
Logistics (Shipping part)	52,123,734	242,487,314
Others	3,561,629	17,202,525
Total	55,685,364	182,739,207
Add: Other Income	35,175,072	23,401,327
Less: i) Interest & Finance Charges	37,968,899	61,833,378
ii) Unallocated Expenditure	-	55,482,806
Profit before Tax , Prior Period, Exceptional & Extra Ordinary items	52,891,536	88,824,351
Segment Depreciation		
Shipping	-	26,952,180
Logistics (Shipping part)	115,649,275	76,964,609
Unallocated	344,488	1,494,049

b) Geographical Segment (Based on primary location of customers)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
In India	1,091,669,688	1,024,638,447
In Pakistan	8,539,500	4,981,831
Rest of World	576,716,000	239,141,265
TOTAL REVENUE	1,676,925,188	1,268,761,543

c) 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 during the year.

34. Loans and advances include the following dues from companies under the same management

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011	Maximum amount due at any one time during the year
Relay Shipping Agency Limited	20,104,728	36,599,524	52,707,837

35. Related Party Transactions (Refer Annexure 1)

36. Accounting for Lease

The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of ` 13,17,333/- (` 8,67,000/-) is charged to the Profit and Loss account.

37. Working for Earnings per share

(AMOUNT IN `)

Particulars		Year ended 31 st March 2012	Year ended 31 st March, 2011
Profit/(Loss) after Tax		53,847,686	87,524,350
Add/(Less) : Preference Dividend (including Dividend Distribution Tax)		8,736,412	8,862,268
Adjusted net profit for the year	A	45,111,273	78,662,082
Weighted average number of Equity shares outstanding	B	21,957,533	21,957,533
Nominal value Per Share	C	` 10.00	` 10.00
Earnings Per Share (Basic & Diluted)	A/B	` 2.05	` 3.58

38. Other disclosures as per Revised Schedule VI of the Companies Act, 1956

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Expenditure in foreign currency (on accrual basis):	588,532,371	365,829,199
Earnings in foreign exchange (on accrual basis):	585,255,518	244,123,000

39. Value of imports calculated on CIF basis

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Stores & Spares	45,457,775	42,635,374
Capital Goods	26,035,572	13,636,200

40. Imported & Indigeneous raw materials, components and spare parts consumed

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Fuel		
Imported	457,970,961	218,876,070
Indigeneous	300,310,149	256,479,599
Total	758,281,110	475,355,669
Stores & Spares		
Imported	45,457,775	42,635,374
Indigeneous	26,127,301	25,514,982
Total	71,585,076	68,150,356

41. Wage agreement for crew on board has been finalised by National Maritime Board (India) and the effect of the same has been carried out in the financials.

42. Disclosure made in terms of clause 32 of the Listing agreement with stock exchange

Particulars	Name of the company	Amount outstanding as on 31.03.2012 (`)	Maximum amount due at any one time during the year (`)
a) Loans and advances	Shreyas Relay Systems Ltd	NIL	52,500,000
(i) Loans and advances in the nature of loans made to subsidiary company.		NIL	NIL
(ii) Loans and advances in the nature of loans made to associate company.		NIL	NIL
(iii) Loans and advances in the nature of loans where there is. 1) no repayment schedule or repayment beyond seven year (or) 2) no interest or interest below section 372A of the Companies Act.		NIL	NIL
(iv) Loans and advances in the nature of loans made to firms / companies in which directors of the company are interested.		NIL	NIL

Particulars	Name of the company	Amount outstanding as on 31.03.2012 (₹)	Maximum amount due at any one time during the year (₹)
b) Investment by the Company			
(i) in subsidiary company	Shreyas Relay Systems Ltd.	25,000,000	25,000,000
	a) 25,00,000 Equity shares of ₹ 10 each fully paid		
	b) 10,00,000 Non Convertible, Cumulative, Redeemable Preference Shares each of ₹ 100/- paid)	NIL	100,000,000
(ii) in subsidiary company	Haytrans (India) Ltd		
	a) 10,450 Equity shares of ₹ 10 each fully paid	NIL	5,434,171
	b) Share Application Money	NIL	12,800,000
(iii) In associates company		NIL	NIL
c) Investments by the loanee in the shares of the parent company and Subsidiary company when the company has made a loan or advance in the nature of Loan.		NIL	NIL

RELATED PARTY TRANSACTIONS (as on 31.03.2012)

(Amount in ` '000)

TRANSACTION	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL as on 31.03.2012	TOTAL as on 31.03.2011
Service / freight income								
Balaji Shipping (UK) Ltd.	-	-	1,773	-	-	-	1,773	6,886
Orient Exp.Line Singapore	-	-	-	-	-	-	-	-
Orient Express Lines Ltd., Mauritius	-	-	645	-	-	-	645	-
Orient Exp.Lines, Lanka	-	-	5,256	-	-	-	5,256	-
Shreyas Relay System Ltd	-	824,234	-	-	-	-	824,234	633,468
Albatross Shipping Ltd	-	-	-	-	-	-	-	-
Dividend Received on Preference Shares								
Shreyas Relay System Ltd	-	21,880	-	-	-	-	21,880	11,000
Sale of investment to related party								
Sale of shares of Haytrans (India) Ltd.	-	5,434	-	-	-	-	5,434	-
Sale of Share application money								
Haytrans (India) Ltd.	-	12,800	-	-	-	-	12,800	-
Shreyas Relay Systems Ltd.	-	100,000	-	-	-	-	100,000	-
Sale of fixed asset to related party								
Shreyas Relay Systems	-	127	-	-	-	-	127	-
Ocean Sea freight charges								
Orient Express Lines Ltd., Mauritius	-	-	26	-	-	-	26	-
Loan given								
Shreyas Relay System Ltd	-	18,500	-	-	-	-	18,500	60,000
Repayment of loan given								
Shreyas Relay System Ltd	-	71,000	-	-	-	-	71,000	7,500
Vessel management fees paid								
Orient Express Ship Management Ltd.	-	-	-	19,854	-	-	19,854	19,854
Vehicle Lease Rent paid								
Mrs. Savita Kshirsagar	-	-	-	-	-	420	420	-
Dividend on preference shares paid to related parties								
Transworld Shipping and Logistics Ltd.	-	-	-	3,758	-	-	3,758	7,694
Crescent Shipping Agency (India) Ltd.	-	-	-	3,758	-	-	3,758	7,694
Agency Fees paid								
Relay Shipping Agency Ltd.	-	-	-	13,217	-	-	13,217	20,084
Lanka Orient Express line	-	-	-	3,370	-	-	3,370	211
Seabridge Shipping LLC	-	-	-	-	-	-	-	-
Commission paid								
Transworld Logistics Ltd.	-	-	-	541	-	-	541	749
Rent paid								
Sivaswamy Holdings Pvt. Ltd.	-	-	-	1,820	-	-	1,820	1,710
Managerial Remuneration paid								
Mr. S. Ramakrishnan	-	-	-	-	7,345	-	7,345	6,885
Mr. V. Ramnarayan	-	-	-	-	3,696	-	3,696	-
Mr Vinay Kshirsagar	-	-	-	-	4,208	-	4,208	4,143

RELATED PARTY TRANSACTIONS (as on 31.03.2012)

(Amount in ` '000)

TRANSACTION	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL as on 31.03.2012	TOTAL as on 31.03.2011
Stores, Spares, Victualling, Repairs expenses, etc.paid ADMEC Logistics Ltd.	-	-	-	8,899	-	-	8,899	10,252
Haytrans (India) Ltd.	-	-	-	10	-	-	10	10
Redemption of 9.5% Non-Convertible Cumulative Redeemable Preference shares of ` 100 each								
Transworld Shipping and Logistics Ltd.				40,000			40,000	40,000
Crescent Shipping Agency (India) Ltd.				40,000			40,000	40,000
Dividend Paid on Equity Shares								
Transworld Holdings Ltd.	7,411	-	-	-	-	-	7,411	6,176
Mr. S. Ramakrishnan	-	-	-	-	-	66	66	55
Mrs. Geeta Ramakrishnan	-	-	-	-	-	65	65	54
Mr. Ritesh Ramakrishnan	-	-	-	-	-	101	101	84
Ms. Anisha Ramakrishnan	-	-	-	-	-	700	700	488
Mrs. Valli Sivaswamy	-	-	-	-	-	-	-	192
Mrs. Mala Mahesh	-	-	-	-	-	65	65	54
Mr. Murli Mahesh	-	-	-	-	-	101	101	84
Ms. Mithila Mahesh	-	-	-	-	-	700	700	488
Mr. S. Mahesh	-	-	-	-	-	67	67	56
Mr. V. Ramnarayan	-	-	-	-	-	66	66	55
Mrs. Brinda Ramnarayan	-	-	-	-	-	65	65	54
Mr. Rajan Ramnarayan	-	-	-	-	-	85	85	70
Mr. Rajiv Ramnarayan	-	-	-	-	-	82	82	68

 Outstanding balances pertaining to related parties as at 31st Mar, 2012 (In ` '000)

Nature of balance	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as on 31.03.2012	Total as on 31.03.2011
Debit balance due to company	-	133,149	90.89	20,164	-	-	153,404	76,203
Loan to Subsidiary Company	-	-	-	-	-	-	-	-
Credit balance due from company	-	-	1,007	1,929	-	-	2,936	11,127

NOTE:1) Figure have been adjusted for exchange rate variations

2) Reimbursement of expenses incurred by/to Group Companies is not included here.

* Names of related parties

Nature of relationship	Name of the related party
Holding company	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31 st March, 2012)
Fellow subsidiaries	Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Balaji Shipping Lines FZCO Sea Bridge Shipping L.L.C
Subsidiary Company	Shreyas Relay Systems Ltd Haytrans (India) Ltd.
Other related parties	Orient Express Ship Management Ltd. Sivaswamy Holdings Pvt. Ltd. Lanka Orient Express Lines Ltd. Colombo ADMEC Logistics Ltd. Relay Shipping Agency Ltd. Transworld Logistics Ltd. Transworld Shipping & Logistics Ltd. Crescent Shipping Agency (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr.V.Ramnarayan Mr. Vinay Kshirsagar
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Mr. Murli Mahesh Ms. Mithila Mahesh Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

SR. NO.	PARTICULARS	SHREYAS RELAY SYSTEMS LIMITED
1	The relevant financial year of the subsidiary ends on	31 st March, 2012
2	No. of shares held as on 31 st March, 2012	25,00,000 Equity shares of ₹ 10/- each fully paid-up
3	Extent of holding as on 31 st March, 2012	100%
4	The net aggregate of profit/(loss) of subsidiary so far as they concern the members of the company	
	(a) Dealt with in the accounts of company for the year ended 31 st March, 2012	21,879,781
	(b) Not dealt with in the accounts of company for the year ended 31 st March, 2012	11,036,851
5	The net aggregate of profit/(loss) for previous financial years of the subsidiary, since it became subsidiary so far as they concern members of the company	
	(a) Dealt with in the accounts of company	16,605,480
	(b) Not dealt with in the accounts of company	14,733,990

For & on behalf of the Board

S. Ramakrishnan
Chairman & Managing Director

V. Ramnarayan
Executive Director

Amitabha Ghosh
Director

Vinay Kshirsagar
Chief Financial Officer

Namrata Malushte
Company Secretary

Mumbai
Date : 30th May, 2012

Note: The company sold its 51% stake in the equity capital of Haytrans (India) Ltd (HIL), to Shreyas Relay Systems Ltd on 30th September 2011 and HIL ceased to be a direct subsidiary from that date.

Auditor's Report on Consolidated Financial Statements

To The Board of Directors of Shreyas Shipping & Logistics Ltd.

1. We have audited the attached consolidated Balance Sheet of Shreyas Shipping & Logistics Ltd. ('the Company') and its subsidiaries (the company and its subsidiaries constitutes 'the Group') as at 31st March 2012, and the related Statement of Profit and Loss and the Statement of Cash Flow for the year ended on that date, both annexed thereto. The financial statements are the responsibility of the company's management. Our responsibility is to express our opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted Auditing Standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one subsidiary (Haytrans (India) Ltd). The financial statement of Haytrans (India) Ltd as on 31st March, 12 (Total Assets: ₹ 284.01 lakhs; Total Revenue ₹ 1370.12 lakhs; Total Cash Flows of ₹ 8.97 lakhs) has been audited by another auditor whose report has been furnished to us and, our opinion, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on the reports of the other auditor.
4. (i) We report that the consolidated Financial Statements have been prepared in accordance with the requirement of Accounting Standard (AS 21) "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, on the basis of the individual audited Financial Statements of the Company and its subsidiary.

(ii) *As per the Guidance provided by the Accounting Standards Board of the Institute of Chartered Accountants of India through Frequently Asked Questions on AS 11 Notification, the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are to be considered as "borrowing costs" and accounted for in accordance with Accounting Standard 16 (AS 16) - Borrowing Costs. The company has not considered the "borrowing costs" while adjusting the foreign currency differences to the cost of the assets. In view of this*

 - a) *Cumulative foreign exchange loss is understated to*

the extent of ₹ 2,86,64,072 (of this ₹ 32,15,949 relates to the period before March 31 2008, ₹ 1,44,20,050 for the period March 2009, ₹ 26,40,609 for the period March 31 2010, ₹ 9,51,104 for the period ended March 31 2011 and ₹ 74,36,360 for the current year,

- b) *Depreciation related to above including the adjustment to opening reserves is overstated to the extent of ₹ 41,48,390 (of this ₹ 1,398 relates to the period before March 31 2008, ₹ 1,73,929 for the period March 2009, ₹ 18,82,072 for the period March 31 2010, ₹ 3,57,473 for the period ended March 31 2011 and ₹ 17,33,518 for the current year),*
 - c) *Profit after tax for the year ended 31 March 2012 is stated higher by ₹ 57,02,842 and*
 - d) *Fixed assets and Reserves are stated higher to the extent of ₹ 2,45,15,682.*
- (iii) On the basis of the information and according to the explanations given to us, *subject to our comments with respect to capitalization of certain borrowing costs that are not eligible for capitalisation as referred to in paragraph (ii) above and provision for gratuity and leave salary not made as per Accounting Standard -15 'Employee Benefits', in the books of subsidiary Haytrans (India) Ltd., the amount whereof is indeterminate, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.*
- a) *in the case of consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2012;*
 - b) *in the case of consolidated Statement of Profit and Loss of the consolidated results of operations of the Group for the year ended as on that date, and*
 - c) *in the case of consolidated Statement of Cash Flow of the consolidated cash flows of the Group for the year ended as on that date.*

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No: 003990S

Mumbai
Date: 30th May 2012

S. Narasimhan
Partner
Mem. No. 206047

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Note No	As at 31 st March 2012	As at 31 st March 2011
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	319,575,330	299,575,330
Reserves and Surplus	4	1,215,785,728	1,182,883,915
Money received against share warrants			
Share application money pending allotment			
Non-Current Liabilities			
Long-term borrowings	5	552,602,302	563,613,561
Deferred tax liabilities (Net)	6	18,333,518	14,224,695
Other Long term liabilities		-	-
Long term provisions	7	8,741,386	5,850,405
Current Liabilities			
Short-term borrowings	8	126,857,124	10,221,200
Trade payables	9	202,015,338	159,343,596
Other current liabilities	10	216,699,378	77,247,383
Short-term provisions	11	16,725,590	18,096,122
Total		<u>2,677,335,694</u>	<u>2,331,056,207</u>
Assets			
Non-current assets			
Goodwill		-	-
Fixed assets			
(i) Tangible assets	12	1,858,673,834	1,776,523,233
(ii) Intangible assets		82,089	184,857
(iii) Capital work-in-progress		-	15,322,839
(iv) Intangible assets under development			
Non-current investments	13	150,000	150,000
Deferred tax assets (net)		-	-
Long term loans and advances			
Other non-current assets	14	59,190,777	88,402,649
Current assets			
Current investments	13	111,800,016	50,838,764
Inventories	15	59,025,091	47,949,354
Trade receivables	16	344,195,080	183,487,871
Cash and cash equivalents	17	149,965,932	41,650,131
Short-term loans and advances	18	47,851,662	97,778,667
Other current assets	19	46,401,213	28,767,842
Total		<u>2,677,335,694</u>	<u>2,331,056,207</u>
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statement			

As per our report of even date

 FOR PKF SRIDHAR & SANTHANAM
 Chartered Accountants
 Firm Regn No. 003990S

 S. Narasimhan
 Partner
 Membership No. 206047

 Place : Mumbai
 Date : 30th May 2012

For and On behalf of the Board

 S. Ramakrishnan
 Chairman & Managing Director

 Amitabha Ghosh
 Director

 Namrata Malushte
 Company Secretary

 Place : Mumbai
 Date : 30th May 2012

 V. Ramnarayan
 Executive Director

 Vinay Kshirsagar
 Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Note No	Year ended 31.03.2012	Year ended 31.03.2011
I. Income			
II. Revenue from operations	20	2,707,750,933	1,903,873,538
Other Income	21	15,325,960	21,814,417
III. Total Revenue (I + II)		<u>2,723,076,893</u>	<u>1,925,687,955</u>
IV. Expenses:			
Operation cost	22	1,403,453,254	891,658,853
Fuel Cost	23	758,281,110	475,355,669
Employee benefit expense	24	235,358,096	187,395,919
Financial costs	25	54,751,212	67,577,551
Depreciation and amortization expense	12	135,039,295	114,923,867
Other expenses	26	68,629,021	41,186,780
Total Expenses (IV)		<u>2,655,511,988</u>	<u>1,778,098,639</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		67,564,905	147,589,316
VI. Extraordinary Items		-	-
VII. Profit before extraordinary items and tax		67,564,905	147,589,316
VIII. Extraordinary Items		-	464,435
IX. Profit before tax		67,564,905	147,124,881
X. Tax expense:			
Current tax		8,255,905	12,399,272
Deferred tax		4,108,822	15,159,266
Prior Year tax		(2,144,149)	560,261
Minimum Alternate Tax Credit		1,060,662	(8,762,846)
XI. Profit(Loss) from the period from continuing operations (A)		<u>56,283,664</u>	<u>127,768,928</u>
Earning per equity share: Nominal Value of Share `10 (31 st March 2012: `10/-)	27	2.08	5.33
Summary of significant accounting policies	2.1		
The accompanying notes form an integral part of the financial statement			

As per our report of even date

FOR PKF SRIDHAR & SANTHANAM
Chartered Accountants
Firm Regn No. 003990S

S. Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 30th May 2012

For and On behalf of the Board

S. Ramakrishnan
Chairman & Managing Director

Amitabha Ghosh
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 30th May 2012

