



**Shreyas**  
Shipping and Logistics LTD



**26<sup>th</sup>**  
**Annual Report**  
**2013-14**



**Shreyas**  
Relay Systems LTD

**transworld**  
GROUP

## OUR VISION

To be a premier organization, which offers total shipping solutions by providing high quality innovative services to its customers, stakeholders and is the market leader and the trendsetter in the Indian Sub Continent, Arabian Gulf & South East Asia region.

## OUR MISSION

We are committed to provide total transportation through quality service and be the customer's first choice.

## OUR VALUES

### Trust and Openness

"We believe in trust & openness in all our dealings"

### Mutual Respect

"We believe in respecting the dignity of individuals"

### Quality

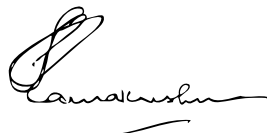
"We are dedicated to customer driven quality, constantly striving to improve our process & services guided by the changing needs of the customers"

### Excellence

"We believe in continuously improving upon our own benchmarks"

### Customer Orientation

"The concerns & needs of the customers are the guiding force behind all our endeavours"



**S. Ramakrishnan**  
Chairman

# Chairman's Statement

Dear Shareholders,

I feel elated to state that the year gone by has been extremely fulfilling. The actions and initiatives undertaken by us have strengthened the sustainability and robustness of our business.

We have always believed that although we are a nation blessed with a vast coast line of about 7500 kms, it is not exploited to the fullest. It has been our endeavor to introduce innovative business models which makes use of this Nature's gift. Taking this thought forward, we introduced two new services during the year connecting the East and West coast of India. This was the first time that the two ends on the Indian map were brought together by a costal container operator. With this initiative, connectivity was ensured to the entire Indian coast through containers and added a different dimension to the Indian coastal container trade.

Moving forward on our growth trajectory and with a vision to foster coastal shipping in India, Shreyas introduced an inaugural service exclusively within the state of Kerala connecting the Kochi Port with Kollam Port. In fact Shreyas made a maiden call from the Kollam Port.

I am pleased to further report that for the first time, the state-run Food Corporation of India (FCI) has been permitted by the Union Government to use the sea route to transport foodgrains from Andhra Pradesh to Kerala. Shreyas has through its wholly owned subsidiary Shreyas Relay Systems Limited (SRS) secured this contract for multimodal handling and transportation of 20,000 tons per month. This contract is expected to substantially add to the Company's top line as well as bottom line.

Ships are the most vital assets for any shipping company. Having a young and efficient fleet is the desire of every ship owner and Shreyas on its quest to rationalise the fleet and add appropriate tonnage. Accordingly, the vessel M. V. OEL Unity is sold. Although the Company has incurred losses on this sale, it was a prudent business decision as the Company will be able to acquire a younger and bigger vessel at an economical value. The deal as a whole has proved to bring immense value as well as opportunities to the table.

For the year 2013-2014, Shreyas has achieved a top line of ₹ 248.16 crores which is an increase of 21 % over the previous year. The bottom line is impacted due to the loss on sale of vessel. If we eliminate this sale, the bottom line has decline by 13 % from ₹ 10.99 crores during the current year from ₹12.62 crores in the previous year.

The wholly owned subsidiary of Shreyas, SRS, has achieved a top line of ₹ 309.44 crores thereby posting a growth of 15% and a bottom line of ₹ 3.21 crores. This is a 3.02% decline in the Net Profits over the previous year. The wholly owned subsidiary of the Company, Shreyas Relay Systems Limited (SRSL), provides round the clock seamless door to door multimodal logistics solutions incorporating Domestic Multimodal Coastal Container Services, Regional Liner Service, International Air / Sea Freight Forwarding, Road and Rail, with the help of unparallel in-house resources and associations with CONCOR, ACCA, IATA, WCA, and FFA. SRSL has made its presence discern on Pan-India, Middle-East and Far-East sectors. SRSL operates Fleet of 56 Own Trucks, and various types of more than 6200 containers.

We continue to believe that the best for Indian coastal shipping is yet to come and we shall strive for it. In fact, India, in recent years, has emerged as one of the leading Public Private Partnerships (PPP) markets in the world, because of several policies and institutional initiatives taken by the Government. We are confident that every action initiated by us will augument the magnitude of coastal shipping in India.

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 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.

**S. Ramakrishnan**  
Chairman & Managing Director

Place : Mumbai

Date : 26<sup>th</sup> May, 2014



## BOARD OF DIRECTORS

MR. S. RAMAKRISHNAN	CHAIRMAN & MANAGING DIRECTOR
MR. V. RAMNARAYAN	EXECUTIVE DIRECTOR
MR. S. MAHESH	DIRECTOR
MR. L. B. CULAS	DIRECTOR
MR. RITESH S. RAMAKRISHNAN	DIRECTOR
MR. AMITABHA GHOSH	DIRECTOR
CAPT. MANMOHAN SAGGI	DIRECTOR
MR. S. RAGOTHAMAN	DIRECTOR
MR. D. T. JOSEPH	DIRECTOR
MR. MANNIL VENUGOPALAN	DIRECTOR

## MANAGEMENT TEAM

MR. V. RAMNARAYAN	EXECUTIVE DIRECTOR
CAPT. VIVEK KUMAR SINGH	CHIEF EXECUTIVE OFFICER
MR. S. VARADARAJAN	CHIEF EXECUTIVE OFFICER – SHREYAS RELAY SYSTEMS LIMITED
MR. RAJESH DESAI	CHIEF FINANCIAL OFFICER
MS. NAMRATA MALUSHTE	COMPANY SECRETARY

## REGISTERED OFFICE

4<sup>TH</sup> FLOOR, HIMALAYAS,  
GEETMALA COMPLEX,  
NEAR SHAH INDUSTRIAL ESTATE,  
GOVANDI (EAST), MUMBAI 400 088

## ADMINISTRATIVE OFFICE

2<sup>ND</sup> FLOOR, SAHYADRI,  
GEETMALA COMPLEX,  
NEAR SHAH INDUSTRIAL ESTATE,  
GOVANDI (EAST), MUMBAI 400 088  
TEL: 022 66220300 | FAX: 022 66220444