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Year Ended 31 st March 2012	Year Ended 31 st March 2011
A Cashflow from operating activities		
Net profit/ (Loss) Before tax	67,564,905	147,124,883
Adjusted for non operating expenses (income)		
Depreciation	135,039,295	114,923,867
Pre- acquisition Profit (51.10%)		
Minority Interest		
Profit on Sale on Asset		
Loss on Sale on Fixed assets	716,877	12,911
Loss/(Profit) on Sale of Investments	-	(2,200,000)
Interest Expenses	54,704,968	67,167,386
Exchange Loss/(Gain) on Current Assets & Liabilities	(1,165,166)	(599,556)
Income for current Investments	(4,210,589)	(3,129,829)
Interest Income	(2,663,696)	(6,714,637)
Profit on Sale on Asset		
Operating Profit Before Working Capital changes (a)	<u>249,986,594</u>	<u>316,585,025</u>
Adjustments for : Increase/(Decrease) in Working Capital		
Increases/(Decreases) in Current Assets		
Inventories	11,075,736	17,881,411
Sundry Debtors	158,242,040	(1,033,090)
Other Current Assets, Loans and Advances	<u>(30,536,979)</u>	<u>22,964,962</u>
	<u>138,780,797</u>	<u>39,813,283</u>
Less: increases(Decreases) in Current Liabilities & Provision	62,657,790	(14,302,280)
Net increases(Decreases) in Working Capital (b)	76,123,007	54,115,563
Cash Generated from Operations (a) - (b) (c)	173,863,587	262,469,462
Less: Taxation	17,196,894	(5,617,898)
NET CASH FROM OPERATING ACTIVITIES (A)	<u>191,060,481</u>	<u>256,851,564</u>
B Cash flow from investing activities		
Addition / Revaluation to fixed Assets including Capital Work in Progress	(203,730,666)	(50,620,027)
Sale of Fixed Assets	1,249,496	5,310,133
Sale of investments	-	10,000,000
Interest Income	2,663,696	6,714,637
Income from current investments	4,210,589	5,329,829
NET CASH FROM INVESTING ACTIVITIES (B)	<u>(195,606,886)</u>	<u>(23,265,427)</u>
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	233,120,203	(236,863,455)
Redemption of Preference Shares	20,000,000	-
Interest Expenses	(54,704,968)	(67,167,386)
Dividend Paid	(25,832,650)	(32,573,192)
NET CASH FROM FINANCING ACTIVITIES (C)	<u>172,582,585</u>	<u>(336,604,033)</u>
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	<u>168,036,179</u>	<u>(103,017,896)</u>
OPENING BALANCE of CASH & CASH EQUIVALENTS	88,692,556	190,579,970
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	168,036,179	(103,017,895)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(734,913)	1,130,481
CASH & CASH EQUIVALENTS - CLOSING BALANCE	<u>255,993,822</u>	<u>88,692,556</u>
	<u>168,036,179</u>	<u>(103,017,895)</u>
CASH ON HAND (Refer Note 17)	1,952,257	705,278
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Note 17)	142,241,549	37,148,515
INVESTMENT IN LIQUID FUND SECURITIES (Refer Note 13)	111,800,016	50,838,764
TOTAL	<u>255,993,822</u>	<u>88,692,556</u>

Notes:

- The above statement has been prepared by indirect method except in case of dividend and investments which have been considered on the basis of actual movement of cash.
- Cash and Cash equivalents include cash and bank balances and Investments in Liquid funds and Mutual Funds

 As per our report of even date
 FOR PKF SRI DHAR & SANTHANAM
 Chartered Accountants
 Firm Regn No. 003990S

 S. Narasimhan
 Partner
 Membership No. 206047

 Place : Mumbai
 Date : 30th May 2012

For and On behalf of the Board

 S. Ramakrishnan
 Chairman & Managing Director

 V. Ramnarayan
 Executive Director

 Amitabha Ghosh
 Director

 Vinay Kshirsagar
 Chief Financial Officer

 Namrata Malushte
 Company Secretary

 Place : Mumbai
 Date : 30th May 2012

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Corporate Information

1 Shreyas Shipping and Logistics Limited (SLL) is India's first container feeder owning and operating company. Shreyas started its operations in 1993 primarily to fill the gap for feeding of containers between Indian ports and internationally renowned transshipment ports such as Dubai, Jebel Ali, Colombo. SLL's shares are listed on both the stock exchanges BSE as well as NSE. Shreyas Relay Systems Limited (SRL) is wholly owned subsidiary of SLL. SRL specialises in offering seamless, door-to-door, multi-modal transportation solutions incorporating the Road-Rail-Sea-Air routes. Haytrans (India) Limited is a subsidiary of SRL.

2 Summary of significant accounting policies

Basis of Preparation & Use of Estimates

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

a. Fixed Assets - Tangible & Intangible

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Expenses specifically attributable to construction of new built ship including forex loss/gain on forward covers taken for the purpose of payment of installments to the ship-builder are capitalised.

When assets are retired or otherwise disposed off, the cost of such assets and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in the statement of Profit and Loss.

b. Dry Dock/Special Survey expenses

Major Improvements/ Upgradation included in dry dock expenditure are capitalized as part of cost of ship. Other dry dock/Special Survey expenses are charged to statement of Profit and Loss as and when incurred."

c. Depreciation

Tangible assets

In respect of fleet, the amount determined by charging the

cost reduced by residual value as technically assessed equally over the expected useful life of the fleet or depreciation at the rate prescribed (5%) under the Schedule XIV to the Companies Act, 1956 which ever is higher, is provided as depreciation.

Depreciation of Fixed Assets has been provided on straight line method on pro-rata basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of second hand Trailers, the depreciation rate is based on balance useful life derived from the rate specified in Schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Depreciation has been provided prospectively, where the cost of depreciable asset has undergone change due to following :

- (a) Increase/decrease in Long term foreign currency liability on account of exchange fluctuations.
- (b) Additions and major improvements forming an integral part of an asset."

Assets individually costing Rs 5000 or less are depreciated in full in the year of acquisition.

Haytrans (India) Limited, a subsidiary, has provided depreciation on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956. The impact of depreciation on straight line method is not likely to be material and hence, not quantified or adjusted.

Intangible assets

In respect of software, Depreciation is provided at 33.33% on straight line method, which is higher than the rate prescribed in schedule XIV to the Companies Act, 1956.

d. Revenue Recognition

- i) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills.
- ii) Operating Earnings represent the value of charter hire and freight earnings. Freight income is recognized once the ship calls on the port of delivery. In case of operations in Shreyas Relay Systems Ltd., a subsidiary, Freight income is recognized once the ship sails from the port of loading and in case of their inland transportation upon material reaching destination.
- iii) Income and Expenses relating to unfinished leg of the voyage as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg of voyages include fixed and semi-fixed ship operating costs.
- iv) Stores and Spares (other than lube oils and victualling)

are charged off to statement of Profit and Loss, on receipt.

v) The revenue in respect of the duty free import licenses, under Served From India Scheme, is recognized as income in the books of account when and to the extent there is no significant uncertainty as to their ultimate realization.

vi) Interest on deposits of surplus funds is recognised on time proportion basis.

e. Investments

Long term Investments are stated at cost. Diminution in the value of investments, other than temporary in nature, is provided for. Current investments are valued at cost or market value whichever is lower.

f. Inventories

Inventories are valued at lower of Cost or Net Realisable Value. The cost is determined under "First in First out" formula.

g. Foreign Exchange Transactions

i) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the statement of Profit and Loss.

ii) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from the cost of the relevant fixed assets in terms of the then Schedule VI to the Companies Act 1956 upto 31st March, 2007.

iii) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard 11.

iv) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the statement of Profit and Loss.

v) In respect of forward exchange contracts covering either Company's earnings or payments (other than firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as

expense for the period. In case of a new built ship, in respect of forward exchange contract entered into to hedge the foreign currency risk of a firm commitment or highly probable forecast transaction (not covered by Accounting Standard 11 revised 2003), the company capitalises all the related costs including premium or discount, exchange differences and profit/loss on cancellation of such contracts, if any.

h. Derivatives

Derivatives are accounted as follows based on a limited early adoption of AS-30 to the extent not in conflict with legal provisions and other Accounting Standards:

a) Fair value hedges are marked to market and the notional Loss or Gain is accounted in the statement of Profit and Loss.

b) Cash flow hedges are marked to market and the notional loss or gain is taken to Hedging reserve account.

c) Other derivatives are marked to market and the notional losses or gains are booked in the statement of Profit and Loss.

i. Employee Benefits

The Group has a defined Contribution plan for shore employees for provident fund and contributions made to the relevant authorities under this scheme are charged to the statement of Profit and Loss. Company has no other obligation except the monthly contributions. The Group has defined benefit plans for shore employees namely gratuity and leave encashment and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme. Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognised immediately in statement of Profit and Loss as Income / Expense. Any other termination benefits are recognised as expenses immediately on the basis of actual expenses. In respect of Floating staff, Provident fund and Gratuity contributions are made to Seamen's Provident Fund and Seafarers Welfare Fund Society respectively. No Gratuity is payable in respect of officers on board who are on contract with the Company. Company has no further obligation except the monthly contributions."

j. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition / construction of the underlying qualifying fixed assets are capitalised as a part of the respective asset up to the date of acquisition / completion of construction.

k. Leases

Assets acquired on lease where a significant portion of the risk and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

I. Taxation

The Holding Company has opted for Tonnage Tax and current tax is the aggregate of Tonnage Tax for shipping income and income tax on non-shipping income. In view of Company opting for Tonnage Tax, no provision is made for deferred tax.

In case of subsidiaries, provision for tax is made as per Income Tax Act, 1961. Deferred tax resulting from difference between book and tax profit is accounted for at the current rate of tax, to the extent the timing differences are expected to crystallize. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each Balance sheet date. When there are unabsorbed depreciation and carry forward losses as per Income Tax act, deferred tax asset are recognized only if there exists virtual certainty of their realization.

Deferred tax liability and deferred tax asset of the companies in the Group have been aggregated in Consolidated financial statement.

m. Asset Impairment

The Group reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognised in the year in which impairment takes place.

n. Provisions and Contingent liabilities

Provisions are recognised when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation can not be measured or where a realistic estimate of the obligation can not be made, contingent liabilities are recognised.

Contingent liabilities are also recognised when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more future events not wholly within the control of the Group.

3) SHARE CAPITAL

(AMOUNT IN `)

PARTICULARS	As at 31 st March 2012	As at 31 st March 2011
AUTHORISED		
2,40,00,000 (2,40,00,000) Equity Shares of ` 10/- each	240,000,000	240,000,000
14,00,000 (14,00,000) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each	140,000,000	140,000,000
	380,000,000	380,000,000
ISSUED, SUBSCRIBED AND PAID UP		
2,19,57,533 (2,19,57,533) Equity Shares of ` 10/- each fully Paid up	219,575,330	219,575,330
Nil (8,00,000) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully Paid up Date of allotment 27th October, 2005	-	80,000,000
1,000,000 (Nil) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully Paid up**	100,000,000	-
TOTAL	319,575,330	299,575,330

3a. During the year, the Company has not issued/bought back any of the Equity Shares. Movement in respect of Preference Shares are given below:

Particulars	31 st March 2012		31 st March 2011	
	Nos.	Amt.(`)	Nos.	Amt.(`)
At the beginning of the period	800,000	80,000,000	800,000	80,000,000
(+) Issued during the period	1,000,000	100,000,000	-	-
(-) Redeemed during the period*	800,000	80,000,000	-	-
Outstanding at the end of the period	1,000,000	100,000,000	800,000	80,000,000

* Redemption of 8,00,000, 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully paid up, out of free reserves of the company, Date of redemption : 28th March, 2012. In terms of Section 80 of the Companies Act, 1956, Company has created Capital Redemption reserve equivalent to face value of Preference shares redeemed (Refer Note No. 4).

** Preferential allotment of 10,00,000, 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully paid up to Transworld Shipping & Logistics Ltd. and M/s Crescent Shipping Agency (I) Ltd. Date of allotment : 28th March, 2012 and redeemable on 1st April, 2013.

3b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	31 st March 2012		31 st March 2011	
	Nos.	% of Holding	Nos.	% of Holding
Transworld Holdings Limited	12,351,650	56.25%	12,351,650	56.25%
Mithila V Mahesh	1,167,325	5.32%	-	-
Anisha Valli Ramakrishnan	1,167,325	5.32%	-	-

3d. 1,01,62,750 Equity shares of ` 10/- each, allotted as fully paid up pursuant to contract(s) without payment being received in cash in the financial year 1994-95.

3e. 21,33,333 Equity shares of ` 10/- each, issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR) in the financial year 2006-07.

4) RESERVE AND SURPLUS

(AMOUNT IN `)

PARTICULARS	As at 31 st March 2012	As at 31 st March 2012
a) Capital Redemption Reserve		
As per last balance sheet	50,000,000	50,000,000
Add: Transfer from Profit and Loss account on redemption of Non-Cumulative Redeemable Preference Shares (Refer Note No.3 for details of redemption)	80,000,000	-
	<u>130,000,000</u>	<u>50,000,000</u>
b) Securities Premium Reserve		
As per last Balance sheet	382,292,449	382,292,449
c) General Reserve		
As per last balance sheet	137,852,040	135,352,040
Add: Transfer from Asset Impairment Reserve	30,000,000	2,500,000
	<u>167,852,040</u>	<u>137,852,040</u>
d) Tonnage Tax Reserve		
As per last balance sheet	123,046,945	107,146,945
Add: Transfer from Profit and Loss account	6,000,000	15,900,000
	<u>129,046,945</u>	<u>123,046,945</u>
e) Tonnage Tax Utilisation Reserve		
As per last balance sheet	103,453,055	103,453,055
f) Asset Impairment Reserve		
As per last balance sheet	30,000,000	30,000,000
Less: Transfer to General Reserve	30,000,000	-
	<u>-</u>	<u>30,000,000</u>
g) Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial Statement	356,239,425	285,631,211
Profit/(Loss) for the year	56,283,664	127,768,927
Amount available for appropriation	<u>412,523,089</u>	<u>413,400,138</u>
Less Appropriations		
Transfer to General Reserves	-	2,500,000
Transfer to Capital Redemption Reserve	80,000,000	-
Transfer to Tonnage Tax Reserve	6,000,000	15,900,000
Dividend paid on Preference shares	-	-
Interim Dividend Paid on Equity Shares	-	10,978,767
Tax on Interim Dividend on Equity Shares	-	1,823,441
Interim Dividend Paid on Preference Shares	7,516,940	7,600,000
Tax on Interim Dividend Paid on Preference Shares	1,219,473	1,262,268
Proposed Dividend on Preference shares	103,825	-
Tax on Proposed Dividend on Preference Shares	1,781,816	1,784,475
Dividend paid on Equity shares	-	13,174,520
Proposed Dividend on Equity Shares	10,978,767	-
Tax on Proposed Dividend on Equity Shares	1,781,030	2,137,242
Total Appropriations	<u>109,381,851</u>	<u>57,160,713</u>
Net Surplus in the statement of profit and loss	<u>303,141,238</u>	<u>356,239,425</u>
Total reserves and surplus	<u>1,215,785,728</u>	<u>1,182,883,915</u>

(5) Long-term borrowings

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Secured Term Loans : From Banks		
Term Loans From Banks	717,217,049	601,842,611
Less: Current Maturities of above loans disclosed under the Head "Other Current Liabilities" (Note no. 10)	164,614,747	38,229,050
TOTAL	552,602,302	563,613,561

(5a) Nature of security and terms of repayment for secured loan availed from Banks

- (i) Canara Bank FCNR Loan \$12779460, the loan is secured by a first charge over the Vessel M.V.Oel Trust and M.V.Oel Shreyas and collateral charge over M.V.Oel Unity. The loan is repaid in 58 structured monthly installments with the first repayment starting from Jan 2012 i.e. \$229190. Foreign currency loan carries interest @ Libor (6months) + 450bps.
- (ii) Axis Bank Car loan of ` 33,87,872, the loan is secured by hypothecation of car, carrying interest @10.06%, (on a monthly reducing basis) . The Loan is repayable in 36 equal monthly instalment of ` 1,12,000.
- (iii) ICICI Bank Car loan of ` 25,31,600 ,the loan is secured by hypothecation of car, carrying interest @9.60%. The Loan is repayable in 36 equal monthly instalment of ` 54,000. The Loan has been repaid during the year.

(5b) There has been no defaults in repayment of any of the loans or interest thereon as at the end of the year.

(6) Deferred tax liabilities (Net)

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liabilities		
Fixed Assets : Impact of difference between tax depreciation and depreciation & amortisation charged for the financial reporting		
Other Timing Differences		
Gross Deferred Tax Liabilities	19,543,176	15,458,589
Deferred Tax Assets	380,160	289,484
Provision for doubtful debts	19,923,336	15,748,073
Impact of expenditure charged to the statement of profit and loss on the current year but allowed for tax purpose on payment basis.	-	-
- Leave encashment	(194,501)	(733,580)
Gross Deferred Tax Assets	-	-
	(1,395,317)	(789,798)
Gross Deferred Tax Liabilities	(1,589,818)	(1,523,378)
TOTAL	18,333,518	14,224,695

(7) Long term provisions

Particulars	As at 31 st March 2012	As at 31 st March 2011
Provision for employee benefits		
(a) Provision for Gratuity	1,369,646	197,940
(b) Provision for Compensated Absence	7,371,740	5,652,465
Total	8,741,386	5,850,405

(8) Short-term borrowings

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) From Banks	126,857,124	10,221,200
TOTAL	126,857,124	10,221,200

(9) Trade payables

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) Sundry Creditors for Trade		
Due to Micro and Small Enterprises (excluding Interest)	-	467,510
Due to Others	202,015,338	158,876,086
TOTAL	202,015,338	159,343,596

9a) Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.

Particulars	2011-2012	2010-2011
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Nil	Interest Rs. 6644/-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

(10) Other current liabilities

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) Current Maturities of Long Term Borrowings (Refer Note no. 5)	164,614,747	38,229,050
(ii) Interest accrued but not due on loans	10,939	119,149
(iii) Unclaimed Dividend (Investor Education and Protection fund: No amount is due and outstanding to be credited to the fund.)	2,998,981	3,513,591
(iv) Unfinished Voyage	7,132,723	2,807,392
(v) Others Liabilities	29,741,988	20,378,201
(vi) Share Application money received from Minority Share Holders in a Subsidiary (Pending Allotment)	12,200,000	12,200,000
TOTAL	216,699,378	77,247,383

(10a) During the year, pursuant to section 205C of the Companies Act, 1956, following unclaimed dividend has been transferred to Investor Education and Protection fund

Particulars	2011-12	2010-11
Final Dividend relating to the FY 2003-04 declared on 23 rd July, 2004	419,858	-
Interim Dividend relating to the FY 2004-05 declared on 22 nd Jan, 2005	293,028	-

There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

(10b) Unfinished Voyage income relates to unfinished voyage legs as at the balance sheet (Also refer Note 2(d)(iii))

(11) Short term provisions

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(i) Provision for employee benefits (Also refer Note no 7)		
(a) Provision for Gratuity	-	-
(b) Provision for Compensated Absence	2,080,152	999,885
(ii) Others		
(a) Proposed Preference Dividend	103,825	-
(b) Provision for tax on Preference Dividend	1,781,816	1,784,475
(c) Proposed Equity Dividend	10,978,767	13,174,520
(d) Provision for tax on Equity Dividend	1,781,030	2,137,242
TOTAL	16,725,590	18,096,122

(12) Fixed Assets

(AMOUNT IN `)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2011	ADDITIONS	DEDUCTIONS/ADJUSTMENTS	COST AS AT 31.03.2012	AS AT 01.04.2011	FOR THE YEAR	DEDUCTIONS/ADJUSTMENTS	AS AT 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
A) TANGIBLE ASSETS										
FLEET	2,068,880,741	26,035,572	82,758,818	2,177,675,131	451,777,276	114,693,760	-	566,471,036	1,611,204,095	1,617,103,465
CONTAINER	167,206,370	248,000	(158,861)	167,295,509	35,272,883	7,866,110	(48,600)	43,090,393	124,205,116	131,933,487
FURNITURE & FIXTURES	2,397,778	2,457,954	-	4,855,732	871,982	313,766	-	1,185,748	3,669,984	1,525,804
OFFICE EQUIPMENTS	6,012,783	1,854,934	(14,350)	7,853,367	2,222,770	534,828	(119)	2,757,479	5,095,888	3,462,950
COMPUTERS	5,659,526	1,900,624	(10,500)	7,549,650	3,286,732	1,026,046	(10,500)	4,302,278	3,247,372	2,699,857
VEHICLES	5,341,683	4,885,454	(3,154,863)	7,072,274	1,910,420	615,855	(1,312,986)	1,213,358	5,858,985	3,431,264
TRAILOR (VEHICLE)	18,783,053	98,789,974	-	117,573,027	2,416,647	9,780,711	-	12,197,358	105,375,669	16,366,406
MACHINERY	-	18,000	-	18,000	-	1,275	-	1,275	16,725	-
TANGIBLE ASSET (A) AS ON 31.03.2012	2,274,281,934	136,190,512	79,420,244	2,489,892,690	497,758,700	134,832,352	(1,372,205)	631,218,856	1,858,673,834	1,776,523,233
TANGIBLE ASSET (A) AS ON 31.03.2011	2,244,409,037	35,297,188	5,424,292	2,274,281,933	383,120,945	114,739,010	(101,255)	456,410,106	1,623,142,104	
B) INTANGIBLE ASSETS										
COMPUTER SOFTWARE INTANGIBLE ASSET - (See Note 10)	2058002	104,175	-	2,162,177	1,873,145	206,943	-	2,080,088	82,089	184,857
TOTAL INTANGIBLE ASSETS (B) AS ON 31.03.2012	2,058,002	104,175	-	2,162,177	1,873,145	206,943	-	2,080,088	82,089	184,857
TOTAL INTANGIBLE ASSETS (B) AS ON 31.03.2011	2,058,002	-	-	2,058,002	1,688,288	184,857	-	1,873,145	184,857	
TOTAL (A + B) AS ON 31.03.2012	2,276,339,936	136,294,687	79,420,244	2,492,054,867	499,631,845	135,039,295	(1,372,205)	633,298,944	1,858,755,923	1,776,708,090
TOTAL (A + B) AS ON 31.03.2011	2,246,467,039	35,297,188	5,424,292	2,276,339,935	384,809,233	114,923,867	(101,255)	499,631,845	1,776,708,090	

12(a) During the year, company has spent ` 5,81,47,785 for dry dock of M.V. OEL. Shreyas. Major improvements relating to deck steel ` 2,60,35,572 has been capitalised and balance is charged of to Statement of profit & loss

12(b) Deduction/adjustments from gross block and depreciation / amortisation for the year includes:

	Gross Block		Accumulated Depreciation/Amortisation	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Disposal of assets	(3,166,627)	(79,361)	(1,372,205)	(101,255)
Retirement of assets	14,350	-	110	-
Cost adjustments representing exchange differences	82,758,818	(5,295,831)	2,810,015	(85,275)
Others				
	<u>79,606,541</u>	<u>(5,375,192)</u>	<u>1,437,920</u>	<u>(186,530)</u>

(13) Non-current Investments

(AMOUNT IN `)

(A) LONG TERM INVESTMENTS (AT COST)	AS AT 31.03.2012	AS AT 31.03.2011
TRADE - UNQUOTED-FULLY PAID	150,000	150,000
TOTAL	150,000	150,000

(B) CURRENT NON TRADE INVESTMENT- (UNQUOTED)	AS AT 31.03.2012	AS AT 31.03.2011
MUTUAL FUNDS INVESTMENTS (AT LOWER OF COST OR NET ASSET VALUE)	111,800,016	50,838,764
TOTAL	111,800,016	50,838,764

(14) Other non-current assets

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Gratuity Fund with Life Insurance Corporation	-	892,231
Advance Income Tax [Net of provision of ` 3,71,22,505/- (March 31, 2011: ` 8,10,46,600/-)]	35,716,410	63,133,888
Deposits	3,631,206	3,398,962
Unamortised Loan Processing charges*	2,849,401	3,567,124
Minumum Alternate Tax credit Entitlements	16,349,782	17,410,444
Advance	643,978	-
TOTAL	59,190,777	88,402,649

(15) Inventories

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
(At lower of Cost or Net Realisable Value)		
a) Lube Oils and Fuel Oil *	49,153,607	47,252,695
b) Victualling Stock*	811,417	696,659
c) Inventory for Dry Dock*	9,060,067	-
*(As valued and certified by the Management)		
TOTAL	59,025,091	47,949,354

(16) Trade receivables

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
a) Debts outstanding for a period exceeding six months:		
Considered Good	2,597,378	1,639,363
Considered doubtful	599,481	1,754,184
Other Debts		
Considered Good	341,597,702	182,355,320
Considered doubtful	-	-
Total	344,794,561	185,748,867
Less: Provision for doubtful debts	599,481	2,260,996
TOTAL	344,195,080	183,487,871

(17) Cash and cash equivalents

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
a) Cash and Cash Equivalents		
i) Cash on Hand	1,952,257	705,278
ii) With Scheduled Banks		
in Current Accounts	106,383,226	16,664,280
in Fund in Transit	-	300,000
in deposits with original maturity of less than three months	35,858,323	20,166,981
	144,193,806	37,836,539
b) Other bank balances - Available for payment of dividend:		
in Unclaimed Dividend Accounts	2,998,981	3,513,592
in Margin Money Deposits*	2,773,145	300,000
TOTAL	149,965,932	41,650,131

(*Pledged with Bank as Margin for Guarantees issued)

(18) Short-term loans and advances

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Loans and advances to related parties	4,959,287	2,178,208
Unsecured considered good, unless otherwise stated		
Considered good	30,264,264	68,194,936
Considered doubtful	766,769	4,610,804
	31,031,033	72,805,740
Less: Provision for Doubtful Advances	766,769	4,610,804
	30,264,264	68,194,936
Other Loans & Advances		
Others	12,628,111	27,405,523
TOTAL	47,851,662	97,778,667

(19) Other Current assets

(AMOUNT IN `)

Particulars	As at 31 st March 2012	As at 31 st March 2011
Claims Receivable	1,907,938	4,488,694
Interest accrued and not due on fixed deposits with banks	20,389	16,346
Prepaid Expenses	14,692,789	8,908,963
Income accrued*	20,478,401	3,930,798
Unfinished Voyages Expenses**	7,925,922	9,455,033
Unamortised Loan Processing charges***	717,723	786,486
Gratuity Fund with Life Insurance Corporation	658,051	1,181,522
TOTAL	46,401,213	28,767,842

* Income accrued relates to completed legs as at the balance sheet date but billed in subsequent period (Also refer Note 2(d)(ii))

** Expense relates to expenses of unfinished legs as at the balance sheet date (Also refer Note 2(d)(iii))

*** Loan processing charges which is getting amortised over the tenure of the loan.

(20) Revenue from Operations

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Freight Income	849,845,857	562,183,998
Charterhire Income	-	55,764,205
Non Liner Income	2,845,296	380,249
Domestic Service Income	1,217,892,791	1,012,283,492
Regional Freight Income	123,848,027	106,407,721
Express Cargo Income	-	-
Road Transport Income	-	-
Trailor Income	301,413,708	7,497,400
Freight Forwarding Income	136,085,404	142,304,027
Warehouse Income	1,932,793	87,255
Air Domestic Income	460,849	-
Rail Domestic Income	73,426,208	16,965,191
TOTAL	2,707,750,933	1,903,873,538

(21) Other Income

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Dividend from Mutual Fund Investment (Current - Non Trade)	4,210,589	3,129,829
Interest received on Deposits with Banks	174,825	929,878
Interest on Income Tax Refund	2,488,871	5,784,759
Profit on Sale of Mutual Fund Investments (Long Term)	-	2,200,000
Profit on sale of Asset	175,499	-
Liabilities for expenses no longer required written back	103,151	10,303,338
Other Income	2,046,733	3,344,063
Exchange Difference	6,126,292	(3,877,450)
TOTAL	15,325,960	21,814,417

(22) Operation cost

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Ocean Freight Charges	38,258,608	3,859,678
Port and Marine Dues	233,472,461	164,114,557
Stores and Spares Consumed	71,575,326	68,140,276
Crew Victualling	9,531,189	8,579,839
Repairs and Maintenance to Fleet	21,915,868	25,668,241
Insurance and Protection Club fee	28,547,503	29,006,403
Vessel Management and Agency Fees	40,450,951	43,491,522
Brokerage / Commission	1,303,588	1,728,886
Rates & Taxes	917,617	214,401
Dry Dock Expenses	32,112,214	15,726,086
Sundry Expenses	7,941,457	7,219,893
Terminal Handling Charges Domestic	205,699,655	183,537,908
Transportation Expenses	110,421,325	116,919,813
Other Domestic Expenses	32,413,228	24,050,320
Terminal Handling Charges Liner	49,002,633	41,301,568
Other Liner Expenses	2,088,875	1,249,715
Godown Rent	2,235,120	582,129
Container Lease Rent	38,500,530	22,554,524
Other Operating Expenses	-	-
Trailor Expenses	292,545,987	6,758,955
Air domestic Expenses	379,645	-
Rake Expenses	65,274,603	-
Freight Forwarding Expenses	118,864,871	126,954,139
TOTAL	1,403,453,254	891,658,853

23) Fuel cost

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Inventory at the beginning of the year	47,252,695	30,067,943
Add: Purchases	760,182,022	492,540,421
Less: inventory at the end of the year	49,153,607	47,252,695
Cost of raw material and components consumed	758,281,110	475,355,669

23a) Details of material consumed

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
i) Fuel Oil		
Fuel oil consumption	558,540,831	319,009,719
Gas oil consumption	147,160,172	104,938,661
ii) Lube Oil		
Lube Oil consumption	48,247,626	46,440,494
Fresh water	4,332,481	4,966,795
Total	758,281,110	475,355,669

23b) Details of Inventory

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
i) Fuel Oil		
Bunker Stock Fuel oil	29,173,655	25,094,995
Bunker Stock Gas oil	10,671,174	9,533,382
ii) Lube Oil		
Bunker Stock Lube oil	9,308,778	12,624,318
TOTAL	49,153,607	47,252,695

24) Employee Benefit Expenses

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Floating staff		
Salaries, Wages & Other Allowances for Floating Staff	140,668,913	123,544,634
Contribution to Provident Fund for Floating Staff	2,046,395	1,652,805
Staff Welfare for Floating Staff	720,447	660,566
Shore Staff		
Salaries and Bonus	75,561,819	53,230,153
Contribution to Provident Fund and Gratuity	7,386,689	2,844,719
Staff Welfare	8,973,833	5,463,042
TOTAL	235,358,096	187,395,919

25) Finance Cost

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
a) Interest Expense		
i) Fixed Period Loans	45,076,184	42,599,688
ii) Working Capital Loans	8,842,298	9,841,598
iii) Other	46,244	371,485
b) Loan Processing Charges *	786,486	38,680
c) Preclosure charges for Fixed Loan from Banks	-	7,201,226
d) Premium on forward Contracts	-	7,524,874
TOTAL	54,751,212	67,577,551

* Loan Processing Charges represents amortised portion relatable to respective year.

26) Other expenses

(AMOUNT IN `)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Bad debts written off	4,322,162	599,432
Less: Charged to provision for doubtful debts	3,907,933	462,637
Total	414,229	136,795
Payment to auditor (refer details below)	3,228,054	3,131,139
Provision for Doubtful Debts	-	707,369
Communication Expenses	3,817,754	3,114,288
Travelling and Conveyance	7,884,479	4,505,136
Advertisement and Business Promotion	2,260,345	885,878
Vehicle Lease rent (Refer Note No. 37)	3,230,333	2,617,411
Professional & Consultancy Fees	14,453,163	5,939,020
Loss on Sale / Restatement of Current Non-trade Investments	-	973,412
Loss on Sale / Discard of Assets	716,877	12,911
Insurance Expenses	1,349,784	1,201,320
Rent	7,136,770	4,580,779
Rates & Taxes	2,730,753	94,586
Repairs and Maintenance- other assets.	4,733,557	3,026,136
Gifts & Presents	10,350	163,172
Donations	251,300	55,000
Director's Sitting fees	853,500	666,500
Other Expenses	15,557,773	9,375,928
Exchange Rate Variation (Net)	-	-
TOTAL	68,629,021	41,186,780

26a) Payment to Auditor

(AMOUNT IN RUPEES)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
i) As Auditors (including Service Tax)	2,135,355	2,098,275
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	417,810	411,050
b) Fees for Certification	470,230	357,979
iii) Reimbursement of expenses	204,659	263,835
TOTAL	3,228,054	3,131,139

27 Basis of Consolidation

- (a) The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.
- (b) The financial statements of the Subsidiary Companies in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.
- (c) The consolidated financial statements have been prepared in accordance with the Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and generally accepted accounting principles.
- (d) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

- i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intragroup balances, intra-group transactions, unrealised profits or losses and minority interest have been separately disclosed.
- ii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to the accounts.

Name of the Company	No. of Equity shares held by Shreyas Shipping & Logistics Limited.		Holding %	
	2011-12	2010-11	2011-12	2010-11
Shreyas Relay Systems Ltd. -SRSL	2,500,000	2,500,000	100	100
Haytrans (India) Ltd. - HIL	-	10,450	-	51.1

Name of the Company	No. of Equity shares held by Shreyas Relay Systems Ltd.		Holding %	
	2011-12	2010-11	2011-12	2010-11
Haytrans (India) Ltd. - HIL	10,450	-	51.1	-

29 (A) Gratuity Benefits

- (a) Description of the Gratuity Plan:

The Company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees.

- (b) Amount recognized in the Balance Sheet and movements in net liability:

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Present Value of Funded Obligations	11,639,784	8,391,999
Fair Value of Plan Assets	(11,137,316)	(10,637,368)
Amount not Recognized as an Asset (limit in Para 59(b))	11,187	171,616
Net Liability / (Asset) recognized in the Balance Sheet	513,655	(2,073,753)

Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation This is available for future adjustment and considered recoverable.

The fair value of the plan assets does not include the Company's own financial instruments

The above figures do not include that of subsidiary, HIL in the absense of detailed disclosures in the standalone accounts. HIL has a provision of ` 197,940 (previous year ` 197,940) towards gratuity.

The net liability is grouped under " Other Current Liabilities".

(c) Expenses recognized in the Statement of Profit & Loss

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Current Service Cost	812,018	753,932
Interest on Defined Benefit Obligation	711,116	613,320
Expected Return on Plan Assets	(788,781)	(694,788)
Net Actuarial Losses/ (Gains) Recognized in the year	2,872,898	(19,601)
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	(160,429)	(8,011)
TOTAL	3,446,822	644,852

*The Actual Return on Plan Assets is ` - 2,22,897 (Previous Year ` 6,14,911).

(d) Reconciliation of Benefit Obligation & Plan assets for the Period

Change in Defined Benefit Obligation

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Opening Defined Benefit Obligation	8,391,999	7,264,706
Current Service Cost	812,018	753,932
Interest Cost	711,116	613,320
Actuarial Losses / (Gain)	1,861,220	(99,478)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / (Settled on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(136,569)	(140,481)
Closing Defined Benefit Obligation	11,639,784	8,391,999

Change in Fair Value of Assets

(AMOUNT IN `)

Opening Fair Value of Plan Assets	10,637,368	9,365,978
Expected Return on Plan Assets	788,781	694,788
Actuarial Gain / (Losses)	(1,011,678)	(79,877)
Assets Distributed on Settlements	-	-
Contributions by Employer	-	796,960
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	722,845	(140,481)
Sub Total	11,137,316	10,637,368
Amount no recognized as per asset (Limit para 59(b))	-	-
Closing Fair Value of Plan Assets	11,137,316	10,637,368
Expected Employer's Contribution Next Year	1,400,000	500,000

(e) Actuarial Assumptions at the Valuation date

Particulars	2011-2012 - SLL	2011-2012- SRSL	2010-2011
Discount Rate	8.05% p.a	8.60% p.a	8.05% p.a
Expected Rate of Return on Plan Assets*	8.05% p.a	7.50% p.a	7.50% p.a
Salary Escalation Rate	7.00& p.a.	7.00& p.a.	10.00% for the first 1 year & 7% thereafter

This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Descriptions of the Plan Assets

Category of Assets	2011-2012	2010-2011
Government of India Securities	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
Insurer Managed Funds	100%	100%
Others	-	-
TOTAL	100%	100%

(g) Experience Adjustments

(AMOUNT IN `)

Particulars	2011-2012	2010-2011	2009-2010
Defined Benefit Obligation	11,639,784	8,391,999	7,264,706
Plan Assets	11,137,316	10,637,368	9,365,978
Surplus / (Deficit)	(502,468)	2,245,369	2,101,272
Exp. Adj. on Plan Liabilities	2,365,444	(70,106)	(13,294)
Exp. Adj. on Plan Assets	(1,011,678)	(79,877)	38,059

(B) Compensated Absences for Employees

The Company permits encashment of privileged leave accumulated by their employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2011-2012 - SLL	2011-2012- SRSL	2010-2011
Discount Rate	8.05% p.a	8.60% p.a	8.05% p.a
Salary Escalation Rate	7.00% p.a.	7.00% p.a.	10.00% for the first 1 year & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Opening balance of present value of Compensated Absences { after adjustment of Opening Valuation} (X)	6,093,303	5,941,762
Closing balance of present value of Compensated Absences (Y) (Current Liability ` 20,80,153 and Non-current Liability ` 67,10,232)	8,790,385	6,093,303
Movement in Net Liability (X-Y)	(2,697,082)	(151,541)

The above figures does not include that of subsidiary, HIL, in the absence of detailed disclosures in the standalone accounts. HIL has a provision of ` 6,61,508 (previous year ` 5,58,754) towards leave encashment.

(c) Payments made under defined contribution scheme.

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Contribution to Provident Fund		
Crew & Offshore Staff for floating Staff.	2,046,395	1,652,805
Contribution to Provident Fund for shore Staff	3,033,105	2,479,793

The above figures does not include that of subsidiary, HIL, in the absence of detailed disclosures in the standalone accounts.

30. Presentation of Minimum Alternative Tax (MAT) credit as prescribed by ICAI Guidance Note on " Accounting for credit available in respect of Minimum Alternative Tax under Income -tax Act,1961 is as under

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Current Tax *	8,106,567	11,099,272
Less : MAT Credit Entitlement availed	-	8,762,846
Net Current Tax	8,106,567	2,336,426

* Current Tax calculated as per Normal Provision of Income Tax Act, 1961.