## REGISTRAR AND SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT. LTD  
C-13, PANNALAL SILK MILLS COMPOUND,  
L.B.S MARG, BHANDUP (WEST),  
MUMBAI 400 078  
TEL: 022 25946970 | FAX: 022 25946969

## BANKERS

ICICI BANK LTD  
CANARA BANK  
CANARA BANK, LONDON  
KARUR VYSYA BANK  
STANDARD CHARTERED BANK  
AXIS BANK LTD  
DEUTSCHE BANK AG  
STATE BANK OF INDIA  
YES BANK

## STATUTORY AUDITORS

PKF SRIDHAR & SANTHANAM

## INTERNAL AUDITORS

LOVI MEHROTRA & ASSOCIATES,  
CHARTERED ACCOUNTANTS

**FINANCIAL HIGHLIGHTS**

(₹ in lacs except where stated otherwise)

	2004-05*	2005-06*	2006-07*	2007-08*	2008-09*	2009-10*	2010-11*	2011-12*	2012-13*	2013-14*
Operating Earnings	9,683.74	14,136.35	17,911.46	29,011.57	28,730.67	15,398.73	19,038.73	27,077.51	38,889.12	48,731.06
Other Income	82.22	373.29	571.12	741.23	3,082.71	-394.06	256.92	153.26	209.16	162.19
<b>Total Income</b>	<b>9,765.96</b>	<b>14,509.64</b>	<b>18,482.58</b>	<b>29,752.80</b>	<b>31,813.38</b>	<b>15,004.67</b>	<b>19,295.65</b>	<b>27,230.77</b>	<b>39,098.28</b>	<b>48,893.25</b>
Operating Expenses	5,772.37	9,285.73	13,187.27	24,363.80	26,279.80	13,789.23	14,928.72	23,051.71	32,432.87	41,442.33
Administration & Other Expenses	462.22	527.06	838.16	1,766.84	2,234.65	1,018.21	1,066.41	1,605.51	2,290.07	2,718.35
<b>PBIDT</b>	<b>3,567.37</b>	<b>4,696.85</b>	<b>4,457.15</b>	<b>3,621.99</b>	<b>3,298.93</b>	<b>197.23</b>	<b>3,300.52</b>	<b>2,573.55</b>	<b>4,375.34</b>	<b>4,732.57</b>
Interest	85.44	193.12	485.81	1,335.53	1,028.60	459.51	675.39	547.51	950.63	1,161.64
<b>PBDT</b>	<b>3,481.93</b>	<b>4,503.73</b>	<b>3,971.34</b>	<b>2,286.46</b>	<b>2,270.33</b>	<b>(262.28)</b>	<b>2,625.13</b>	<b>2,026.04</b>	<b>3,424.71</b>	<b>3,570.93</b>
Depreciation	756.70	865.60	963.23	1,399.03	1,445.31	1,248.40	1,149.24	1,350.39	1,645.09	1,805.62
<b>PBT</b>	<b>2,725.23</b>	<b>3,638.13</b>	<b>3,008.11</b>	<b>887.43</b>	<b>825.02</b>	<b>(1,510.68)</b>	<b>1,475.89</b>	<b>675.65</b>	<b>1,779.62</b>	<b>1,765.31</b>
Tax	29.77	115.50	296.77	69.99	262.83	59.82	198.20	112.81	239.25	287.03
<b>PAT (including prior year item)</b>	<b>3,573.68</b>	<b>3,522.63</b>	<b>3,119.15</b>	<b>645.52</b>	<b>558.61</b>	<b>(1,570.50)</b>	<b>1,277.69</b>	<b>562.84</b>	<b>1,540.37</b>	<b>1,478.29</b>
Share Capital	3,282.42	3,495.75	3,495.75	3,495.75	3,105.75	2,995.75	2,995.75	2,195.75	2,195.75	2,195.75
Minority Interest		-	-	-	-	-	-	1,000.00	1,024.40	1,038.91
Reserves & Surplus	5,503.25	11,563.46	12,864.30	11,806.04	12,627.88	10,938.76	11,828.84	12,157.86	12,988.21	11,661.89
Net Worth	8,785.67	15,059.21	16,360.05	15,301.79	15,733.63	13,934.51	14,824.59	14,353.61	15,183.96	13,857.64
Non Current Laibilities	2,624.74	2,647.36	15,893.08	23,125.08	10,202.01	8,489.27	6,120.64	8,440.74	13,286.61	8,282.48
Fixed Assets (Net) (including Capital work-in-progress)	10,121.12	11,343.24	26,866.11	37,068.49	21,780.25	18,616.58	17,920.31	18,587.56	23,882.71	20,776.98
Other Non Current Assets	3.11	4,322.41	2,097.14	444.32	1,889.99	1,456.89	509.89	1,119.50	8.63	1,881.46
Net Current Assets	1,286.18	2,040.92	3,289.87	914.06	2,265.40	2,350.31	2,515.03	4,087.29	5,603.63	520.60
EPS (Annualised) (₹) (excluding exceptional items)	12.87	16.92	11.69	3.10	2.05	(7.69)	5.33	2.08	6.51	6.22
Debt Equity Ratio	0.30	0.18	0.97	1.51	0.65	0.61	0.41	0.59	0.88	0.87
Dividend Per Equity Share (₹)	2.00	2.20	2.20	2.00	-	-	1.10	0.50	0.60	0.60
Book Value per share (₹)	32.88	62.29	60.10	54.18	71.65	59.78	63.87	65.37	69.15	63.11

## 26<sup>th</sup> ANNUAL REPORT 2013-2014

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# Notice

NOTICE is hereby given that the Twenty sixth Annual General Meeting of the Members of Shreyas Shipping & Logistics Limited will be held on Tuesday, 12<sup>th</sup> day of August, 2014 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 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. S. Mahesh, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Leonard Basil Culas, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Ritesh S. Ramakrishnan 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 pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013, Capt. Man Mohan Saggi (DIN 06862742), who was appointed by the Board of Directors as an Additional Director under the provisions of Section 161 of the Companies Act, 2013 with effect from 7<sup>th</sup> May, 2014 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 160 of the Companies Act, 2013, in writing, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

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

“RESOLVED that pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Sethumadhava Ragothaman (DIN 00042395), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange and whose period of office is liable to determination by retirement of directors by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

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

“RESOLVED that pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Daniel Trevelyn Joseph (DIN 01716572) an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange and whose period of office is liable to determination by retirement of directors by rotation, be and is

hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

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

“RESOLVED that pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Amitabha Ghosh (DIN 00055962) an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange and whose period of office is liable to determination by retirement of directors by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

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

“RESOLVED that pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Mannil Venugopalan (DIN 00255575) an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange and whose period of office is liable to determination by retirement of directors by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

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

“RESOLVED that subject to the provisions of sections 196,197, 203, Schedule V, and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the approval of the Central Government and further subject to the approval of the Reserve Bank of India, if required, the consent of the Company is hereby accorded for the re-appointment of Mr. S. Ramakrishnan (DIN 00057637) as the Chairman and Managing Director for a period of five years with effect from 1<sup>st</sup> April, 2014 with a liberty to the Board of Directors to alter and vary the terms of appointment and remuneration package so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII of the Companies Act, 1956) as may be agreed between the Board of Directors and Mr. S. Ramakrishnan:

**(a) Salary:**

Consolidated salary in the range of ₹ 7,000,000/- (Rupees Seventy lacs only) to ₹12,500,000/- (Rupees One Crore Twenty Five lacs only) per annum **including** Company’s contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other perquisites and allowances with authority to the Board to fix his salary within the above range from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

**(b) Other benefits:**

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Mediciam insurance.

The aggregate remuneration payable to Mr. S. Ramakrishnan, shall be subject to the overall ceilings laid down in Sections 197 and other applicable provisions of the Companies Act, 2013.



**(c) Minimum Remuneration:**

Where in any financial year during the tenure of Mr. S. Ramakrishnan, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. S. Ramakrishnan the above remuneration by way of salary and perquisites as a minimum remuneration subject to the upper limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modifications or re-enactments thereof, for the time being in force.

**(d) Sitting fees:**

Mr. S. Ramakrishnan shall not be entitled to any sitting fees.

“FURTHER RESOLVED that the Board of Directors of the Company or the Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

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

“RESOLVED that subject to the provisions of sections 196,197, 203, Schedule V, and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) the consent of the Company is hereby accorded for the re appointment of Mr. V. Ramnarayan (DIN 00057717) as the Executive Director for a period of five years with effect from 13<sup>th</sup> January, 2014 with a liberty to the Board of Directors to alter and vary the terms of appointment and remuneration package so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII of the Companies Act, 1956) as may be agreed between the Board of Directors and Mr. V. Ramnarayan:

**(a) Salary:**

Consolidated salary upto ₹ 50,00,000 (Rupees Fifty Lakhs) per annum **including** Company’s contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances with authority to the Board to fix his salary within the above range from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

**(b) Other benefits:**

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Mediciclaim insurance.

The aggregate remuneration payable to Mr. V. Ramnarayan, shall be subject to the overall ceilings laid down in Sections 197 and other applicable provisions of the Companies Act, 2013.

**(c) Sitting fees:**

Mr. V. Ramnarayan shall not be entitled to any sitting fees.

FURTHER RESOLVED that the Board of Directors of the Company or the Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

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

RESOLVED THAT subject to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 the Articles of Association are be and are hereby altered as under:

- i. In the Article 1 to Article 140, the words / number "The Companies Act, 1956" the same be deleted and substituted with the words / number "The Companies Act, 2013".
- ii. In the Article 1, the word and alphabet "Table A" be deleted and substituted with the word and alphabet "Table F".
- iii. In the Article 1, the word and number "Section 189" be deleted and substituted with the word and number "Section 114"
- iv. In the Article 2, the word and number "Section 2(17)" be deleted and substituted with the word and number "Section 2(41)"
- v. In the Article 4, the word and number "Section 97" be deleted and substituted with the word and number "Section 64"
- vi. In the Article 6, the word and number "Section 80" be deleted and substituted with the word and number "Section 55"
- vii. In the Article 7, the words and numbers "Sections 78,80,100 to 105" be deleted and substituted with the word and number "Section 52,55,66"
- viii. In the Article 8, the word and number "Section 94" be deleted and substituted with the word and number "Section 61"
- ix. In the Article 9, the words and numbers "Sections 106 and 107" be deleted and substituted with the word and number "Section 48"
- x. In the Article 10, the words and numbers "Sections 150 and 151" be deleted and substituted with the word and number "Section 88"
- xi. In the Article 12, the words and numbers "Sections 78 and 79" be deleted and substituted with the word and number "Sections 52 and 53"
- xii. In the Article 12, the word and number "Section 75" be deleted and substituted with the word and number "Section 39"
- xiii. In the Article 13, the word and number "Sections 78 and 79" be deleted and substituted with the word and number "Sections 52 and 53"
- xiv. In the Article 13, the word and number "Section 81" be deleted and substituted with the word and number "Section 62"
- xv. In the Article 17, the word and number "Section 113" be deleted and substituted with the word and number "Section 56"
- xvi. In the Article 21, the word and number "Section 77" be deleted and substituted with the word and number "Section 67"
- xvii. In the Article 22, the word and number "Section 76" be deleted and substituted with the word and number "Section 40"
- xviii. In the Article 40, the word and number "Section 108" be deleted and substituted with the word and number "Section 56"
- xix. In the Article 43, the word and number "Section 111" be deleted and substituted with the word and number "Section 58"
- xx. In the Article 44, the word and number "Section 110" be deleted and substituted with the word and number "Section 56"
- xxi. In the Article 50, the words and numbers "Sections 292 and 293" be deleted and substituted with the words and numbers "Sections 179, 180 and 181"
- xxii. In the Article 53, the word and number "Section 143" be deleted and substituted with the word and number "Sections 77 and 85"
- xxiii. In the Article 53, the words and numbers "Sections 118,125 and 127 to 144" be deleted and substituted with the words and numbers "Section 71,77 to 79,81 to 87,"
- xxiv. In the Article 54, the word and number "Section 152" be deleted and substituted with the word and number "Section 88"
- xxv. In the Article 61, the word and number "Section 187" be deleted and substituted with the word and number "Section 113"
- xxvi. In the Article 70, the words and numbers "clause(1) of sub-section (2) of Section 87" be deleted and substituted with the words and numbers "sub-section (2) of Section 47"