The asset "Minimum Alternative Tax" is disclosed under " Other non-current assets"

31. Dividend remitted in Foreign Currency

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Dividend (Gross)	7,410,990	6,175,825
Number of Non-resident shareholders	1	1
Number of Shares held	12,351,650	12,351,650
Type	Final	Interim
For the year	2010-2011	2010-2011

32. Company has no derivatives. Foreign Currency exposures not hedged by derivative instrument or otherwise: .

Particulars	Currencies	Year ended 31 st March 2012	Year ended 31 st March 2011
a) Receivables	USD	1,661,201	946,111
	SGD	20,380	-
b) Payables	DHS	2,250	35,209
	EURO	113,211	97,288
	SING	5,302	-
	CHF	-	3,360
	POUND	-	71,352
	TKA	54,050	310,798
	USD	377,353	498,296
	YEN	1,289,145	1,774,045
	CMB	945,558	2,491,134
	PKR	3,290,421	371,230
c) FCNR Loan taken from Bank	USD	12,091,890	12,779,460
d) Cash and Bank Balances	USD	1,265,680	581,929
e) Balances with collection agents	USD	67,037	-
	SLR	1,055,247	3,348,911

33. MANAGERIAL REMUNERATION*
(Included under Salary, Wages and Allowances-Note - 23)

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
I) TO MANAGING DIRECTOR		
a) Remuneration	6,240,000	5,940,000
b) Contribution to Provident Fund	604,800	576,000
c) Leave Travel Allowance	500,000	368,800
	7,344,800	6,884,800
II) TO EXECUTIVE DIRECTOR		
a) Remuneration	3,696,000	-
b) Contribution to Provident Fund	-	-
c) Leave Travel Allowance	-	-
	3,696,000	-

- a) The remuneration does not include the provision made for gratuity and leave encashment, as they are determined on an actuarial basis for company as a whole.
- b) During the year, remuneration to Managing Director exceeds the maximum permissible limits prescribed in Section 269 and schedule XIII to the Companies Act, 1956. The Company is in the process of getting Central Government approval.

34. Capital and other Commitments

Particulars	As at 31.03.2012	As at 31.03.2011
Estimated amount of Contracts remaining to be executed on Capital Account and others not provided for.	5,937,955	-

35. Contingent Liabilities

Particulars	As at 31.03.2012	As at 31.03.2011
a) Claims against the Company not acknowledged as debts.	NIL	NIL
b) Corporate guarantee given on behalf of Subsidiary company (including interest)	121,194,262	10,221,200
c) Investments of Company given as security for overdraft facility availed by subsidiary.	NIL	NIL
d) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company).	30,597,784	30,597,784
e) Bank Guarantees issued to Customers/vendors.	5,323,145	2,275,000

36. Segment Reporting

- a) The Company operates in three business segments viz. Shipping, Logistics and Freight forwarding. Shipping comprises Charter hire and Logistics includes Feeder, Domestic and Liner business. Freight Forwarding includes sea and air service of HIL.

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Revenue by Segment		
Shipping	-	55,764,205
Logistics (Shipping part)	3,416,154,129	2,321,927,765
Freight Forwarding	136,095,154	142,314,107
Others	2,845,296	17,345,441
Total Revenue	3,555,094,578	2,537,351,518
Less : Intersegment Revenue	847,343,645	633,477,999
	2,707,750,933	1,903,873,518

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Segment Results		
Shipping	-	(76,950,632)
Logistics (Shipping part)	100,317,259	304,466,457
Freight Forwarding	3,111,270	4,078,228
Others	3,561,629	17,202,525
Total	106,990,158	248,796,578
Add: Other Income	15,325,959	21,814,417
Less: i) Interest & Finance Charges	54,751,212	67,538,870
ii) Unallocated Expenditure	-	55,482,806
Profit before Tax , Prior Period, Exceptional & Extra Ordinary items	67,564,905	147,589,319
Segment Depreciation		
Shipping	-	26,952,180
Logistics (Shipping part)	134,450,165	86,322,836
Freight Forwarding	244,642	154,801
Unallocated	344,488	1,494,049

b) Geographical Segment (Based on primary location of customers)

(AMOUNT IN `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
In India	2,926,836,456	2,269,391,859
In Pakistan	33,319,518	24,082,000
Rest of World	594,938,604	243,877,659
TOTAL REVENUE	3,555,094,578	2,537,351,518

c) 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 during the year.

37 Accounting for Lease

- a) The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of ` 28,26,333/- (` 21,63,277/-) is charged to the statement of Profit and Loss.
- b) The Company has taken Containers on Cancelable Operating Lease and the lease rental of ` 38,500,530/- (P.Y ` 22,554,524/-) is charged to the statement of Profit and Loss.

38 Working for Earnings per share

(AMOUNT IN `)

Particulars		Year ended 31 st March 2012	Year ended 31 st March 2011
Profit/(Loss) after Tax		56,283,664	127,768,928
Add/(Less) : Preference Dividend (including Dividend Distribution Tax)		10,622,054	10,646,744
Adjusted net profit for the year	A	45,661,610	117,122,184
Weighted average number of Equity shares outstanding	B	21,957,533	21,957,533
Nominal value Per Share	C	` 10	` 10
Earnings Per Share (Basic & Diluted)	A/B	2.08	5.33

RELATED PARTY TRANSACTIONS (as on 31.03.2012)

Annexure-1
(Amount in ` '000)

TRANSACTION	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL UPTO 31.03.2012	TOTAL UPTO 31.03.2011
Service / freight income								
Balaji Shipping (UK) Ltd.	-	-	1,773	-	-	-	1,773	6,886
Orient Exp.Line Singapore	-	-	-	-	-	-	-	-
Orient Express Lines Ltd., Mauritius	-	-	645	-	-	-	645	-
Orient Exp.Lines, Lanka	-	-	5,256	-	-	-	5,256	-
Clarion Solutions Pvt Ltd	-	-	-	110,364	-	-	110,364	138,598
Albatross Shipping Ltd	-	-	-	-	-	-	-	-
Service / Air freight / thc / Sea Freight Received								
Transworld Free Zone	-	-	-	1,472	-	-	1,472	-
Transworld Logisitics Ltd.	-	-	-	188	-	-	188	-
Transworld Shipping & Logistics Ltd	-	-	-	775	-	-	775	-
Albatross Shipping Ltd	-	-	-	260	-	-	260	141
Trailor Income	-	-	-	-	-	-	-	-
Admec Logistics Ltd	-	-	-	1,822	-	-	1,822	2,970
Clarion Solutions Pvt. Ltd	-	-	-	24,442	-	-	24,442	1,347
Relay Shipping Agency Ltd	-	-	-	270	-	-	270	-
Albatross Shipping Ltd	-	-	-	55	-	-	55	-
Other domestic income								
Clarion Solutions Pvt. Ltd	-	-	-	9,795	-	-	9,795	6,445
Relay Shipping Agency Ltd	-	-	-	306	-	-	306	131
Purchase of Fixed Asset								
Admec Logistics Ltd	-	-	-	5	-	-	5	-
Balaji Shipping Lines FZCO	-	-	-	248	-	-	248	-
Haytrans (India) Ltd	-	-	-	-	-	-	-	-
Relay Shipping Agency Ltd	-	-	-	-	-	-	-	48
Sale of Asset								
Relay Shipping Agency Ltd	-	-	-	-	-	-	-	5
Service / Air freight / thc / Sea Freight Paid								
Transworld Free Zone	-	-	-	25	-	-	25	-
Transworld Logisitics Ltd.	-	-	-	43	-	-	43	-
Transworld Shipping & Logistics Ltd	-	-	-	545	-	-	545	-
Albatross Shipping Ltd	-	-	-	573	-	-	573	-
Ocean Sea freight charges								
Orient Express Lines Ltd., Mauritius	-	-	10,791	-	-	-	10,791	1,634
Orient Express Lines Ltd -Singapore	-	-	-	-	-	-	-	-
Vessel management fees paid								
Orient Express Ship Management Ltd.	-	-	-	19,854	-	-	19,854	19,854
Trailor Expenses (Management fee)								
Admec Logistics Ltd	-	-	-	933	-	-	933	3,232
Clarion Solutions Pvt. Ltd	-	-	-	-	-	-	-	1,455
Vehicle Lease Rent paid								
Mrs. Savita Kshirsagar	-	-	-	-	-	-	-	-
Dividend on preference sharespaid to related parties								
Transworld Shipping and Logistics Ltd.	-	-	-	3,758	-	-	3,758	7,694
Crescent Shipping Agency (India) Ltd.	-	-	-	3,758	-	-	3,758	7,694

RELATED PARTY TRANSACTIONS (as on 31.03.2012)

 Annexure-1
 (Amount in ` '000)

TRANSACTION	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL UPTO 31.03.2012	TOTAL UPTO 31.03.2011
Agency Fees paid								
Relay Shipping Agency Ltd.	-	-	-	13,440	-	-	13,440	20,437
Lanka Orient Express line	-	-	-	3,370	-	-	3,370	211
NLS Agency (India) Pvt Ltd	-	-	-	345	-	-	345	
Albatross Shipping Ltd	-	-	-	4	-	-	4	
Clarion solutions Pvt. Ltd	-	-	-	892	-	-	892	1,112
Clarion Shipping Ltd - Colombo	-	-	-	697	-	-	697	34
Transworld Logisitcs Ltd	-	-	-	-	-	-	-	16
Seabridge Shipping LLC	-	-	-	-	-	-	-	-
Commission paid								
Transworld Logistics Ltd.	-	-	-	541	-	-	541	749
Documentation Charges Received								
Clarion Solution Pvt Ltd	-	-	-	-	-	-	-	4,433
Container Lease Rental Received								
Albatross Shipping Ltd	-	-	-	-	-	-	-	195
Transworld Logistics Ltd	-	-	-	-	-	-	-	370
Rent paid								
Sivaswamy Holdings Pvt. Ltd.	-	-	-	5,612	-	-	5,612	3,630
Transworld Shipping & Logistics Ltd	-	-	-	239	-	-	239	290
Managerial Remuneration paid								
Mr. S. Ramakrishnan	-	-	-	-	7,345	-	7,345	6,885
Mr. V. Ramnarayan	-	-	-	-	3,696	-	3,696	
Mr. Vinay Kshirsagar	-	-	-	-	4,208	-	4,208	4,143
Container charges paid								
Admec Logistics Ltd	-	-	-	5,489	-	-	5,489	4,905
Stores, Spares								
ADMEC Logistics Ltd.	-	-	-	8,899	-	-	8,899	10,252
Haytrans (India) Ltd.	-	-	-	-	-	-	-	-
Container lease rent paid								
Balaji Shipping Lines FZCO	-	-	354	-	-	-	354	4,354
Relay Shipping Agency Ltd	-	-	-	16	-	-	16	273
Transportation charges paid								
Admec Logistics Ltd	-	-	-	11,316	-	-	11,316	2,310
Clarion Solutions Pvt. Ltd	-	-	-	2,440	-	-	2,440	820
Allotment of 9.5% Non-Convertible Cumulative Redeemable Preference shares of ` 100 each								
Transworld Shipping and Logistics Ltd.	-	-	-	50,000	-	-	50,000	-
Crescent Shipping Agency (India) Ltd.	-	-	-	50,000	-	-	50,000	-
Donation Paid								
Sivaswamy Menorial Charitable Trust	-	-	-	200	-	-	200	50
Redemption of 9.5% Non-Convertible Cumulative Redeemable Preference shares of ` 100 each								
Transworld Shipping and Logistics Ltd.	-	-	-	40,000	-	-	40,000	40,000
Crescent Shipping Agency (India) Ltd.	-	-	-	40,000	-	-	40,000	40,000

RELATED PARTY TRANSACTIONS (as on 31.03.2012)

Annexure-1

(Amount in ` '000)

TRANSACTION	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL UPTO 31.03.2012	TOTAL UPTO 31.03.2011
Dividend Paid on Equity Shares								
Transworld Holdings Ltd.	7,411	-	-	-	-	-	7,411	6,176
Mr. S. Ramakrishnan	-	-	-	-	-	66	66	55
Mrs. Geeta Ramakrishnan	-	-	-	-	-	65	65	54
Mr. Ritesh Ramakrishnan	-	-	-	-	-	101	101	84
Ms. Anisha Ramakrishnan	-	-	-	-	-	700	700	488
Mrs. Valli Sivaswamy	-	-	-	-	-	-	-	192
Mrs. Mala Mahesh	-	-	-	-	-	65	65	54
Mr. Murli Mahesh	-	-	-	-	-	101	101	84
Ms. Mithila Mahesh	-	-	-	-	-	700	700	488
Mr. S. Mahesh	-	-	-	-	-	67	67	56
Mr. V. Ramnarayan	-	-	-	-	-	66	66	55
Mrs. Brinda Ramnarayan	-	-	-	-	-	65	65	54
Mr. Rajan Ramnarayan	-	-	-	-	-	85	85	70
Mr. Rajiv Ramnarayan	-	-	-	-	-	82	82	68

Outstanding balances pertaining to related parties as at 31st Mar, 2012 (In ` '000)

Nature of balance	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL UPTO 31.03.2012	TOTAL UPTO 31.03.2011
Debit balance due to company	-	-	90.89	23,260	-	-	23,351	56,692
Loan to Subsidiary Company	-	-	-	-	-	-	-	-
Credit balance due from company	-	-	1,007.04	5,245	-	-	6,252	7,474

NOTE:1) Figure have been adjusted for exchange rate variations

2) Reimbursement of expenses incurred by/to Group Companies is not included here.

* Names of related parties

Nature of relationship	Name of the related party
Holding company	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31 st March 2012)
Fellow subsidiaries	Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Balaji Shipping Lines FZCO Sea Bridge Shipping L.L.C
Subsidiary Company	Shreyas Relay Systems Ltd Haytrans (India) Ltd.
Other related parties	Orient Express Ship Management Ltd. Sivaswamy Holdings Pvt. Ltd. Lanka Orient Express Lines Ltd. Colombo ADMEC Logistics Ltd. Relay Shipping Agency Ltd. Transworld Logistics Ltd. NLS Agency (India) Pvt Ltd Transworld Shipping & Logistics Ltd. Clarion Solutions Pvt. Ltd Crescent Shipping Agency (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr.V.Ramnarayan Mr Vinay Kshirsagar
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Mr. Murli Mahesh Ms. Mithila Mahesh Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar

Directors' Report

Your Directors are pleased to present the Nineteenth Annual Report and the Audited Accounts for the financial year ended 31st March 2012.

1) FINANCIAL PERFORMANCE

(Amount in `)

	Current Year ended 31.03.2012	Previous Year ended 31.03.2011
Operating Income	1,720,142,376	1,126,275,868
Other Income	1,730,513	6,832,524
Profit before Interest, Depreciation and Tax	68,239,432	74,292,445
Less: Interest	15,306,521	4,464,745
Depreciation	18,800,890	9,358,227
Profit Before Tax	34,132,021	60,469,473
Less: Provision for Tax		
Current	8,106,567	11,099,272
Deferred	4,108,822	15,159,266
Prior Year	-	-
Minimum Alternate Tax Credit		(8,762,846)
Profit / (Loss) After Tax	21,916,632	42,973,780

2) DIVIDEND

During the year, your company paid the interim dividend of 11% on Preference Shares on pro-rata basis in lieu of the redemption of 10,00,000 11% Non-Convertible, Cumulative, Redeemable Preference Share of ` 100/- each at its meeting held on 27th March, 2012. Your Company recommends the final dividend to new preference shareholders on pro-rata basis @ 9.50% p.a.

No dividend is proposed on equity shares.

The total outflow on account of dividend and dividend tax thereon amounts to ` 12,765,422/-. The breakup of dividend paid as under:

	Redeemed Preference Share Dividend	New Preference Share Dividend
Dividend	10,879,781	103,825
Tax	1,764,973	16,843
Total	12,644,754	120,668

3) REVIEW OF OPERATIONS

During the year, your Company has reached in turnover of ` 1,720,142,377/- as compared to last years turnover of ` 1,133,108,391/- which shows around 51% growth in turnover. Your Company has made a profit of ` 21,916,632/- in the current financial year.

During the year, your Company has extended its presence PAN India basis and brought around 17 branches in operation during the year which would give the Company an opportunity to cater customer needs on an extensive basis in future.

The table shows the contribution of verticals during the year:

(` in Lakhs)

Particulars	Gross Revenue	Operating Expense	Operating Profit
Domestic Division	12,202.86	11,019.43	1,183.43
Liner Division	1,238.48	1,075.13	163.35
Road Transport Division	3,025.82	2,900.11	125.70
Rail Transport Division	734.26	678.09	56.17
Total	17,201.42	15,672.77	1,528.65

The management of your Company is dedicated and committed to give rise to the current figures as so that your Company can create benchmark growth in the Industry among the existing competitors.

4) FIXED DEPOSITS

Your Company has not accepted fixed deposits from the public during the year under review.

5) CAPITAL

Your Company has redeemed the 11% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each at par by paying off Shreyas Shipping & Logistics Limited by way of fresh issue of 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each to Crescent Shipping Agency (India) Limited and Transworld Shipping & Logistics Limited at par.

The above transactions have not affected the Authorised Capital and Paid up Capital of the Company.

6) HOLDING COMPANY

Your Company continues to be a subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 4(1)(b) of the Companies Act, 1956.

7) SUBSIDIARY COMPANY

Your Company has acquired 51% stake in Haytrans (India) Limited from Shreyas Shipping & Logistics Limited. Therefore, pursuant to Section 4(1)(b) of the Companies Act, 1956 Haytrans (India) Limited has become the subsidiary of the Company.

As required under Section 212 of the Companies Act, 1956, the audited statements of account, along with the Report of Board of Directors relating to Haytrans (India) Limited together with respective Auditors' Report for the year ended is annexed.

8) CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

9) DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. S. Mahesh and Mr. D.T. Joseph retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re- appointment.

Mr. Anand Krishnan was appointed as Additional Director with effect from 16th September, 2011 to hold office till the conclusion of the forthcoming Annual General Meeting of the Company. The Company has received notice under section 257 of the Companies Act, 1956 from member proposing their appointment as a Director of the Company and the same has been recommended by the Board to members.

Brief Profile of Mr. Anand Krishnan

Mr. Anand S. Krishnan is a Global Executive par excellence with over 30 years of Corporate experience. Mr. Krishnan has lived in the United States, Latin America, Singapore and Hong Kong over this period. He added Dubai to his Global experience with being named the CFO in 2006, COO in 2007 and CEO in 2009 of Dubai International Capital (DIC), a prestigious private equity firm in the U.A.E.

Prior to his arrival in Dubai in 2006, Mr. Krishnan held the position of Managing Director at JPMorgan Chase New York, where he spent a total of 19 years in various senior positions. He was also on the Boards of Chase Manhattan South East Asia Limited (Singapore) and Chase Manhattan Asia Limited (Hong Kong).

His varied experience includes M&A Advisory, Investment decisions, Corporate Strategy, Implementation of an Institutional Governance model, Restructuring and Portfolio Management.

Mr. Krishnan recently retired from DIC and currently he is the

Executive Chairman of FidelisWorld FZ-LLC based in Dubai.

10) HUMAN RESOURCE MANAGEMENT

Your Company believes in the contribution of each individual and thereby in building a team that works in cohesion. Acquiring, developing and enhancing its human potential is a continuous process. All the HR processes are competency based - attracting talent, developing human capital and performance management systems.

Your Company has human capital with a diverse pool of knowledge and experience of experts from all business verticals. The Company encourages entrepreneurial skills thus, enabling and empowering employees to take appropriate decisions. The Company offers critical and challenging roles in a wide range of business segments. Its talent management and performance management systems are geared to create a pipeline of potential leaders.

Today the Company is growing at a rapid pace, by developing a structure, systems and a workplace culture that provides challenging opportunities, performance rewards and delivers opportunities continuously, the company is striving to get the best out of its most valuable asset - its people.

11) INFORMATION TECHNOLOGY

Your Company has initiated the process of streamlining the process of movement of cargo with the help of software application named as APOLLO. This application provides the facility to track the movement of vehicles/cargo. Documentation process has been simplified by introduction of this application. It generates the documents like lorry receipt, invoices etc for all business verticals.

12) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO

Under the Notification No. GSR 1029 dated 31st December 1988, Companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This however does not apply to your Company, as the industry in which the Company operates is not included in the Schedule to the relevant rules.

With regard to foreign exchange earnings and outgo, the position is as under:

		in Lacs (2011-12)
(i)	Foreign exchange earnings (on accrual basis)	43,002,934/-
(ii)	Foreign exchange outgo including operating and other expenditure, repayment of containers loan in foreign currency (on accrual basis)	38,466,000/-

13) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2012;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended on 31st March, 2012;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a 'going concern' basis'.

14) AUDITORS

M/s PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and offer themselves for reappointment. A certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

15) COST AUDIT

The Central Government has not recommended cost audit of the Company during the year under consideration.

16) PARTICULARS OF EMPLOYEES

For the financial year 2011-12 none of the employee's salary exceeded ` 60 Lacs p.a. or ` 5 Lacs p.m.

17) ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation and acknowledge with gratitude, the support and co-operation that Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Corporate Affairs, the Directorate General of Shipping, the Mercantile Marine Department, the Reserve Bank of India, the Central Board of Excise and Customs, Ministry of Railways, Ministry of Surface Transport, Regional Transport Offices, IT service providers and other government agencies.

Your Directors thank the Company's clients, vendors, bankers and the employees and look forward to their continued support.

18) CAUTIONARY STATEMENT

Statements in the Directors' Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 30th May, 2012

S. Ramakrishnan
Chairman



Auditors' Report

To,

The Members of Shreyas Relay Systems Limited
Mumbai

1. We have audited the attached Balance Sheet of Shreyas Relay Systems Ltd. as at 31st March 2012, the Statement of Profit and Loss and also the Statement of Cash Flow for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- (iii) The Balance Sheet, Statement of Profit and Loss and Statement of Cash Flow dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Statement of Cash Flow dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (b) In case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - (c) In the case of the Statement of Cash Flow, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam
Chartered Accountants
Firm No 003990S

Place: Mumbai
Date: 30th May 2012

S. Narasimhan
Partner
M. No. 206047

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date.)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) A substantial part of fixed assets have not been disposed off during the year;
- (ii) The Company has no inventories;
- (iii) (a) The Company has not given any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act;
- (b) Except for the interest free unsecured loan of ₹ 5.25 crores taken from Shreyas Shipping and Logistics Limited, the holding company in previous year, which has been repaid during the year, the Company has not taken any loans, secured or unsecured from companies, firm or other parties covered in the register maintained under section 301 of the Act. In our opinion, the terms loan are not prejudicial to the interest of the Company;
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and
- (b) In respect of transactions exceeding the value of ₹ Five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, wherever applicable;
- (vi) The Company has not accepted deposits from the public;
- (vii) The Company has an internal audit system commensurate with its size and nature of its business
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act;
- (ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable;
- (b) There are no dues of Income tax/ Wealth tax/Service tax/custom duty/Cess that have not been deposited on account of any dispute;
- (x) The company does not have any accumulated losses at the end of the year. The Company has not incurred cash loss during the year and the preceding financial year;
- (xi) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders;
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xiii) As the Company is not a Nidhi/Mutual benefit fund/Society, the provisions of special statute applicable to chit fund, is not applicable to this Company;
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments;
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions;
- (xvi) The term loans taken from the Bank were applied for the purpose for which they were obtained;
- (xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment;
- (xviii) During the year, the Company has made preferential allotment of preference shares to companies covered in the Register maintained under Section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company;
- (xix) The Company has not issued any debentures;
- (xx) There have been no public issues during the year;
- (xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.

For PKF Sridhar & Santhanam
 Chartered Accountants
 Firm No 003990S

S. Narasimhan
 Partner
 M. No. 206047

Place: Mumbai
 Date: 30th May 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Notes	(AMOUNT IN `)	
		As At 31 March 12	As At 31 March 11
I. Equity & Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	2	125,000,000	125,000,000
(b) Reserves and Surplus	3	23,785,001	14,633,791
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	73,210,604	23,710,668
(b) Deferred tax liabilities (Net)	5	18,333,521	14,224,698
(c) Long term provisions	6	4,566,238	1,947,277
(3) Current Liabilities			
(a) Short-term borrowings	7	121,194,262	52,500,000
(b) Trade payables	8	196,779,389	97,951,931
(c) Other current liabilities	9	37,129,148	8,414,820
(d) Short-term provisions	10	2,791,670	13,263,501
Total		<u>602,789,833</u>	<u>351,646,686</u>
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	239,093,792	153,021,894
(ii) Intangible assets	11	82,089	-
(iii) Capital work-in-progress		-	15,322,839
(b) Non-current investments	12	18,286,250	-
(c) Other non-current assets	13	23,959,027	30,375,650
(2) Current assets			
(a) Trade receivables	14	216,834,878	111,699,390
(b) Cash and Bank Balances	15	75,891,090	10,490,156
(c) Short-term loans and advances	16	17,533,530	29,852,722
(d) Other current assets	17	11,109,177	884,035
Total		<u>602,789,833</u>	<u>351,646,686</u>
Summary of significant accounting policies	1		
The accompanying notes form an integral part of the financial statement			

As per our report of even date

FOR PKF SRIDHAR & SANTHANAM
Chartered Accountants
Firm Regn No. 003990S

S. Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 30th May, 2012

For and On behalf of the Board

S. Ramakrishnan
Chairman

Manish Bhojwani
Company Secretary

Place : Mumbai
Date : 30th May, 2012

V. Ramnarayan
Executive Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Notes	Year ended 31 March 12	Year ended 31 March 11
III. INCOME			
I. Revenue from operations	18	1,720,142,376	1,126,275,868
II. Other Income	19	<u>1,730,513</u>	<u>6,832,524</u>
		<u>1,721,872,889</u>	<u>1,133,108,392</u>
IV. Expenses:			
Operation Cost	20	1,567,277,497	1,017,316,862
Employee benefit expense	21	47,389,960	25,241,223
Financial costs	22	15,306,521	4,464,745
Depreciation and amortization expense	11	18,800,890	9,358,227
Other expenses	23	<u>38,966,000</u>	<u>16,257,862</u>
		<u>1,687,740,868</u>	<u>1,072,638,919</u>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	34,132,021	60,469,473
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		34,132,021	60,469,473
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		<u>34,132,021</u>	<u>60,469,473</u>
X. Tax expense:			
(1) Current tax (Refer Note no. 26)		8,106,567	11,099,272
(2) Deferred tax		4,108,822	15,159,266
(3) Prior Year tax		-	-
(4) Minimum Alternate Tax Credit		-	(8,762,846)
XI. Profit(Loss) for the period from continuing operations		<u>21,916,632</u>	<u>42,973,781</u>
XV. Profit/(Loss) for the period (XI + XIV)		<u>21,916,632</u>	<u>42,973,781</u>
XVI. Earning per equity share: (Nominal value of ` 10 each) - Basic & Diluted (Ref Note No. 31)		3.66	12.08
Summary of significant accounting policies	1		
The accompanying notes form an integral part of the financial statement			

As per our report of even date

FOR PKF SRIDHAR & SANTHANAM
Chartered Accountants
Firm Regn No. 003990S

S. Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 30th May, 2012

For and On behalf of the Board

S. Ramakrishnan
Chairman

Manish Bhojwani
Company Secretary

Place : Mumbai
Date : 30th May, 2012

V. Ramnarayan
Executive Director

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rupees)

Particulars	Year ended 31 st March, 2012	Year ended 31 st March, 2011
A Cashflow from operating activities		
Net profit/ (Loss) Before tax	34,132,021	60,469,472
Adjusted for Non cash/ Non operating item		
Depreciation and amortization expense	18,800,889	9,358,227
(Profit)/Loss on Sale of Fixed Asset	(175,499)	2,836
Interest Expenses	15,306,521	4,464,745
Interest income	(1,400,506)	2,831,932
Exchange Loss / (Gain) on Current Assets & Liabilities	241,864	-
Operating Profit Before Working Capital changes (a)	<u>66,905,290</u>	<u>77,127,213</u>
Adjustments for Increase/Decrease in Working Capital		
Decrease/(Increase) in Current Assets		
Trade Receivables	(105,135,488)	(12,461,132)
Other Current assets (Current & Non Current)	(10,248,856)	1,189,000
Loans & Advances	9,329,222	17,460,407
	(106,055,122)	6,188,275
Less : Decrease/(Increase) in Current Liabilities & Provisions	111,364,976	11,944,325
Net increase/(Decrease) in working Capital (b)	<u>5,309,854</u>	<u>(5,756,050)</u>
Cash Generated from/(used in) operations Operations (a) + (b)	72,215,145	82,883,262
Less: Taxation	(1,600,934)	(12,220,913)
NET CASH FROM OPERATING ACTIVITIES (A)	<u>73,816,079</u>	<u>95,104,175</u>
B Cash flow from investing activities		
Additions to Fixed Assets including Capital Work in Progress, Intangibles	(89,756,538)	(36,492,036)
Shares in Subsidiary Co.(Haytrans India Ltd)	(5,486,250)	-
Advance for Investment - Share application money	(12,800,000)	-
Sale of Fixed Asset	300,000	5,002
Interest income	1,400,506	(2,831,932)
NET CASH FROM INVESTING ACTIVITIES (B)	<u>(106,342,282)</u>	<u>(39,318,966)</u>
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	132,764,278	(33,071,241)
Issue of Preference Shares	100,000,000	-
Repayment of Preference Shares	(100,000,000)	-
Preference Share Dividend including Dividend Distribution Tax	(23,664,256)	(12,826,963)
Interest Paid	(13,646,031)	(4,464,745)
NET CASH FROM FINANCING ACTIVITIES (C)	<u>95,453,991</u>	<u>(50,362,949)</u>
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	<u>62,927,788</u>	<u>5,422,260</u>
Cash & Cash Equivalents - opening balance	10,190,156	4,767,896
Add : Net change in Cash & Cash Equivalent as above	62,927,788	5,422,260
Cash & Cash Equivalents - closing balance	<u>73,117,945</u>	<u>10,190,156</u>
Closing Cash & Cash Equivalents consists of (Refer Note 15)		
Cash on Hand	1,377,457	39,379
Balance with Scheduled Bank in current account	<u>71,740,488</u>	<u>10,150,777</u>
TOTAL	<u>73,117,945</u>	<u>10,190,156</u>

Notes:

- 1) The above statement has been prepared by indirect method
- 2) Cash and Cash equivalents include cash and bank balances except Margin money Deposits.

Summary of significant accounting policies

1

As per our report of even date

FOR PKF SRIDHAR & SANTHANAM
Chartered Accountants
Firm Regn No. 003990S

S. Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 30th May, 2012

For and On behalf of the Board

S. Ramakrishnan V. Ramnarayan
Chairman Executive Director

Manish Bhojwani
Company Secretary

Place : Mumbai
Date : 30th May, 2012

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Corporate Information

Shreyas Relay Systems Limited (SRSL) is wholly owned subsidiary of Shreyas Shipping and Logistics Limited (SSLL) a BSE & NSE listed, founded in 1994. SRSL specialises in offering seamless, door-to-door, multi-modal transportation solutions incorporating the Road-Rail-Sea-Air routes. The Company acts as single point contact to meet all SCM activities of its clients.

1 Summary of significant accounting policies

Basis of Preparation & Use of Estimates

"The Financial Statements are prepared under the historical cost convention on an accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rule 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

a. Fixed Assets-Tangible & Intangible

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

When assets are retired or otherwise disposed off, the cost of such assets and related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in Profit and Loss Account.

b. Depreciation

Tangible

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of second hand Trailers, the depreciation rate is based on balance useful life derived from the rate specified in Schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Where the cost of depreciable asset has undergone change due to increase/decrease in

- (a) Long term liability on account of exchange fluctuation.
- (b) Additions and major improvements forming an integral

part of an asset, depreciation on such changes has been provided prospectively.

Fixed assets individually costing up to ₹ 5000 are fully depreciated in the year of purchase.

Intangible

In respect of software, depreciation is provided at 33.33% on straight line method, which is higher than the rate prescribed in schedule XIV to the Companies Act, 1956.

c. Borrowing Costs:

Borrowing costs are directly attributable to the acquisition / construction of the underlying qualifying fixed assets are capitalised as a part of the respective asset up to the date of acquisition / completion of construction.

d. Investments

Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

Current investments are valued at lower of cost and fair value determined on an individual investment basis.

e. Foreign Exchange Transactions

a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.

b) The exchange differences on repayment/translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.

c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset with effect from 1st April 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard - 11.

d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognized in the Profit and Loss Account.

f. Revenue Recognition

a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue invoices which is accounted on receipt basis.



b) Operating Income represent Domestic Service income (which comprise of freight income from coastal shipping and other modes of inland transportation), trailer income, liner income (international cargo) and rail income. Income from Coastal movements & International cargo are recognized once the ship sails from the port of loading and in case of other inland transportation upon material reaching destination.

g. Employee Benefits

The Company has a defined Contribution plan for Employees for Provident Fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss account. Company has no other obligation except the monthly contributions.

Company has defined benefit plans namely gratuity and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognized immediately in Profit and Loss Account as Income / Expense.

Any other termination benefits are recognized as expenses immediately on the basis of actual expenses.

h. Taxation

Provision for tax is made as per Income Tax Act, 1961. Deferred tax resulting from difference between book and tax profit is accounted for at the current rate of tax, to the extent the timing differences are expected to crystallize. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date. When there are unabsorbed depreciation and carry forward losses as per Income Tax act, deferred tax

assets are recognized only if there exists virtual certainty of their realization.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period. Presentation for Minimum Alternate Tax (MAT) credit has been made as prescribed by the ICAI Guidance Note on "Accounting for Credit Available in Respect of Minimum Alternative tax under the Income-tax Act, 1961"

i. Asset Impairment

The company reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which impairment takes places."

j. Leases

Assets acquired on lease where a significant portion of the risk and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

k. Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation cannot be measured or where a realistic estimate of the obligation cannot be made, contingent liabilities are recognized.

Contingent liabilities are also recognized when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more certain future events not wholly within the control of the company.

NOTE 2 : SHARE CAPITAL

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
AUTHORISED SHARE CAPITAL		
30,00,000 (30,00,000) Equity Shares of ` 10/- each	30,000,000	30,000,000
10,00,000 (10,00,000) 11% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each.	-	100,000,000
10,00,000 (Nil) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each.	100,000,000	-
	130,000,000	130,000,000
ISSUED, SUBSCRIBED AND PAID UP		
Equity Shares		
2,500,000 (March, 11: 2,500,000) Equity Shares of ` 10/- each fully Paid up (Fully held by Shreyas Shipping & Logistics Limited, the holding Company)	25,000,000	25,000,000
Preference Shares		
10,00,000 (10,00,000) 11% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each.	-	100,000,000
1,000,000 (March, 11: Nil), 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each.	100,000,000	-
TOTAL	125,000,000	125,000,000

2a. During the year, the Company has not issued/bought back any of the Equity Shares. Movement in respect of Preference Shares are given below

Particulars	31 March 2012		31 March 2011	
	Nos.	Amt. (`)	Nos.	Amt. (`)
At the beginning of the period	10,000,000	1,000,000,000	10,000,000	1,000,000,000
(+) Issued during the period**	10,000,000	1,000,000,000	-	-
(-) Redeemed during the period*	10,000,000	1,000,000,000	-	-
Outstanding at the end of the period	10,000,000	1,000,000,000	10,000,000	1,000,000,000

* Redemption of 10,00,000, 11% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully paid up, Date of redemption : 28th March, 2011

** Preferential allotment of 10,00,000, 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully paid up to Transworld Shipping & Logistics Ltd. and M/s Crescent Shipping Agency (I) Ltd. Date of allotment : 28th March, 2012 and redeemable on 1st April, 2013.

2b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holder. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by shareholders.

2c. Details of Shareholders holding more than 5% shares in the Company

	31 March 2012		31 March 2011	
	Nos.	% of Holding	Nos.	% of Holding
Equity Shares :-				
Shreyas Shipping & Logistics Ltd, Holding Company and its nominees	2,500,000	100%	2,500,000	100%
Preference Shares :-				
Shreyas Shipping & Logistics Ltd, Holding Company and its nominees	-	-	1,000,000	100%
Transworld Shipping & Logistics Ltd.	500,000	50%	-	-
Crescent Shipping Agency (I) Ltd.	500,000	50%	-	-

NOTE 3 : RESERVES AND SURPLUS

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Surplus / (Deficit) in Profit and Loss Statement		
As per last Balance Sheet	14,633,791	(15,555,515)
Add : Profit for the year	21,916,632	42,973,781
	36,550,423	27,418,266
Less: - Appropriations		
Dividend paid on Preference Shares	10,879,781	-
Tax on Interim Dividend Paid on Preference Shares	1,764,973	-
Proposed Dividend on Preference Shares	103,825	11,000,000
Tax on Proposed Dividend on Preference Shares	16,843	1,784,475
Proposed Dividend on Equity Shares	-	-
Tax on Proposed Dividend on Equity Shares	-	-
Net surplus in the statement of profit and loss	23,785,001	14,633,791
TOTAL	23,785,001	14,633,791

NOTE 4 : LONG-TERM BORROWINGS

(AMOUNT IN `)

Particulars	Non-current Portion	
	31 March 2012	31 March 2011
Secured		
From Banks		
- Term Loan	95,987,021	30,722,743
	95,987,021	30,722,743
Less: Current Maturities of above loans disclosed under the Head "Other Current Liabilities" (Note No. 9)	22,776,417	7,012,075
TOTAL	73,210,604	23,710,668

a) Nature of security and terms of repayment for secured loan availed from Banks

i) ICICI Bank - ` 727,82,666/- (March 31, 2011, ` 30,722,743/-), are secured by hypothecation of specific trailers (35 nos.). Repayable in equal monthly installments as per the repayment schedule for specific loan against the trailer.

Bank	No. of trailers	Repayable Terms - months	Interest Rates %	No. of Installments outstanding as at 31.03.2012	Outstanding as at 31.03.12	Outstanding as at 31.03.11
ICICI Bank Ltd	5	47	9.75%	32	11,790,042	15,481,743
ICICI Bank Ltd	5	47	10.50%	35	11,920,626	9,195,000
ICICI Bank Ltd	5	47	10.70%	37	9,700,017	6,046,000
ICICI Bank Ltd	18	59	10.66%	51	34,857,326	-
ICICI Bank Ltd	2	59	11.10%	55	4,514,658	-
TOTAL	35				72,782,669	30,722,743

ii) HDFC Bank - ` 23,204,355/- (March 31, 2011 Rs. NIL), are secured by hypothecation of specific trailers (12 nos.). Repayable in equal monthly installments repayable over 59 months at an interest rate of 10.65%

Bank	No. of trailers	Repayable Terms - months	Interest Rates %	No. of Installments outstanding as at 31.03.2012	Outstanding as at 31.03.12	Outstanding as at 31.03.11
HDFC LTD	12	59	10.65%	51	23,204,352	-
TOTAL	12				23,204,352	-

b) There has been no defaults in repayment of any of the loans or interest thereon as at the end of the year.