- xxvii. In the Article 74, the word and number “Section 187” be deleted and substituted with the word and number “Section 113”
- xxviii. In the Article 80, the word and number “Schedule IX” be deleted and substituted with the word and number “Section 105”
- xxix. In the Article 84, the word and number “Section 252” be deleted and substituted with the word and number “Section 149”
- xxx. In the Article 88, the words and numbers “Sections 260,261 and 264” be deleted and substituted with the words and numbers “Sections 152 and 161”
- xxxi. In the Article 89, the words and numbers “Sections 261, 264 and 284(6)” be deleted and substituted with the words and numbers “Section 152 and 169(7)”
- xxxii. In the Article 94, the word and number “Section 299(2)” be deleted and substituted with the word and number “Section 184(2)”
- xxxiii. In the Article 97, the words and numbers “Section 309(6) or Section 314” be deleted and substituted with the words and numbers “Section 188 and 197”
- xxxiv. In the Article 99, the word and number “Section 256(2)” be deleted and substituted with the word and number “Section 152(6)”
- xxxv. In the Article 106A (h), the words and numbers “Section 292, 293(1)(c),295, 370 and 372” be deleted and substituted with the words and numbers “Sections 179, 180 and 185”
- xxxvi. In the Article 106A (m), the words and numbers “Sections 76 and 208” be deleted and substituted with the word and number “Section 40”
- xxxvii. In the Article 109, the word and number “Section 287” be deleted and substituted with the word and number “Section 174”
- xxxviii. In the Article 114, the word and number “Section 292” be deleted and substituted with the word and number “Section 179”
- xxxix. In the Article 139, the word and number “Section 633” be deleted and substituted with the word and number “Section 463”
- xxxx. Article 60 be and is hereby altered as follows:  
“60. Such number of members as may be prescribed by the Act shall form the quorum.”
- xxxxi. Article 84 be and is hereby altered as follows:  
“84. Until otherwise determined by a General Meeting of the Company and subject to Section 149 of the Act, the total number of Directors shall not be less than three and more than fifteen.
- xxxii. Article 103 be and is hereby altered as follows:  
“103. Subject to Section 149 of the Act, the Company may by Special Resolution from time to time, increase the number of Directors.
- xxxiii. After Article 105, the following Article 105A be inserted:  
“105A. The Managing Director of the Company shall also act as the Chairman of the Company”

26<sup>th</sup> May, 2014

**Registered Office:**

4<sup>th</sup> 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. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

Proxy form, in order to be effective, must be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time of the Meeting. Proxies submitted on behalf of the companies, societies etc must be accompanied by an appropriate resolution, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business as set out above, is annexed hereto.
3. Profiles of the Directors retiring by rotation, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are given in the Report on Corporate Governance forming part of the Directors' Report. The Directors have furnished requisite declaration for their appointment / re-appointment.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 5<sup>th</sup> August, 2014 to 12<sup>th</sup> August, 2014 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 18<sup>th</sup> August, 2014 to Members holding shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares on 12<sup>th</sup> August, 2014. 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 12<sup>th</sup> August, 2014 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 may note that the Notice of the 26<sup>th</sup> Annual General Meeting and the Annual Report for the year 2013-14 will also be available on the Company's website [www.transworld.com/shreyas](http://www.transworld.com/shreyas).
8. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
9. Electronic copy of the Notice convening the 26<sup>th</sup> Annual General Meeting of the Company and the Annual Report along with the process of e-voting and the Attendance Slip and Proxy form is being sent to the members whose e-mail addresses are registered with the Company / Depository Participant(s) for communication purposes only unless any member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice convening the 26<sup>th</sup> Annual General Meeting of the Company and the Annual Report along with the process of e-voting and the Attendance Slip and Proxy form is being sent to the members in printed mode. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular etc from the Company in electronic mode.

10. Voting through electronic means:

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

- i) Open e-mail and open PDF file viz; "SLL info e-voting.pdf" with your Client ID or Folio Number as Password. The said PDF file contains your user ID and Password for e-voting. Please note that the password is an initial password.
  - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - iii) Click on Shareholders – Login
  - iv) Put user ID and Password as initial password noted in step (i) above. Click Login.
  - v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note your new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - vi) Home page of e-voting opens. Click on e-voting: Active voting cycles.
  - vii) Select "EVEN" (E-Voting Event Number) of Shreyas Shipping & Logistics Limited
  - viii) Cast your vote by selecting appropriate option and click on "submit" and also "confirm" when prompted.
  - ix) Upon confirmation, the message "vote cast successfully" will be displayed.
  - x) Once you have voted on resolution, you will not be allowed to modify your vote.
  - xi) Institutional Shareholders (i.e, other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail: [info@dmzaveri.com](mailto:info@dmzaveri.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- II. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and Password for casting vote
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending communication(s).
- V. The e-voting period commences on 6<sup>th</sup> August, 2014 (10.00 a.m.) and ends on 8<sup>th</sup> August, 2014 ( 6.00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11<sup>th</sup> July, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of a shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date )record date of 11<sup>th</sup> July, 2014,
- VII. Mr. Dharmesh Zaveri has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith addressed to the Chairman of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.transworld.com/shreyas](http://www.transworld.com/shreyas) and shall be communicated to the Stock Exchange.

11. 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 along with the copies of the Annual Report to the Meeting.
12. 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 31<sup>st</sup> March, 1996 and 31<sup>st</sup> March, 1997 and period ended 30<sup>th</sup> September, 1998, year ended 31<sup>st</sup> March, 1999, 31<sup>st</sup> March, 2001, 31<sup>st</sup> March, 2002, 31<sup>st</sup> March, 2004, 31<sup>st</sup> March, 2005(Interim & Final) and 2005-06 (Interim & Final) and 31<sup>st</sup> March, 2007 (interim) has been transferred to the said Fund.
- Unclaimed dividend for the financial year ended 31<sup>st</sup> March, 2008 and thereafter (wherever declared) is still lying with the Company. The Members, who have not yet encashed the dividend warrants 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.**
13. 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.
14. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
15. 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 72 of the Companies Act, 2013. 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 India Private Limited on request. Form No. 2B can also be downloaded from the website of the Company at [www.transworld.com/shreyas](http://www.transworld.com/shreyas) 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.
16. 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.