NOTE 5 : DEFERRED TAX LIABILITY (NET)

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liabilities		
Fixed Assets : Impact of difference between tax depreciation and depreciation & amortisation charged for the financial reporting	19,543,179	15,458,589
Other Timing Differences	380,160	289,487
Gross Deferred Tax Liabilities	19,923,339	15,748,076
Deferred Tax Assets		
Provision for doubtful debts	(194,501)	(733,580)
Impact of expenditure charged to the statement of profit and loss on the current year but allowed for tax purpose on payment basis.		
- Leave encashment	(1,395,317)	(789,798)
Gross Deferred Tax Assets	(1,589,818)	(1,523,378)
Deferred Tax Liabilities (Net)	18,333,521	14,224,698

5a. Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

5b. The net increase during the year in the deferred tax liability of ` 41,08,822/- (previous year ` 151,59,266/-) has been debited to Statement of Profit & Loss.

NOTE 6 : LONG-TERM PROVISIONS

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Provision for Employee Benefits :-		
Provision for Gratuity Liabilities	1,171,706	-
Provision for Compensated Absence Liabilities	3,394,532	1,947,277
TOTAL	4,566,238	1,947,277

Disclosure required by AS 15 on 'Employees benefits' has been made in Note no. 25. Current portion of provision for Compensated Absence Liabilities is disclosed under note 10 - 'Short-Term Provision'.

NOTE 7 : SHORT-TERM BORROWINGS

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Secured :-		
Working Capital Loan repayable on demand from banks (11.5% p.a. Working Capital loan from Karur Vysya Bank)	121,194,262	-
Unsecured :-		
Interest free loan and advances from Shreyas Shipping & Logistics Limited, the Holding Company, repayable on demand (Unsecured)	-	52,500,000
TOTAL	121,194,262	52,500,000

a) Nature of security and terms of repayment for secured loan availed from Banks

i) Working capital loan from banks, repayable on demand, are secured by charge over the entire current assets of the company (Cover period of Book Debts 60 Days), Corporate guarantee from Shreyas Shipping & Logistics Limited, The Holding company and collateral security of containers.

NOTE 8 : TRADE PAYABLES

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Sundry Creditors for Trade :-		
Due to Micro and Small Enterprises (excluding Interest)	-	578,735
Due to Others	196,779,389	97,373,196
TOTAL	196,779,389	97,951,931

a) Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
	(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Interest ` 20,952
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	` 20,952
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	` 20,952	` 20,952
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006.	` 20,952	N.A.

NOTE 9 : OTHER CURRENT LIABILITIES

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Current Maturities of Long Term Borrowings (Note 5) (Secured term loans from banks)	22,776,417	7,012,075
Unfinished Voyage Income	3,721,000	-
Other Liabilities (Including interest payable of ` 20,952 for Micro, Small and Medium Enterprises - Refer Note 8)	10,631,731	1,402,745
TOTAL	37,129,148	8,414,820

NOTE 10: SHORT-TERM PROVISIONS

(AMOUNT IN `)

Particulars	Short-Term	
	31 March 2012	31 March 2011
Provision for Employee Benefits :-		
Provision for Compensated Absence Liabilities	906,029	479,026
Other Provisions :-		
Provision for Proposed Preference Dividend	103,825	11,000,000
Provision for Proposed Preference Dividend Distribution Tax	16,843	1,784,475
Provision for Dividend distribution tax on Preference share redeemed*	1,764,973	-
TOTAL	2,791,670	13,263,501

Disclosure required by AS 15 on 'Employees benefits' has been made in Note no. 25

*During the year, 11% Non-Convertible, Cumulative, Redeemable Preference Shares of ` 100/- each fully paid up has been redeemed at par and applicable dividend distribution tax on the pro-rata dividend till the date of redemption i.e. 28th March, 2012 has been provided for.

NOTE 11 : FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	COST AS AT 01.04.2011	ADDITIONS	DEDUCTION/ ADJUSTMENTS	COST AS AT 31.03.2012	AS AT 01.04.2011	FOR THE YEAR	DEDUCTION/ ADJUSTMENTS	AS AT 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011	
CONTAINERS	167,206,371	248,000	158,861	167,295,510	35,272,883	7,866,110	48,600	43,090,393	124,205,117	131,933,488	
FURNITURE & FIXTURES	2,159,243	2,298,570	-	4,457,813	794,246	287,284	-	1,081,530	3,376,283	1,364,997	
COMPUTERS	2,339,534	1,732,230	-	4,071,764	1,135,329	578,284	-	1,713,613	2,358,151	1,204,205	
OFFICE EQUIPMENTS	1,457,201	1,620,607	14,350	3,063,458	245,052	158,384	110	403,326	2,660,132	1,212,149	
TRAILER (COMMERCIAL VEHICLE)	18,783,053	98,789,974	-	117,573,027	2,416,647	9,780,711	-	12,197,358	105,375,669	16,366,406	
MOTOR VEHICLE	977,314	267,822	-	1,245,136	36,665	106,756	-	143,421	1,101,715	940,649	
MACHINERY	-	18,000	-	18,000	-	1,275	-	1,275	16,725	-	
TANGIBLE ASSET (A)	192,922,716	104,975,203	173,211	297,724,708	39,900,822	18,778,804	48,710	58,630,916	239,093,792	153,021,894	
SOFTWARE	-	104,175	-	104,175	-	22,086	-	22,086	82,089	-	
INTANGIBLE ASSET (B)	-	104,175	-	104,175	-	22,086	-	22,086	82,089	-	
TOTAL (A+B) AS ON 31.03.2012	192,922,716	105,079,378	173,211	297,828,883	39,900,822	18,800,890	48,710	58,653,002	239,175,881	153,021,894	
TOTAL AS ON 31.03.2011	171,769,315	21,169,201	15,800	192,922,716	30,550,558	9,358,227	7,963	39,900,822	153,021,894		

(a) Deduction/adjustments from gross block and depreciation / amortisation for the year includes:

	Gross Block		Depreciation/Amortisation	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Disposal of assets	158,861	15,800	48,600	7,963
Retirement of assets	14,350	-	110	-
Cost adjustments including exchange differences	-	-	-	-
Others	-	-	-	-
	173,211	15,800	48,710	7,963

NOTE 12 : NON-CURRENT INVESTMENTS

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Non-Trade Investments Unquoted (Valued at Cost unless stated otherwise)		
Investments in Subsidiary :-		
10,450 equity shares of ` 100/- fully paid up in Haytrans (I) Ltd.	5,486,250	-
Advance for Investment - Share Application Money	12,800,000	-
TOTAL	18,286,250	-

- a) Investment has been valued considering the significant accounting policy disclosed in note no. 1 (c) to these financial statements.
- b) The Company's subsidiary, Haytrans (India) Limited has made a profit of ` 2,451,208/- for the year ended 31st March 2012 (March 31, 2011 : ` 8,270,799/-) and has a positive net worth of ` 6,760,278/- as at 31st March 2012 (March 31, 2011 : ` 4,309,070/-). In view of the long term plans for leveraging the strength of this Company in logistics business diminution in value is considered as temporary and hence no provision is made. Also Company has given an advance towards share application money of ` 128 lacs which further improves network.
- c) Advance for Investment represents share application money paid in M/s Haytrans (India) Limited.

NOTE 13: OTHER NON-CURRENT ASSETS

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Advance Income Tax [Net of provision of ` 28,725,101/- (March 31, 2011: ` 21,679,196/-)]	5,907,157	11,820,906
MAT Credit Entitlement	16,349,782	17,410,444
Deposits *	1,702,088	1,144,300
TOTAL	23,959,027	30,375,650

* Deposit includes Deposit with Custom ` 17,523/-

NOTE 14 : TRADE RECEIVABLES

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good:	563,551	147,699
Considered doubtful	599,481	1,754,184
Others		
Considered Good:	216,271,327	111,551,691
Considered doubtful	-	506,812
	217,434,359	113,960,386
Less: Provision for doubtful debts	599,481	2,260,996
TOTAL	216,834,878	111,699,390

NOTE 15 : CASH & BANK BALANCE

(AMOUNT IN `)

Particulars	Current	
	As At	As At
	31 March 2012	31 March 2011
Cash & Cash equivalent		
Balances with Banks		
- Current Accounts	71,740,488	9,850,777
- Fund in Transit	-	300,000
- Fixed Deposit		-
Cash on Hand	1,377,457	39,379
	73,117,945	10,190,156
Other Bank Balance - Others are not available for use to the Company and include:		
- Margin Money Deposit *	2,773,145	300,000
TOTAL	75,891,090	10,490,156

* Held as lien by bank against bank guarantee.

NOTE 16 : SHORT-TERM LOANS & ADVANCES

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Unsecured considered good, unless otherwise stated		
Loans and advances to related parties		
- Considered good	1,020,656	100,890
- Considered doubtful	-	-
Less: Allowance for doubtful loans and advances	-	-
Other Loans & Advances		
Prepaid Expenses	3,884,767	1,454,079
Gratuity Fund with LIC	-	892,231
Others*	12,628,107	27,405,522
TOTAL	17,533,530	29,852,722

*Others include Earnest money deposit ` 31,51,000/- (P.Y. ` 1,00,000/-)

NOTE 17 : OTHER CURRENT ASSETS

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Income accrued but not due	9,340,818	-
Claims Receivable	1,768,359	884,035
TOTAL	11,109,177	884,035

NOTE 18 : REVENUE FORM OPERATIONS

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Sales Of Services #		
Domestic Service Income	1,217,892,791	1,012,283,492
Liner Income	123,848,027	106,407,721
Trailer Income	302,581,708	7,497,400
Warehouse Income	1,932,793	87,255
Air Domestic Income	460,849	-
Rail Domestic Income	73,426,208	-
TOTAL	1,720,142,376	1,126,275,868

Service tax amount not included in turnover.

NOTE 19 : OTHER INCOME

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Interest on Income Tax Refund	1,348,995	2,824,714
Profit on sale of Assets (Net)	175,499	-
Sundry Creditors Written Back	91,182	1,202,178
Interest on bank deposit (Gross)	51,511	7,218
Other Income	43,326	115,183
Excess Provision for Doubtful Debts No Longer Required-Written back	20,000	1,102,513
Gains on exchange Rate Variation (Net)	-	-
Other Provisions for Expenses No Longer Required-Written back	-	1,580,718
TOTAL	1,730,513	6,832,524

NOTE 20 : OPERATION COST

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Ocean Freight Charges	763,811,902	615,449,444
Trailer Expenses	292,545,989	6,758,955
Terminal Handling Charges Domestic	205,699,655	183,537,908
Transportation Expenses	110,421,325	116,919,813
Rake Expenses	65,274,603	-
Terminal Handling Charges Liner	49,002,633	41,301,568
Container Lease Rent	38,500,530	22,554,524
Other Domestic Expenses	32,413,228	24,050,320
Agency Fees	2,981,718	2,808,090
Godown Rent	2,235,120	582,129
Other Liner Expenses	2,088,874	1,249,715
Container/Cargo Insurance	1,528,200	1,124,356
Brokerage / Commission	394,077	980,040
Air domestic Expenses	379,645	-
TOTAL	1,567,277,497	1,017,316,862

NOTE 21 : EMPLOYEE BENEFIT EXPENSE

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Salaries and Bonus	37,830,352	21,821,711
Contribution to Provident Fund and other fund	3,981,366	1,550,463
Staff Welfare	5,578,242	1,869,049
TOTAL	47,389,960	25,241,223

Disclosures required by AS 15 in respect of provision made towards various employees benefits is made in Note no. 25.

NOTE 22 : FINANCE COSTS

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Interest on loan from banks		
Fixed period Loans	7,941,764	1,049,206
Working Capital & Overdraft	7,364,757	3,415,539
TOTAL	15,306,521	4,464,745

NOTE 23 : OTHER EXPENSE

(AMOUNT IN `)

Particulars	As At	As At
	31 March 2012	31 March 2011
Bad debts W/off	1,703,741	462,636
Less: Charged to provision for doubtful debts	(1,641,515)	(462,636)
	62,226	-
Professional & Consultancy Fees	10,274,081	2,326,466
Rent	5,184,393	2,470,951
Travelling and Conveyance	4,379,672	2,259,999
Repairs and Maintenance	2,920,926	1,034,454
Rates and Taxes	1,978,394	64,125
Communication Expenses	1,944,409	1,184,434
Vehicle Lease Rent	1,509,000	1,296,277
Printing & Stationery	1,311,129	650,979
Audit Fees (Refer Note Below)	1,130,936	1,069,252
Electricity Expenses	1,045,853	875,031
Insurance Expenses	350,976	526,937
Loss on exchange Rate Variation (Net)	241,864	365,843
Director Sitting Fees	225,500	174,500
Donation	200,300	50,000
Gifts & Presents	10,350	163,172
Loss on Sale / Discard of Assets (Net)		2,836
Miscellaneous Expenses	6,195,991	1,742,606
TOTAL	38,966,000	16,257,862

A) PAYMENT TO AUDITORS

(AMOUNT IN `)

Particulars	Year ended	Year ended
	31 st March 2012	31 st March 2011
i) As Auditors (including Service Tax)	898,880	882,400
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	168,540	165,450
b) Fees for Certification	51,090	NIL
iii) Out of Pocket Expenses	12,426	21,402

24. The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

25. Gratuity Benefits

(a) Description of the Gratuity Plan:

The Company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees.

(b) Amount recognized in the Balance Sheet and movements in net liability: (AMOUNT IN `)

Particulars	2011-2012	2010-2011
Present Value of Funded Obligations	4,428,138	3,093,216
Fair Value of Plan Assets	(3,256,432)	(4,067,834)
Amount not Recognized as an Asset (limit in Para 59(b))	-	82,387
Net Liability / (Asset) recognized in the Balance Sheet	1,171,706	(892,231)

Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation This is available for future adjustment and considered recoverable.

The fair value of the plan assets does not include the Company's own financial instruments

The net asset recognized is grouped under "Short-Term Loans & Advances".

(c) Expenses recognized in the Statement of Profit & Loss Account (AMOUNT IN `)

Particulars	2011-2012	2010-2011
Current Service Cost	344,113	317,978
Interest on Defined Benefit Obligation	265,288	215,613
Expected Return on Plan Assets	(313,200)	(242,864)
Net Actuarial Losses/ (Gains) Recognized in the year	1,850,123	142,611
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	(82,387)	56,638
Total	2,063,937	489,976

*The Actual Return on Plan Assets is ` -8,11,402/- (Previous Year ` 2,68,744/-).

(d) Reconciliation of Benefit Obligation & Plan assets for the Period

Change in Defined Benefit Obligation

(AMOUNT IN `)

Particulars	2011-2012	2010-2011
Opening Defined Benefit Obligation	3,093,216	2,531,615
Current Service Cost	344,113	317,978
Interest Cost	265,288	215,613
Actuarial Losses / (Gain)	725,521	168,491
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / (Settled on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	-	(140,481)
Closing Defined Benefit Obligation	4,428,138	3,093,216

Change in Fair Value of Assets

(AMOUNT IN `)

Opening Fair Value of Plan Assets	4,067,834	3,142,611
Expected Return on Plan Assets	313,200	242,864
Actuarial Gain / (Losses)	(1,124,602)	25,880
Assets Distributed on Settlements	-	-
Contributions by Employer	-	796,960
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	-	(140,481)
Sub Total	3,256,432	4,067,834
Amount no recognized as per asset (Limit para 59(b))		
Closing Fair Value of Plan Assets	3,256,432	4,067,834
Expected Employer's Contribution Next Year	1,000,000	500,000

(e) Actuarial Assumptions at the Valuation date

Particulars	2011-2012	2010-2011
Discount Rate	8.60% p.a.	8.05% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	7.00%	10% for the first 4 year & 7% thereafter 4

This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Descriptions of the Plan Assets

Category of Assets	2011-2012	2010-2011
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
TOTAL	100%	100%

(g) Experience Adjustments

(AMOUNT IN `)

Particulars	2011-2012	2010-2011	2009-2010
Defined Benefit Obligation	4,428,138	3,093,216	2,531,615
Plan Assets	3,256,432	4,067,834	3,142,611
Surplus / (Deficit)	(1,171,706)	974,618	610,996
Exp. Adj. on Plan Liabilities	1,044,504	180,954	(403,506)
Exp. Adj. on Plan Assets	(1,124,602)	25,880	(2,152)

(B) Privileged Leave Encashment (Compensated Absences for Employees)

- The Company permits encashment of privileged leave accumulated by their employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2011-2012	2010-2011
Discount Rate	8.60% p.a.	8.05% p.a.
Salary Escalation Rate	7.00% p.a.	10% for the first 4 yrs & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(Amount in `)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	2,426,303	2,548,762
Closing balance of present value of Compensated Absences (Y)		
Current liability	906,029	479,026
Non-current liability	3,394,532	1,947,277
	4,300,561	2,426,303
Movement in Net Liability (X-Y)	(1,874,258)	122,459

(c) Payments made under defined contribution scheme.

(Amount in `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Contribution to Provident Fund	1,917,429	1,060,487

26. Presentation of Minimum Alternative Tax (MAT) credit as prescribed by ICAI Guidance Note on "Accounting for credit available in respect of Minimum Alternative Tax under Income -tax Act, 1961 is as under

(Amount in `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Current Tax *	8,106,567	11,099,272
Less : MAT Credit Entitlement availed	-	8,762,846
Net Current Tax	8,106,567	2,336,426

* Current Tax calculated as per Normal Provision of Income Tax Act, 1961.

The asset "Minimum Alternative Tax" is disclosed under "Other non-current assets"

27. a) Foreign Currency exposures not hedged by derivative instrument or otherwise:.

(Amount in US Dollar)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
a)Receivables	105,374	2,036
b) Payables	34,336	42,804

b) There are not derivatives as at 31st March, 2011

28. Contingent Liabilities

(Amount in `)

Particulars	As at 31.03.2012	As at 31.03.2011
a) Bank Guarantees issued to Customers/vendors.	5,323,145	2,275,000
b) Estimated amount of contracts on Capital Account not provided for.	NIL	NIL
c) Claims against the Company not acknowledged as debts	NIL	NIL

29. Segment Reporting

- a) The company's business is only in one segment namely Logistics.
- b) Geographical Segment (Based on Location of customers)

(Amount in `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
In India	1,678,869,955	1,109,253,757
In Pakistan	24,780,329	19,118,241
Rest of World	18,222,605	4,736,394
TOTAL REVENUE	1,721,872,889	1,133,108,392

30. Related Party Transactions (Refer Annexure 1)
31. Accounting for Lease

- a) The Company has taken Containers on Cancelable Operating Lease and the lease rental of ` 38,500,530/- (P.Y ` 22,554,524/-) is charged to the Profit and Loss Account.
- b) The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of ` 1,509,000/- (P.Y ` 1,296,277/-) is charged to the Profit and Loss Account.

32. Working for Earnings per share

(Amount in `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Weighted average number of Equity shares	2,500,000	2,500,000
Nominal value Per Share	` 10/-	` 10/-
Profit/(Loss) after Tax	21,916,632	42,973,779
Add/(Less) : Preference Dividend (including Dividend Distribution Tax)	(12,765,422)	(12,784,475)
Adjusted Balance for Calculation of EPS	9,151,210	30,189,304
Earnings Per Share (Basic & Diluted)	` 3.66	` 12.08

33. Value of Imports calculated on CIF basis

(Amount in `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Capital Goods	257,250	2,142,460

34. Other disclosures as per Schedule VI of the Companies Act, 1956

(Amount in `)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Expenditure in foreign currency: Others *	38,466,000	23,920,000
Earnings in foreign exchange: Export of services	43,002,934	23,854,635

* Others include operating and other expenditure, container lease rentals, subscriptions etc.

30) RELATED PARTY TRANSACTIONS (as on 31.03.12)

Amount in ` '000

TRANSACTION	Holding Company*	Subsidaury Company	Fellow subsidiary*	Other Related Party	Key Management personnel*	Total as at 31.03.2012	Total as at 31.03.2011
Service / freight/thc income received							
Clarion Solutions Pvt Ltd				110,364.32		110,364.32	138,598.40
Admec Logistics Ltd						-	141.18
Balaji Shipping Lines FZCO						-	
Agency Fees /commission & brokerage							
Relay Shipping Agency Ltd.				222.97		222.97	352.96
Albatross Shipping Ltd				3.97		3.97	-
Clarion solutions Pvt. Ltd				891.78		891.78	1,112.25
Clarion Shipping Ltd - Colombo				697.42		697.42	34.33
Transworld Logisitics Ltd						-	15.90
Rent paid							
Sivaswamy Holdings Pvt. Ltd				3,639.78		3,639.78	1,751.78
Transworld Shipping & Logistics Ltd				239.24		239.24	289.93
Container charges paid							
Admec Logistics Ltd				5,488.60		5,488.60	4,905.33
Container lease rent paid							
Balaji Shipping Lines FZCO				353.61		353.61	4,353.51
Relay Shipping Agency Ltd				16.15		16.15	273.48
Transporation charges paid							
Admec Logistics Ltd				11,316.47		11,316.47	2,310.30
Clarion Solutions Pvt. Ltd				2,440.26		2,440.26	820.00
Trailor Income							
Admec Logistics Ltd				1,821.95		1,821.95	2,970.00
Clarion Solutions Pvt. Ltd				24,446.51		24,446.51	1,347.00
Haytrans India Ltd		1,168.00				1,168.00	-
Relay Shipping Agency Ltd				270.00		270.00	-
Albatross Shipping Ltd				55.00		55.00	-
Trailor Expenses (Management fee)							
Admec Logistics Ltd				933.20		933.20	3,231.52
Clarion Solutions Pvt. Ltd						-	1,454.75
Slot charges paid							
Shreyas Shipping & Logistics Ltd	824,234.04					824,234.04	633,467.91
Orient Express Lines Ltd			10,764.85			10,764.85	1,634.04
Orient Express Lines Ltd -Singapore			23.09			23.09	-
Other domestic income received							
Clarion Solutions Pvt. Ltd				9,795.06		9,795.06	10,877.14
Relay Shipping Agency Ltd				306.44		306.44	131.48
Investment							
Haytrans (India) Ltd		18,286.25				18,286.25	-
Loan Received							
Shreyas Shipping & Logistics Ltd	18,500.00					18,500.00	60,000.00

TRANSACTION	Holding Company*	Subsidiary Company	Fellow subsidiary*	Other Related Party	Key Management personnel*	Total as at 31.03.2012	Total as at 31.03.2011
Loan repayment Shreyas Shipping & Logistics Ltd	71,000.00					71,000.00	7,500.00
Purchase of Fix Asset Admec Logistics Ltd				5.00		5.00	-
Balaji Shipping Lines FZCO				248.00		248.00	-
Haytrans (India) Ltd						-	6.76
Relay Shipping Agency Ltd						-	48.44
Shreyas Shipping & Logistics Ltd.	126.51					126.51	-
Redeemable Pref.shares allotted Transworld Shipping & Logisitcs Ltd			50,000.00			50,000.00	-
Crescent Shipping Agency Ltd			50,000.00			50,000.00	-
Redeemable Pref.shares purchased Shreyas Shipping & Logistics Ltd	100,000.00					100,000.00	-
Preference dividend paid Shreyas Shipping & Logistics Ltd	21,879.78					21,879.78	11,000.00
Donation given Sivaswamy Memorial Charitable Trust				200.00		200.00	50.00
						-	-
Total	1,035,740.33	19,454.25	110,787.94	173,755.73	-	1,339,738.25	888,678.39

Nature of balance	Holding Company	Subsidiary Company	Fellow subsidiaries *	Other Related Party	Key Management personnel*	Total as at 31.03.2012	Total as at 31.03.2011
Debit balance due to company	-	235,000	-	1,336,220	-	1,571,220	39,300
Credit balance due from company	133,149,168	-	-	3,220,917	-	136,370,085	52,727
Investments	-	18,286,250	-	-	-	18,286,250	-

NOTE: 1) Figure have been adjusted for exchange rate variations
 2) Reimbursement of expenses incurred by/to Group Companies is not included here.



* Names of related parties

Nature of relationship	Name of the related party
Holding Company	Shreyas Shipping & Logistics Ltd
Subsidiary Company	Haytrans (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V.Ramnarayan
Relatives of Key Management Personnel	Mrs.Geeta Ramakrishnan Mr.Ritesh Ramakrishnan Ms.Anita Ramakrishnan Mr.S. Mahesh Mrs. Mala Mahesh Mr. Murli Mahesh Ms. Mithila Mahesh Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan
Other related parties	Admec Logistics Ltd Albatross shipping Ltd Balaji Shipping Lines FZCO Clarion Solutions Pvt Ltd Clarion Shipping Ltd, Colombo Crescent Shipping Agency (India) Ltd. Meridian Shipping & Trdg LLC, Muscat Oel Shipping Agency SDN Bhd-PKL Orient Express Lines Ltd , Mauritius Orient Express Lines Ltd , Singapore Relay Shipping Agency Ltd. Seabridge Shipping co LLC Sivaswamy Holdings Pvt. Ltd Transworld Logistics Ltd Transworld Management Consultancy P.Ltd Transworld Shipping & Logistics Ltd

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

SR. NO.	PARTICULARS	HAYTRANS (INDIA) LIMITED
1	The relevant financial year of the subsidiary ends on	31 st March, 2012
2	No. of shares held as on 31 st March, 2012	10,450 Equity Shares Of ₹ 100/- each fully paid-up
3	Extent of holding as on 31 st March, 2012	51.10%
4	The net aggregate of profit/(loss) of subsidiary so far as they concern the members of the company	
	(a) Dealt with in the accounts of company for the year ended 31 st March, 2012	-
	(b) Not dealt with in the accounts of company for the year ended 31 st March, 2012	2,451,208
5	The net aggregate of profit/(loss) for previous financial years of the subsidiary, since it became subsidiary so far as they concern members of the company	
	(a) Dealt with in the accounts of company	-
	(b) Not dealt with in the accounts of company	-

For & on behalf of the Board

S. Ramakrishnan
ChairmanV. Ramnarayan
DirectorMumbai
Date : 30th May, 2012

Directors' Report

Your Directors are pleased to present the 31st Annual Report and the Audited Accounts of the Company for the financial year ended 31st March 2012.

FINANCIAL PERFORMANCE

(Amount in `)

	Current year ended 31.03.2012	Previous year ended 31.03.2011
Income	137,012,433	148,836,439
Expenditure	134,539,225	139,540,944
Profit Before Tax	2,473,208	9,295,495
Less: Earlier year Expenses/Exceptional Item	--	4,64,435
Less: Provision for Taxation	22,000	5,60,261
Profit After Tax	2,451,208	8,270,799

DIVIDEND

Your Directors do not recommend any Dividend for the financial year 2011-12.

REVIEW OF OPERATIONS

Haytrans (India) Limited - Subsidiary of Shreyas Shipping and Logistics Limited and Shreyas Relay Systems Limited - is engaged in the field of Air Cargo Freight Forwarding. The main segments handled by Company are:

1. Air Import
2. Air Export
3. Custom House Agent.

In the field of Air Cargo Freight Forwarding, the Company offers door to door services through it's wide spread agency network world wide, to various Government as well as Private Sector clients. The Company is engaged with Government clients like National Chemical Laboratories, National Institute of Virology, Indian Institute of Science, Education and Research and various other clients on a annual contract basis to provide above stated services.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

HOLDING COMPANY

Shreyas Relay Systems Limited has acquired 51% stake in the Company and therefore, your Company has become the subsidiary of Shreyas Relay Systems Limited as per Section 4(1)(b).

Your Company continues to be subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 4(1)(c) of the Companies Act, 1956 as Shreyas Relay Systems Limited is wholly owned subsidiary of Shreyas Shipping & Logistics Limited.

SUBSIDIARY COMPANY

The Company has no subsidiary company during the year under review.

COMPLIANCE CERTIFICATE

Your Directors wish to state that pursuant to Section 383A of the Companies Act, 1956, the Company has obtained requisite Certificate from a Company Secretary in whole time practice.

DIRECTORS

In accordance with the Articles of Association of the Company and the relevant provisions of the Companies Act, 1956, Mr. S. Mahesh, Director, retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors confirm, to the best of the knowledge and belief, that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures has been made for the same;
- b) appropriate accounting policies have been selected and applied consistently, and such judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended on 31st March, 2012;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Annual Accounts have been prepared on a 'going concern' basis'.

AUDITORS

M/s. K. L. Murty & Co., Chartered Accountants, retires at the conclusion of ensuing Annual General Meeting and offers themselves for re-appointment. A certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Under Notification Number GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company. With regard to foreign exchange earnings and outgo, the position is as under:

		Amount in ` (2011-12)
(i)	Foreign exchange earnings (on accrual basis)	2,741,787/-
(ii)	Foreign exchange outgo including operating and other expenditure, purchase of containers in foreign currency (on accrual basis)	17,652,458/-

PERSONNEL

For the financial year 2011-12 none of the employee's salary exceeds ` 60 lacs p.a. or ` 5 lacs p.m.

ACKNOWLEDGMENTS

Your Directors take this opportunity to express their gratitude for the excellent assistance and co-operation received from the Company's clients, vendors, business associates and bankers, employees and look forward for their continued support.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 30th May, 2012

S. Ramakrishnan
Chairman

AUDITORS' REPORT

To

The Members of HAYTRANS INDIA LIMITED

1. We have audited the attached Balance Sheet of Haytrans India Limited as at 31st March 2012, and the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board, in terms of sub-section 4A of Section 227 of the Companies Act, 1956 (Order) we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph-3 above and subject to, 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 purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.

- (iii) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with note no. f(1) and (3) of Note 1 regarding not providing gratuity and leave benefits of employee on the basis of actuarial valuation thereto, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012; and
 - b) in the case of the Profit and Loss account, of the Profit for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. L. Murty & Co
Chartered Accountants
Firm Reg No. 106721W

K. Uma Murty
Proprietor

Place : Mumbai
Dated: 30th May, 2012

Membership Number: 016634

ANNEXURE TO THE AUDIT REPORT

- i. (a) Based our scrutiny of the company's books of accounts and other records and according to the information and explanation given to us, we are of the opinion that company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets are physically verified by management at year end. As informed to us, there is no material discrepancies were noticed on such verification.
- (c) During the year, company has not disposed substantial Fixed Assets.
- ii (a) As the company is engaged in Freight Forwarding business, clause (a), (b) and (c) to para 4(ii) are not applicable.
- iii (a) According to the information and explanation given to us, The Company has not granted any loans secured or unsecured to the parties covered in the register maintained Under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (a), 4(iii) (b) and 4 (iii) (c) of the Order are not applicable.
- (b) According to the information and explanation given to us, during the year, Company has not taken any unsecured loan.
- iv In our opinion and according, to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of fixed assets, and with regard to the services rendered. During the course of our audit, no major weakness has been noticed in the internal controls
- v Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been properly entered.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
- vii. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.
- viii. In respect of this company, maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- ix. a According to the records of the company and information and explanations given to us, the company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year.
- b According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income tax, Sales Tax, Service-tax, Wealth Tax, Customs Duty, Excise Duty and Cess which were in arrears as at March 31, 2012 for a period of more than six months from the date on which they become payable.
- c According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- x. The company has accumulated losses are more than 50% of net worth of the company at end of the year. The company has not incurred cash loss during the financial year covered by audit or during the immediately preceding financial year.
- xi. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.
- xii. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- xiii. In our opinion, the Company 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 are not applicable to the company.
- xiv. On the basis of our examination of the company's records, company has not entered any transactions in respect of trading in securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi. According to the information and explanations given to us, no term loans were availed by the Company during the year.
- xvii. According to the information and explanations given to us and on an overall examination of Balance Sheet basis, funds raised on short term basis, prima facie, have not been used during the year for long term investment.
- xviii. The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956, during the year.
- xix. According to the information and explanations given to us and the records examined by us, no debentures were issued by the company.
- xx. The Company has not raised any money through public issue during the year.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For K. L. Murty & Co
Chartered Accountants
Firm Reg No. 106721W

K. Uma Murty
Proprietor

Place : Mumbai
Dated: 30th May, 2012

Membership Number: 016634

BALANCE SHEET AS AT 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Notes	As At 31 March 12	As At 31 March 11
I. Equity & Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	2	2,045,000	2,045,000
(b) Reserves and Surplus	3	(20,284,722)	(22,735,930)
(2) Share Application Money		25,000,000	25,000,000
(3) Non-Current Liabilities			
(a) Long term provisions	4	859,448	756,694
(4) Current Liabilities			
(a) Short-term borrowings	5	5,662,862	10,221,200
(b) Trade payables	6	13,460,324	10,875,529
(c) Other current liabilities	7	1,657,608	5,399,358
(d) Other Provisions (FBT)		-	620,000
Total		28,400,519	32,181,851
II. Assets			
(1) Non-current assets			
(a) <i>Fixed assets</i>			
(i) Tangible assets	8	452,306	359,237
(b) Non-current investments	9	185,435	185,435
(c) Other non-current assets	10	8,061,748	16,197,290
(2) Current assets			
(a) Trade receivables	11	19,074,115	14,610,736
(b) Cash and Bank Balance	12	626,915	829,153
		28,400,519	32,181,851
Summary of significant accounting policies	1		
The accompanying notes form an integral part of the financial statement			

As per our report of even date
AS PER OUR REPORT ATTACHED

FOR K.L.MURTY & CO.
CHARTERED ACCOUNTANTS
(Registration No. 106721W)

K.UMA MURTY
PROPRIETOR
Membership No. : 016634

Place : Mumbai
Date : 30th May, 2012

For and On behalf of the Board

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Place : Mumbai
Date : 30th May, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN `)

Particulars	Notes	Year ended 31 March 12	Year ended 31 March 11
III. INCOME			
I. Revenue from operations	13	136,095,154	142,314,107
II. Other Income	14	917,279	6,522,332
		<u>137,012,433</u>	<u>148,836,439</u>
IV. Expenses:			
Operation Cost	15	120,032,871	126,954,139
Employee benefit expense	16	7,479,947	6,561,927
Financial costs	17	1,475,792	1,240,748
Depreciation and amortization expense	8	244,642	154,801
Other expenses	18	5,305,973	4,629,330
		<u>134,539,225</u>	<u>139,540,944</u>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	2,473,208	9,295,495
VI. Exceptional Items		-	464,435
VII. Profit before extraordinary items and tax (V - VI)		2,473,208	8,831,060
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		<u>2,473,208</u>	<u>8,831,060</u>
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Prior Year tax		22,000	560,261
(4) Minimum Alternate Tax Credit utilised / (availed)		-	-
XI. Profit(Loss) from the period from continuing operations		<u>2,451,208</u>	<u>8,270,799</u>
XII. Profit/(Loss) for the period		<u>2,451,208</u>	<u>8,270,799</u>
XIII. Earning per equity share: (Face value of ` 10 each)			
- Basic & Diluted		119.86	404.44
Summary of significant accounting policies	1		
The accompanying notes form an integral part of the financial statement			

As per our report of even date
AS PER OUR REPORT ATTACHED

FOR K.L.MURTY & CO.
CHARTERED ACCOUNTANTS
(Registration No. 106721W)

K.UMA MURTY
PROPRIETOR
Membership No. : 016634

Place : Mumbai
Date : 30th May, 2012

For and On behalf of the Board

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Place : Mumbai
Date : 30th May, 2012

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in `)

	Particulars	Year ended 31 st March, 2012	Year ended 31 st March, 2011
A	Cashflow from operating activities		
	Net profit/ (Loss) Before Exceptional tax	2,451,208	9,295,495
	Adjusted for:		
	Depreciation	244,642	154,801
	Amortisation of misc expenses	-	-
	Profit on Sale of Assets	-	-
	Loss on Sale of Fixed Asset	-	-
	Bad & D/Debts W/off - (Net of Reversal of Provisions)	352,003	707,369
	Excess Provision no longer required - W/back	-	(5,872,590)
	Interest Expenses	1,475,792	1,240,748
	Interest income	(837,730)	(537,682)
	Exchange Gain on Current Assets & Liabilities	323,180	187,285
	Diminution in value of investments		
	Operating Profit Before Working Capital changes (A)	4,009,095	5,175,427
	Adjustments for in Working Capital		
	increase / (Decrease) in in Current Assets		
	Sundry Debtors	4,815,382	2,977,153
	Margin money deposits	-	-
	Other Current assets	-	-
	Loans & Advances	(8,135,542)	(5,238,690)
		(3,320,160)	(2,261,537)
	Less: Increase/(Decrease) in Current Liabilities & Provisions	(1,674,201)	(3,539,485)
	Net increase/(Decrease) in working Capital (B)	1,645,958	(1,277,948)
	Cash Generated from Operations (A) - (B) = (C)	5,655,053	3,897,479
	Less: Taxation	-	-
	Less: Exceptional Items	-	464,435
	Less: Dividend (Including DDT)		
	NET CASH FROM OPERATING ACTIVITIES (A)	5,655,053	3,433,044
B	Cash flow from investing activities		
	Addition to Fixed Assets including capital advances	(337,711)	(125,800)
	Sale of Asset	-	6,761
	Purchase of Investment	-	(684)
	Interest Income	837,730	537,682
	NET CASH FROM INVESTING ACTIVITIES (B)	500,019	417,959
C	Cash Flow from Financing Activities		
	Proceeds / (Repayment) of Borrowings (Net)	(4,558,338)	(5,488,246)
	Issue of Equity Share	-	-
	Deferred Payment credit for purchase consideration		
	Interest Expenses	(1,475,792)	(1,240,748)
	Exchange Gain/(Loss) on current Assets & Liabilities	(323,180)	(187,285)
	NET CASH FROM FINANCING ACTIVITIES (C)	(6,357,310)	(6,916,279)
	NET CHANGES IN CASH & CASH EQUIVALENT (A + B + C)	(202,238)	(3,065,276)
	CASH & CASH EQUIVALENTS - OPENING BALANCE	829,152	3,894,429
	ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(202,237)	(3,065,276)
	CASH & CASH EQUIVALENTS - CLOSING BALANCE	626,915	829,152
	CLOSING CASH & CASH EQUIVALENTS CONSIST : (Refer Schedule F)		
	CASH ON HAND	23,869	13,199
	BALANCE WITH SCHEDULE BANK IN CURRENT ACCOUNT	603,046	815,953
	TOTAL	626,915	829,152

Notes:

- 1) The above statement has been prepared in indirect method
- 2) Cash and Cash equivalents include cash and bank balance except Margin money Deposits.