26<sup>th</sup> May, 2014

By Order of the Board of Directors

**Registered Office:**  
4<sup>th</sup> Floor, Himalayas,  
Geetmala Complex,  
Near Shah Industrial Estate,  
Govandi East, Mumbai 400 088

**Namrata Malushte**  
Company Secretary

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 7**

Capt. Man Mohan Saggi was appointed as an Additional Director of the Company with effect from 7<sup>th</sup> May, 2014 by the Board of Directors. In accordance with the provisions of Section 161 of the Companies Act, 2013 (corresponding Section 160 of the Companies Act, 1956), an Additional Director holds office upto the date of the Annual General Meeting. The Company has received notice under section 160 of the Companies Act, 2013 from a member signifying the intention to propose the appointment of Capt. Man Mohan Saggi as an Independent Director of the Company.

Capt. Man Mohan Saggi is a Master (FG) and holds highest maritime qualification as an Extra Master. He is also an M.B.A. He has 40 years experience in maritime sector. He retired as Nautical Advisor to Government of India, Chief Examiner of Masters and Mates and Additional Director General of Shipping (Technical) in November 2012. He is an ex trustee of JNPT, Mumbai and Kandla port. He was also the Chairman of Navigational Safety in Ports Committee (NSPC) responsible for approval of Navigational Safety of Non-major Ports.

His areas of expertise include maritime training, registration, survey and certification, port and flag state control, casualty investigation, oil pollution response, antipiracy measures, salvage and wreck removal etc. He led the Indian Delegation to Maritime Safety Committee of International Maritime Organisation on numerous occasions. Since February 2013, he is functioning as the Director of prestigious Narottam Morarjee Institute of Shipping established in 1969, which enrolls about 700 students annually from all over the country for Post Graduate Diploma and Fellowship in commercial shipping. At present, he is also consulting on Maritime reforms undertaken by Govt. of Zanzibar, Republic of Tanzania.

In the opinion of the Board, Capt. Saggi fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Accordingly, the Board recommends the resolution in relation to the appointment of Capt. Saggi as an Independent Director for the approval of the Shareholders.

Except Capt. Saggi, being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution. Details of Board and Committee memberships of Capt. Saggi required under Clause 49 of the Listing Agreement with the Stock Exchange have been given in the Report on Corporate Governance forming part of the Directors' Report.

### **Item No. 8**

Mr. Sethumadhava Ragothaman is a Non Executive Independent Director of the Company. He joined the Board in October, 2004.

Mr. S. Ragothaman is a Chartered Accountant by profession. He was working with ICICI Ltd. during the period 1970 to 1997. Currently, he offers consultancy services in the areas of Strategy, Mergers and Acquisitions, Setting up new businesses, Building strategic alliances, etc. He also offers advice to start up companies in IT enabled services, logistics and Supply chain management, etc. He is on the Board of various companies and also holds various Committee positions. During his career span of 27 years at ICICI, he had exposure to work on different Industrial projects. He was involved in setting up new ventures such as Merchant Banking, Leasing, Bill discounting, Structured finance, Rehabilitation, etc. He worked as the Team leader for various initiatives proposed by ICICI like setting up ICICI Bank, empowerment initiatives to delegate powers to Zonal offices, etc.

Mr. Ragothaman retires by rotation at the ensuing Annual General Meeting. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Ragothaman becomes eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Ragothaman fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Ragothaman as an Independent Director for the approval of the Shareholders.

Mr. Ragothaman holds 3000 Equity Shares in the Company.

Except Mr. Ragothaman, being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution. Details of Board and Committee memberships of Mr. Ragothaman required

under Clause 49 of the Listing Agreement with the Stock Exchange have been given in the Report on Corporate Governance forming part of the Directors' Report.

#### **Item No. 9**

Mr. Daniel Trevelyn Joseph is a Non Executive Independent Director of the Company. He joined the Board in September, 2007.

Mr. D.T. Joseph is IAS (Retd) 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. As Secretary Shipping, he helped in getting the tonnage tax option implemented for shipowners. He also served as Director General of Shipping where 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.

Mr. Joseph retires by rotation at the ensuing Annual General Meeting. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Joseph becomes eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Joseph fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Joseph as an Independent Director for the approval of the Shareholders.

Except Mr. Joseph, being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution. Details of Board and Committee memberships of Mr. Joseph required under Clause 49 of the Listing Agreement with the Stock Exchange have been given in the Report on Corporate Governance forming part of the Directors' Report.

#### **Item No. 10**

Mr. Amitabha Ghosh is a Non Executive Independent Director of the Company. He joined the Board as a Nominee Director of ICICI Bank Limited in 2004. Later he joined the Board as a Non Executive Independent Director in March, 2008.

Mr. Amitabha Ghosh is a Chartered Accountant by profession and a fellow member of the Indian Institute of Bankers. He joined Allahabad Bank in 1951 as a first Indian Probationary Officer and was elevated to the post of Chairman and Managing Director after holding various important assignments in the Bank. He was also the Deputy Governor of Reserve Bank of India from 1982 to 1984 and from 1985 to 1992. He was Chairman of Reserve Bank of India Services Board during 1992.

Mr. Ghosh retires by rotation at the ensuing Annual General Meeting. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Ghosh becomes eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Ghosh fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Ghosh as an Independent Director for the approval of the Shareholders.

Except Mr. Ghosh, being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution. Details of Board and Committee memberships of Mr. Ghosh as required under Clause 49 of the Listing Agreement with the Stock Exchange have been given in the Report on Corporate Governance forming part of the Directors' Report.



**Item No.11**

Mr. Mannil Venugopalan is a Non Executive Independent Director of the Company. He joined the Board in August, 2010.

Mr. Mannil Venugopalan is the former Managing Director and Chief Executive Officer of the Federal Bank (May 2005 till July, 2010). He was also the Chairman & Managing Director of Bank of India since August, 2003 till April, 2005. He started his career as a Probationary Officer with Bank of India in 1966 and within a stint for 3 years in between with Union Bank of India as Executive Director rose to the position of the Chairman and Managing Director of Bank of India. His tenure at Federal Bank for half decade is memorable for the transformational initiatives that he launched in the Bank and today it is one of the best banks in the country in efficiency parameters and in coping with the inevitable process of adapting to the rapidly changing business environment.

Mr. Venugopalan retires by rotation at the ensuing Annual General Meeting. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Venugopalan becomes eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Venugopalan fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Venugopalan as an Independent Director for the approval of the Shareholders.

Except Mr. Venugopalan, being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution. Details of Board and Committee memberships of Mr. Venugopalan as required under Clause 49 of the Listing Agreement with the Stock Exchange have been given in the Report on Corporate Governance forming part of the Directors' Report.

**Item No. 12**

Mr. S. Ramakrishnan was re-appointed as the Chairman & Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2009. Consequently his term as Chairman & Managing Director expired on 31<sup>st</sup> March, 2014. The Board of Directors of the Company at its meeting held on 11<sup>th</sup> February, 2014, subject the approval of the Shareholders and Central Government, re-appointed Mr. S. Ramakrishnan as Chairman & Managing Director for a further period of five years. The said appointment is also approved by the Nomination and Remuneration Committee (formerly known as Remuneration Committee). The approval of Central Government is sought for the re-appointment of Mr. S. Ramakrishnan in terms of Part I of Schedule V of the Companies Act, 2013 (corresponding to Part A of Schedule XIII of the Companies Act, 1956) as he is a Non Resident Indian. Mr. S. Ramakrishnan is not liable to retire by rotation in terms of Article 98 of the Articles of Association. Details of Board and Committee memberships of Mr. S. Ramakrishnan have been given in the Report on Corporate Governance forming part of the Directors' Report.

Mr. S. Ramakrishnan is the driving force behind the Transworld Group of Companies. He is a graduate in Commerce from the University of Mumbai and has over 25 years of entrepreneurial experience including hands on experience in ship owning, chartering & ship management. His extensive experience in all facets of running Container Feeder Services in the Indian Sub-continent is brought to bear on operations of the Company. He directly oversees the day-to-day activities of the Company.

**(a) Salary:**

Consolidated salary in the range of ₹ 7,000,000/- (Seventy lacs only) to ₹12,500,000/- (One Crore Twenty Five lacs only) per annum **including** Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other perquisites and allowances with authority to the Board to fix his salary within the above range from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

**(b) Other benefits:**

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.

3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Mediclaim insurance.

The aggregate remuneration payable to Mr. S. Ramakrishnan, shall be subject to the overall ceilings laid down in Sections 197 and other applicable provisions of the Companies Act, 2013.

**(c) Minimum Remuneration:**

Where in any financial year during the tenure of Mr. S. Ramakrishnan, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. S. Ramakrishnan the above remuneration by way of salary and perquisites as a minimum remuneration subject to the upper limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modifications or re-enactments thereof, for the time being in force.

**(d) Sitting fees:**

Mr. S. Ramakrishnan shall not be entitled to any sitting fees.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board commends the Special Resolution as set out as Item No. 12 in the Notice for the approval of the members.

Mr. S. Ramakrishnan, Mr. S. Mahesh, Mr. Ritesh S. Ramakrishnan and relatives of Mr. S. Ramakrishnan as defined under the provisions of the Companies Act, 2013 and Rules made thereunder are deemed interested in the said Resolution no. 12.

None other Directors or Key Managerial Personnel and their Relatives are deemed to be interested in the said Resolution No. 12.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract and Memorandum under Section 302 of the Companies Act, 1956.

**Item No. 13**

Mr. V. Ramnarayan was appointed as Executive Director of the Company for a period of five years with effect from 13<sup>th</sup> January, 2009. Consequently his term expires on 12<sup>th</sup> January, 2014. The Board of Directors have subject to the approval of the shareholders re-appointed Mr. V. Ramnarayan as the Executive Director of the Company for a further period of five years. The said appointment is also approved by the Nomination and Remuneration Committee (formerly known as Remuneration Committee). Mr. V. Ramnarayan is not liable to retire by rotation in terms of Article 98 of the Articles of Association. Details of Board and Committee memberships of Mr. V. Ramnarayan have been given in the Report on Corporate Governance forming part of the Directors' Report.

Mr. V. Ramnarayan is a Graduate in Science from the University of Mumbai with a Post Graduate Diploma in Business Management. He heads the operations of the Transworld Group of Companies in India. He has over 25 years of experience in the container shipping industry. He has to his credit the handling experience of the first container service which commenced from India. His experience covers all aspects of shipping like commercial, technical, etc.

**(a) Salary:**

Consolidated salary upto ₹ 50,00,000 (Rupees Fifty Lakhs) per annum **including** Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances with authority to the Board to fix his salary within the above range from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

**(b) Other benefits:**

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Medclaim insurance.

The aggregate remuneration payable to Mr. V. Ramnarayan, shall be subject to the overall ceilings laid down in Sections 197 and other applicable provisions of the Companies Act, 2013.

**(c) Sitting fees:**

Mr. V. Ramnarayan shall not be entitled to any sitting fees.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board commends the Special Resolution as set out as Item No. 13 in the Notice for the approval of the members.

Mr. V. Ramnarayan and his relatives are deemed interested in the said Resolution no. 12.

None other Directors or Key Managerial Personnel and their Relatives are deemed to be interested in the said Resolution No. 13.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract and Memorandum under Section 302 of the Companies Act, 1956.

**Item No. 14**

The Ministry of Corporate Affairs has replaced the Companies Act, 1956 with the Companies Act, 2013. The Articles of Association of the Company contains reference to various sections and Schedules of the Companies Act, 1956. Consequently, it is necessary to amend the Articles of Association in light of the new Act. Thus old sections have been deleted and replaced with new sections wherever required. Also some Articles are inserted in view of the new Act.

In accordance with Section 14 of the Companies Act, 2013, amendment to the Articles of Association required approval of the shareholders by way of special resolution. Accordingly the matter has been placed before the shareholders for approval.

The Board commends the Special Resolution as set out as Item No. 14 in the Notice for the approval of the members.