AS PER OUR REPORT ATTACHED

 FOR K.L.MURTY & CO.
 CHARTERED ACCOUNTANTS
 (Registration No. 106721W)

 K.UMA MURTY
 PROPRIETOR
 Membership No. : 016634

 PLACE: MUMBAI
 DATE: 30th May, 2012

FOR AND ON BEHALF OF THE BOARD

 S.RAMAKRISHNAN
 CHAIRMAN

 V.RAMNARAYAN
 DIRECTOR

 PLACE: MUMBAI
 DATE: 30th May, 2012

Notes to financial statement for the year ended 31st March 2012

NOTE 1. THE SIGNIFICANT ACCOUNTING POLICIES SUMMARISED BELOW :-

a) BASIC OF ACCOUNTING

The financial statement are prepared under the historical cost convention on an accrual basis.

b) FIXED ASSETS AND DEPRECIATION

1. All Fixed Assets are stated at cost less depreciation. Cost of acquisition includes inward freight duties and Taxes and incidental expenses related to acquisition and installation.
2. I) Depreciation on all assets has been provided by the Written Down Value method at the rates specified in Schedule XIV of the companies Act, 1956.
II) Depreciation on assets acquired during the year is provided on pro-rata basis.

c) SUNDRY DEBTORS

Sundry Debtors are stated after making adequate provision for doubtful debts, if any.

d) LOANS & ADVANCES

Loans and advances are stated at realizable values.

e) RECOGNITION OF INCOME & EXPENDITURE

Items of Income and Expenditure are recognized on accrual basis.

f) EMPLOYEES BENEFITS

1. The Company contributes to an approved Gratuity fund with Life Insurance Corporation of India (LIC). The Contribution to the fund are charged to the Revenues account in the respective Financial year.
2. Contribution of Provident Fund are made on monthly basis and charged to the revenue account in the respective Financial Year.
3. Leave Salary.

Provision for Leave Salary is made on accrual basis.

g) TAXES ON INCOME

Current income Tax is measured at the amount expected to be paid to income tax authorities in accordance with income tax act.

Deferred tax for timing difference between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the date of balance sheet date. Deferred Tax assets are recognised to the extent there is reasonable certainty that these assets can be realised in future

NOTE 2 : SHARE CAPITAL
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
AUTHORISED SHARE CAPITAL		
25,000 Equity shares of ` 100/- each	2,500,000	2,500,000
ISSUED, SUBSCRIBED AND PAID UP		
Equity Shares		
20,450 Equity shares of ` 100/- each Fully Paid-up in Cash	2,045,000	2,045,000
(Of which 10,450 (PY - Nil) Shares are held by SSLL- Holding Co, Nil (PY - 10,450) Shares held by SRSL, earstwhile Holding Co.		
(Of which 1,100 (PY - 1,100) Shares are held by Mr. S Ramakrishnan		
(Of which 1,350 (PY - 1,350) Shares are held by Mr. V Ramnarayan		
(Of which 1,350 (PY - 1,350) Shares are held by Mr. S Mahesh		
(Of which 5,000 (PY - 5,000) Shares are held by Sivaswamy Holding P Ltd		
TOTAL	2,045,000	2,045,000

NOTE 3 : RESERVES AND SURPLUS
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Surplus / (Deficit) in Profit and Loss Statement		
As per last Balance Sheet	(23,674,770)	(31,945,569)
Add : Profit for the year	2,451,208	8,270,799
	(21,223,562)	(23,674,770)
Less: - Appropriations		
Net surplus/ (Deficit) in the statement of profit and loss	(21,223,562)	(23,674,770)
Securities Premium	938,840	938,840
TOTAL	(20,284,722)	(22,735,930)

NOTE 4 : LONG TERM PROVISIONS
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Provision for Employee Benefits :-		
Provision for Compensated Absence & Gratuity	859,448	756,694
TOTAL	859,448	756,694

Disclosure required by AS 15 on 'Employees benefits' has been made in Note no. 16.

NOTE 5 : SHORT TERM BORROWINGS

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Secured :- Working Capital Loan repayable on demand from banks (14.5% p.a. Working Capital loan from Standard Chartered Bank Ltd)	5,662,862	10,221,200
TOTAL	5,662,862	10,221,200

a) Nature of security and terms of repayment for secured loan availed from Banks

i) Working capital loan from banks, repayable on demand, are secured by charge over the entire Sundry Debtors of the company (Cover period of Book Debts 90 Days).

NOTE 6 : TRADE PAYABLES

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Sundry Creditors for Trade :- Due to Others	13,460,324	10,875,529
TOTAL	13,460,324	10,875,529

NOTE 7 : OTHER CURRENT LIABILITIES

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Other Liabilities	1,657,608	5,399,358
TOTAL	1,657,608	5,399,358

NOTE 8 : FIXED ASSETS
(AMOUNT IN `)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2011	ADDITIONS	DEDUCTION/ADJUSTMENTS	COST AS AT 31.03.2012	AS AT 01.04.2011	FOR THE YEAR	DEDUCTION/ADJUSTMENTS	AS AT 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
FURNITURE & FIXTURES	42,066	54,444	-	96,510	17,530	9,623	-	27,153	69,357	24,536
OFFICE EQUIPMENTS	1,764,942	283,267	-	2,048,209	1,430,241	235,019	-	1,665,260	382,949	334,701
TANGIBLE ASSET (A)	1,807,008	337,711	-	2,144,719	1,447,771	244,642	-	1,692,413	452,306	359,237
SOFTWARE	-	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSET (B)	-	-	-	-	-	-	-	-	-	-
TOTAL (A+B) AS ON 31.03.2012	1,807,008	337,711	-	2,144,719	1,447,771	244,642	-	1,692,413	452,306	359,237
TOTAL AS ON 31.03.2011	1,698,708	125,800	17,500	1,807,008	1,303,710	154,801	10,739	1,447,771	359,237	

(a) Deduction/adjustments from gross block and depreciation / amortisation for the year includes:

	Gross Block		Depreciation/Amortisation	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Disposal of assets	-	-	-	-
Retirement of assets	-	-	-	-
Cost adjustments including exchange differences	-	-	-	-
Others	-	-	-	-

NOTE 9 : NON-CURRENT INVESTMENTS
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Investments in Mutual Fund :- Investment in Mutual Fund - Kotak Liquid Fund - 12448.98 (PY - 12448.98) Units	185,435	185,435
TOTAL	185,435	185,435

NOTE 10: Other Non Current Assets
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Deposits	1,425,221	1,766,183
Advance Income Tax	5,992,551	13,990,246
Other Advances	643,976	440,861
TOTAL	8,061,748	16,197,290

NOTE 11 : Trade Receivables

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Unsecured Outstanding for a period exceeding six months from the date they are due for payment Considered Good:	2,033,827	1,491,664
Considered doubtful Others		
Considered Good:	17,040,288	13,119,072
Considered doubtful	19,074,115	14,610,736
Less: Provision for doubtful debts	-	-
TOTAL	19,074,115	14,610,736

NOTE 12 : Cash & Bank Balance

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Balances with Banks - Current Accounts	603,046	815,953
Cash on Hand	23,869	13,199
TOTAL	626,915	829,152

NOTE 13 : Revenue from Operations

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Sales Of Services # Freight Forwarding / clearing Income	136,095,154	142,314,107
TOTAL	136,095,154	142,314,107

Service tax amount not incorporated in turnover.

NOTE 14 : Other Income

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Interest on bank deposit (Gross)	837,730	537,682
Interest on Income Tax Refund	-	47,744
Other Income	79,549	64,316
Gains on exchange Rate Variation (Net)	-	5,872,590
Other Provisions for Expenses No Longer Required-Written back		
TOTAL	917,279	6,522,332

NOTE 15 : Operation Cost

(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Freight Forwarding / clearing Expenses	120,032,871	126,954,139
TOTAL	120,032,871	126,954,139

NOTE 16 : Employee Benefit Expense
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Salaries and Bonus	6,689,404	5,794,153
Contribution to Provident Fund and other fund	431,562	324,834
Staff Welfare	358,981	442,940
TOTAL	7,479,947	6,561,927

Disclosures required by AS 15 in respect of provision made towards various employees benefits is made in Note no. 4.

NOTE 17 : Finance Costs
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Interest on loan from banks		
Fixed period Loans	-	-
Working Capital & Overdraft	1,475,792	1,240,748
TOTAL	1,475,792	1,240,748

NOTE 18 : Other Expense
(AMOUNT IN `)

Particulars	As At 31 March 2012	As At 31 March 2011
Bad debts W/off	352,003	6,324,473
Less: Provision for eariler year no longer required written back	-	5,617,104
	352,003	707,369
Professional & Consultancy Fees	616,699	443,886
Audit Fees (Refer Note Below)	142,909	142,914
Rent, Rates & Taxes	638,349	404,705
Travelling and Conveyance	750,599	336,567
Repairs and Maintenance	262,944	359,559
Communication Expenses	236,725	473,680
Printing & Stationery	291,977	205,568
Vehicle Lease Rent	404,000	454,134
Electricity Expenses	200,450	159,600
Insurance Expenses	84,849	-
Loss on exchange Rate Variation (Net)	323,180	187,285
Miscellaneous Expenses	1,001,290	754,063
TOTAL	5,305,973	4,629,330

A) PAYMENT TO AUDITORS
(AMOUNT IN `)

Particulars	Year ended 31 March, 2012	Year ended 31 March, 2011
i) As Auditors (including Service Tax)	112,875	112,875
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	25,000	25,000
b) Fees for Certification	-	-
iii) Out of Pocket Expenses	5,034	5,034

19. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of Current Assets, Loans & Advances in the ordinary course of business would not be less than the amount at which they stated in the balance sheet except to the extent considered doubtful and not provided for.
20. Confirmation of balances of Sundry Creditors, Sundry Debtors and Loans & Advances has not been received and hence balances are subject to reconciliation and adjustments if any.

21. Payment to auditors :-

(AMOUNT IN `)

	2011-12	2010-11
i) Audit Fees	100,000	100,000
ii) Tax audit fees	25,000	25,000
iii) Out of pockets	5,034	5,039
iv) Service Tax	12,875	12,875
TOTAL	142,909	142,914

22. Information pursuant to Paras 3 & 4 of schedule VI to the Companies Act 1956

(AMOUNT IN `)

	2011-12	2010-11
i) Earning in foreign currency	2,741,787	7,316,000
ii) Expenditure in Foreign Currency	17,652,458	11,057,000

23. DEFFERED TAXES

	2011-12	2010-11
Deffered Tax Asset on Unabsorbed P & L	-	-
Deffered Tax Asset for Difference in WDV of Assets	-	-
Deffered Tax Asset on Leave Salary	-	-
	-	-

Considering the uncertainty of realisation of deferred tax asset in future, no deferred tax assets has been recognised during the current year.

24. Segment Reporting

a) Segment wise Revenue & Results

Particulars	31.03.2012	31.03.2011
Revenue by Segment		
- Sea Division	-	-
- Air Division	136,095,154	142,314,107
	136,095,154	142,314,107
Segment Results : Gross Profit		
- Sea Division	-	-
- Air Division	16,062,283	15,359,968
	16,062,283	15,359,968
Add: Other Income	917,279	6,522,332
Less: Administrative Expns	12,785,920	11,191,256
Less: Finance Cost	1,475,792	1,240,748
Less: Depreciation	244,642	154,801
Profit Before Exceptional Item and Taxation	2,473,208	9,295,495

25. In terms of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, the outstanding to these enterprises are required to be registered under the Act. In absence of information about registration of enterprises under the above act, the required information could not be furnished.

26. Related Party Transactions - Refer Annexure - 1
27. Figures have been rounded off to nearest Rupee.
28. The figures in respect of previous years have been regrouped wherever necessary.
29. The financial statements for the year ended 31st March, 2012 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.
30. Notes 1 to 29 form an integral part of accounts and have been duly authenticated.

SIGNATURES TO NOTES 1 TO 30

For and On behalf of the Board

FOR K.L.MURTY & CO.
CHARTERED ACCOUNTANTS
(Registration No. 106721W)

S. Ramakrishnan
Chairman

K.UMA MURTY
PROPRIETOR
Membership No. : 016634

V. Ramnarayan
Director

Place : Mumbai
Date : 30th May, 2012

Place : Mumbai
Date : 30th May, 2012

RELATED PARTY TRANSACTIONS AS ON 31/03/2012

Particulars	Amount	
	11-12	10-11
Forwarding Income :		
Shreyas Shipping & Logistics Ltd.	10	10
Transworld Logistics Ltd - MUMBAI	188	
Admec Logistics Ltd.	260	
Transworld Shipping & Logistics Ltd	775	
Transworld FZE, Dubai	1,472	
Forwarding Expenses :		
NLS Agency I Ltd.	345	
Transworld Logistics Ltd.	43	
Albatross Shipping Pvt. Ltd.	573	
Shreyas Relay Systems Ltd.	1,168	
Transworld Shipping Trading & Logistics Services LLC	11	
Transworld Shipping & Logistics Ltd	545	
Transworld FZE, Dubai	25	
Rent Paid		
Sivaswamy Holdings Pvt Ltd.	153	168
Agency Fees Paid	-	-
Freight Expenses	-	-
Personnel Delegation	-	-
Interest Expenses on Loan Taken	-	-
Refund of Share Application Money Shreyas Shipping & Logistics Ltd.	12,800	-
Share Application Money Received Shreyas Relay Systems Ltd.	12,800	-
Loan Taken	-	-
Sale of Assets Shreyas Relay Systems Ltd.	-	7
Repayment of Loan Taken	-	-
Debit Bal Due To Company	1,774	223
Credit Balance Due From Company	3,098	2,813

RELATED PARTY TRANSACTIONS AS ON 31/03/2012

Names of the Related Parties

Nature of Relationship	Name of the Related Parties
Holding Company	Shreyas Shipping & Logistics Ltd. (Till 30 th September 2011) Shreyas Relay Systems Ltd (From 30 th September 2011)
Fellow Subsidiary	Shreyas Relay Systems Ltd. (Till 29 th September 2011)
Other Related Parties	United Arab Shipping Agency Co. (I) Pvt. Ltd. Cresecent Shipping Agency I Ltd. Meridian Shipping Agency I Ltd. NLS Agency I Ltd. Transworld Logistics Ltd. TLPL Logistics Pvt Ltd. Albatross Shipping Ltd. Relay Shipping Agency Ltd. Merdian Shipping Trading LLC Sea Bridge Shipping TLSS - USA



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

I/We hereby record my/our presence at the Twenty Fourth Annual General Meeting of the Company held at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R. C. Marg, Opp. Vijaya Bank, Chembur, Mumbai - 400 071 on Saturday, the 21st day of July, 2012 at 11.00 a.m.

NAME & ADDRESS OF THE SHARE HOLDER (IN BLOCK LETTERS) L.F. NO. NO. OF SHARES HELD

*DP I d No.

*Client I d No.

SIGNATURE / NAME OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If Shareholder, please sign here	If Proxy, please sign here
Name	Name

Name:

- You are requested to sign and hand this over at the entrance.
- If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy form must be deposited at the Registered office of the Company at 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai - 400 088 not less than 48 hours before the time for holding the meeting.
- If you are attending the meeting in person or by proxy, your copy of the Balance Sheet may please be brought by you/your proxy for reference at the meeting.

*In case of dematerialised shares.



PROXY FORM

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

I/We of of in the district of being a Member/Members of the above named Company, hereby appoint of in the district of or failing him of in the district of as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on Saturday, 21st July, 2012 at 11.00 a.m. and at any adjournment thereof.

Signed this day of 2012

Signature _____

Please Affix 1/- Revenue Stamp

Registered Folio : _____
 DP I D No. : _____
 Client I D No. : _____
 No. of Shares : _____

- Notes:
- The Proxy form must be deposited at the Registered Office of the Company 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai - 400 088, not less than 48 hours before the time for holding the Meeting.
 - This form is to be used ^{*in favour}/_{*against} the resolution. Unless otherwise directed, the Proxy will act as he thinks fit.
- *Strike out whichever is not applicable.



SHREYAS

SHIPPING & LOGISTICS LTD

FINANCIAL HIGHLIGHTS

(₹ in Lacs except where stated otherwise)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08*	2008-09*	2009-10*	2010-11*	2011-12*
Operating Earnings	6,757.39	7,689.86	9,683.74	14,136.35	17,911.46	29,011.57	28,730.67	15,398.73	19,038.73	27,077.51
Other Income	147.92	693.08	82.22	373.29	571.12	741.23	3,082.71	(394.06)	256.92	153.26
Total Income	6,905.31	8,382.94	9,765.96	14,509.64	18,482.58	29,752.80	31,813.38	15,004.67	19,295.65	27,230.77
Operating Expenses	5,252.90	5,925.77	5,772.37	9,285.73	13,187.27	24,363.80	26,279.80	13,789.23	14,928.72	23,051.71
Administration & Other Expenses	371.09	493.03	462.22	527.06	838.16	1,766.84	2,234.65	1,018.21	1,066.41	1,605.51
PBDT	1,281.32	1,964.14	3,567.37	4,696.85	4,457.15	3,621.99	3,298.93	197.23	3,300.52	2,573.55
Interest	273.91	174.65	85.44	193.12	485.81	1,335.53	1,028.60	459.51	675.39	547.51
PBDT	1,007.41	1,789.49	3,481.93	4,503.73	3,971.34	2,286.46	2,270.33	(262.28)	2,625.13	2,026.04
Depreciation	666.96	786.93	756.70	865.60	963.23	1,399.03	1,445.31	1,248.40	1,149.24	1,350.39
PBT	340.45	1,002.56	2,725.23	3,638.13	3,008.11	887.43	825.02	(1,510.68)	1,475.89	675.65
Tax	278.19	271.77	29.77	115.5	296.77	69.99	262.83	59.82	198.20	112.81
PAT (including prior year item)	106.53	730.79	3,573.68	3,522.63	3,119.15	645.52	558.61	(1,570.50)	1,277.69	562.84
Share Capital	3,282.42	3,282.42	3,282.42	3,495.75	3,495.75	3,495.75	3,105.75	2,995.75	2,995.75	3,195.75
Reserves & Surplus	2,303.86	2,632.94	5,503.25	11,563.46	12,864.30	11,806.04	12,627.88	10,938.76	11,828.84	12,157.86
Net Worth	5,586.28	5,915.36	8,785.67	15,059.21	16,360.05	15,301.79	15,733.63	13,934.51	14,824.59	15,353.61
Loan Funds	4,760.51	1,582.24	2,624.74	2,647.36	15,893.08	23,125.08	10,202.01	8,489.27	6,120.64	8,440.74
Fixed Assets (Net) (including Capital work-in-progress)	10,209.73	7,945.95	10,121.12	11,343.24	26,866.11	37,068.49	21,780.25	18,616.58	17,920.31	18,587.56
Investments	224.51	14.05	3.11	4,322.41	2,097.14	444.32	1,889.99	1,456.89	509.89	1,119.50
Net Current Assets	84.47	152.46	1,286.18	2,062.66	3,340.73	989.45	2,265.40	2,340.97	2,657.28	4,087.29
EPS (Annualised) (₹) (excluding exceptional items)	0.24	3.02	12.87	16.92	11.69	3.10	2.05	(7.69)	5.33	2.08
Debt Equity Ratio	0.85	0.27	0.30	0.18	0.97	1.51	0.65	0.61	0.41	0.55
Dividend Per Equity Share (₹)	-	1.20	2.00	2.20	2.20	2.00	-	-	1.10	0.50
Book Value per share (₹)	21.62	22.45	32.88	62.29	60.10	54.18	71.65	59.78	63.87	65.37

* Consolidated figures have been presented

BOOK POST



If undelivered, please return to:

Shreyas Shipping & Logistics Ltd.

2nd Floor, Sahyadris, Geetmala Complex, Near Shah Industrial Estate,
Opp. Deonar Village Road, Govandi (E), Mumbai - 400 088.