None of the Directors or Key Managerial Personnel and their Relatives are deemed to be interested in the said Resolution No. 14.

26<sup>th</sup> May, 2014

**Registered Office:**

4<sup>th</sup> 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 Sixth Annual Report and the audited accounts for the financial year ended 31<sup>st</sup> March, 2014.

## FINANCIAL PERFORMANCE

	Current Year ended 31.03.2014 ₹ in Lacs	Previous Year ended 31.03.2013 ₹ in Lacs
Operating Income	<b>24816.26</b>	20431.97
Other Income	<b>128.77</b>	201.75
Profit before Interest, Depreciation and Tax	<b>3590.59</b>	3400.65
Less: Interest	848.26	669.88
Depreciation	1546.57	1402.79
<b>Profit before Tax and Prior Year Adjustment</b>	<b>1195.75</b>	1327.98
Less: Exceptional Item	<b>1909.91</b>	--
Less: Provision for Current Taxation	<b>96.61</b>	65.00
<b>Profit After Tax and Exceptional Items</b>	<b>(810.77)</b>	1262.98
Add: Balance brought forward from previous year	<b>3851.04</b>	2992.19
<b>Amount available for appropriation</b>	<b>3040.26</b>	4255.17
<b>Appropriations:</b>		
Transfer to Tonnage Tax Reserve	<b>240.00</b>	250.00
Proposed Equity Dividend	109.79	131.74
Tax on Equity dividend	18.66	22.39
<b>Balance carried to Balance Sheet</b>	<b>2671.82</b>	3851.04

## DIVIDEND

In view of the performance of the Company, the Board of Directors recommends a Dividend of 6% on the Equity shares for the current financial year. This Dividend is subject to the approval of the Members at the Twenty Sixth Annual General Meeting to be held on 12<sup>th</sup> August, 2014. The payment of dividend on equity shares will entail a cash outflow of ₹ 155 lacs including dividend distribution tax.

## REVIEW OF OPERATIONS

Committed to its vision of nurturing Indian coastal shipping, Shreyas introduced two new unique services which were first of its kind for the Indian container shipping industry. The services connected the East and the West coast of India for containerized trade. These services were introduced on the eve of the Company's 25<sup>th</sup> year of inception. Shreyas' service also inaugurated the port of Kollam within the state of Kerala.

Shreyas sold one of its vessels M. V. Unity and will soon be replacing it with a vessel of higher tonnage. The intention is to build higher tonnage and optimize the overall age of the fleet.

The vessels carry mainly feeder and domestic cargo. 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. Domestic cargo is the movement of cargo within India. The Company's USP is its ability to generate cargo on the round voyage.

For the financial year ended 31<sup>st</sup> March, 2014, the turnover was ₹ 248.16 crores as against ₹ 204.32 crores for the year ended 31<sup>st</sup> March, 2013.

The wholly owned company Shreyas Relay Systems Limited (SRS) has made rapid progress in the various areas of transportation. It has posted a growth of 15 % in the top line. With a strong fleet of owned vehicles and containers, SRS has ventured into various segments of logistics. SRS proposes to additionally focus on the movement of special equipments and also creating a worldwide strong agents network.

At a consolidated level, the Company has posted a growth in the turnover of 25% from ₹ 388.89 crores in the year 2012-13 to ₹ 487.31 crores in the year 2013-2014.

## 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 (final) for the year ended 31<sup>st</sup> March, 2006 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 30<sup>th</sup> October, 2015.

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

Capt. Man Mohan Saggi was appointed as an Additional Directors w.e.f 7<sup>th</sup> May, 2014.

The term of Mr. S. Ramakrishnan as Chairman & Managing Director expired on 31<sup>st</sup> March, 2014. He is proposed to be re-appointed for a further period of five years wef 1<sup>st</sup> April, 2014.

The term of Mr. V. Ramnarayan as Executive Director expired on 12<sup>th</sup> January, 2014. He is proposed to be re-appointed for a further period of five years wef 13<sup>th</sup> January, 2014.

Mr. S. Mahesh, Mr. L. B. Culas and Mr. Ritesh S. Ramakrishnan retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. Mannil Venugopalan, Mr. S. Ragothaman, Mr. D. T. Joseph, Mr. Amitabha Ghosh, who were appointed as Non Executive Independent Directors retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as Independent Directors for a fixed term of 5 years.

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 along with the Directors' and Auditors' report for the year ended 31<sup>st</sup> March, 2014 of Shreyas Relay Systems Ltd, the wholly owned subsidiary and SRS Freight Management 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 31<sup>st</sup> March, 2014;

- 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 31<sup>st</sup> March, 2014 and of the profit of the Company for the year ended on 31<sup>st</sup> March, 2014;
- 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 along with 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 26<sup>th</sup> Annual General Meeting and offer themselves for re-appointment. They have confirmed their eligibility and willingness to accept office, if re-appointed.

As regards the qualifications made by the Auditors, your Directors wish to state that the Company has a policy of amortising Dry dock Expenses over 30 months. Accordingly ₹ 256.32 Lacs out of unamortized amount at the beginning of the quarter have been charged to statement of profit and loss and balance amount of ₹ 469.09 lacs have been deferred to be amortised over the balance period. The Auditors have qualified their Review Report stating that this treatment is not in accordance with Accounting Standard and dry dock

expenses are overstated to the extent of ₹ 256.32 lacs for the quarter and overstated by ₹ 128.67 lacs for the previous quarter. Cumulatively the profit is overstated by ₹ 469.09 lacs as on 31<sup>st</sup> March 2013 (to the extent carried forward), and the entire expenses should have been charged off to statement of Profit and Loss in the respective quarter itself. However, in the opinion of the Board, the Company's accounting treatment reflects the profit for the quarter/year more correctly. Further, the capitalisation of dry-dock expenditure (major inspection/overhaul expenditure) is permitted by the draft new accounting standard on 'tangible fixed asset' under consideration by the ICAI (para 15 of draft AS 10 (revised)).

The Company has exercised the option provided by the Government notification dated 29<sup>th</sup> December, 2011, in furtherance to the earlier Government Notification dated 31<sup>st</sup> March, 2009, under Accounting Standard 11 to capitalise/adjust the foreign exchange differences arising on reporting of long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets. Ministry of Corporate Affairs has clarified that borrowing costs as defined in Para 4(e) of Accounting Standard 16 ( borrowing costs) need not be excluded for such capitalisation under Accounting Standard 11 notification w.e.f. 1<sup>st</sup> April, 2011. This has vindicated the Company's stand on the issue but only from 1<sup>st</sup> April, 2011. If the capitalisation had been done after adjusting the borrowing cost, depreciation for the quarter would have been less to the extent of ₹ 2.94 Lacs, ₹ 3.01 lacs for previous quarter, ₹ 11.94 Lacs for the year ended 31<sup>st</sup> March, 2014, ₹ 11.94 Lacs for the year ended 31<sup>st</sup> March, 2013 & cumulative depreciation overstated by ₹ 59.98 lacs. ₹ 212.28 lacs would have been charged to statement of profit and loss as a prior year expenses & the Fixed assets and Reserves would have been less by ₹ 152.30 Lacs. The Auditors have qualified this due to non-adoption of FAQ issued by ICAI (till 31<sup>st</sup> March, 2011). The Company does not agree with this interpretation of ICAI of the notification.

#### **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 31<sup>st</sup> 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:

<b>Sr. No</b>	<b>Particulars</b>	<b>(₹ in Lacs) (2013-14)</b>
(i)	Foreign exchange earnings including proceeds on sale of ship (on accrual basis)	8689.72
(ii)	Foreign exchange outgo including operating components and spare parts and other expenditure in foreign currency (on accrual basis)	4683.63

#### **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 Corporate Affairs, the Directorate General of Shipping, the Mercantile Marine Department, Securities and Exchange Board of India (SEBI), 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 Shipowners 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: 26<sup>th</sup> May, 2014

**S. Ramakrishnan**  
**Chairman & Managing Director**

# Management's Discussion and Analysis

## (Annexure I to the Directors' Report)

### Industry review

#### **Coastal Shipping**

The performance of the Indian coastal shipping has been relatively on the same levels as the previous year. In terms of overall tonnage, major ports handled 555.5 million tons of cargo in 2013-14, up from 546 million tons a year earlier, but fell far short of meeting the annual target of 609 million tons set by the Ministry of Shipping. Cumulative container throughput reached 7.46 million 20-foot-equivalent units, down from 7.7 million TEUs in fiscal year 2012-13. Containerized cargo tonnage dropped 4.32 percent from a year earlier to 115 million tons.

Jawaharlal Nehru Port, also known as Nhava Sheva, moved 4.16 million TEUs, slipping 2.4 percent from 4.26 million TEUs. Nhava Sheva accounts for nearly 60 percent of India's total containerized ocean traffic. Container volume at Chennai Port, the country's second-largest container gateway, was estimated at 1.47 million TEUs, down 5 percent from 1.54 million TEUs. Kolkata Port handled 563,000 TEUs, down from 600,000 TEUs. Traffic at Mumbai Port, which has been steadily losing container market share over the past several years, totalled 41,000 TEUs, compared with 48,000 TEUs.

Major ports registering marginal levels of container throughput growth included Tuticorin, now renamed V.O. Chidambaranar, and Vallarpadam Transshipment Terminal, a DP World facility at Cochin, where volume rose to 508,000 TEUs, from 476,000 TEUs, and to 351,000 TEUs, from 335,000 TEUs, respectively.

Among the 12 state-owned Indian ports, Kandla topped cargo throughput at 87 million tons, followed by Paradip, at 68 million tons; Nehru, at 62.3 million tons; Mumbai, at 59 million tons; Visakhapatnam, at 58.5 million tons; and Chennai, at 51.1 million tons.

Public Private Partnership (PPP) has assumed significant importance in the recent past. During the last four years, 88 new projects have been approved at an investment of \$ 429.5 billion to create additional capacity of 515 million metric tons per annum. As on date, 36 PPP terminals are in operations in major ports. Another 30 are under construction all of which have been awarded this year itself. Therefore, nearly 100 PPP projects are under implementation in the major ports this year alone. The Indian Shipping industry has achieved the 30 projects target with a capacity addition of around 270 million tons.

#### **Logistics**

For any economy, the logistics sector, encompassing transportation, warehousing, cargo consolidation and border clearances, would form the backbone of its trade, and associated economic activity and growth of key sectors. The cost of trading whether by sea, land or air forms a critical component of the final price of a commodity. An efficient logistics system reduces this cost, providing a competitive edge and propelling economic activity.

With the Indian economy transforming itself into a major power with mega infrastructural projects, growing investments and several other significant developments, the Indian logistics industry expects a big rise in demand in spite of infrastructural constraints. Looking at the future growth prospects, India is currently considered the most attractive in the world and might emerge as a major logistics hub in the future. With this forward looking attitude and a promise of growth and improvements, the service oriented logistics industry is all set to expand beyond the horizons.

Currently India's logistic sector is valued at around US\$110 billion and is expected to touch US\$385 billion by 2015. The cost of logistics in India is valued at 13 - 14% of GDP where as in developed nations the cost is in the range of 7-8% of their GDP.

#### **Performance review of Shreyas**

During the year, Shreyas introduced two new services connecting the East and West coast of India. This was the first time that the two ends on the Indian map were brought together by a coastal container operator. With this initiative, connectivity was ensured to the entire Indian coast through containers and it added a different dimension to the Indian coastal container trade.

Moving forward on our growth trajectory and with a vision to foster coastal shipping in India, Shreyas introduced an inaugural service exclusively within the state of Kerala connecting the Kochi Port with Kollam Port. In fact Shreyas made a maiden call from the Kollam Port.

The state-run Food Corporation of India (FCI) has been permitted by the Union Government to use the sea route to transport foodgrains from Andhra Pradesh to Kerala. Shreyas has through its wholly owned subsidiary Shreyas Relay Systems Limited (SRS) secured this contract for multimodal handling and transportation of 20,000 tons per month.

Shreyas sold one of its vessels M. V. OEL Unity. Although the Company has incurred losses on this sale, it was a prudent business decision as the Company will be able to acquire

a younger and bigger vessel at an economical value. The deal as a whole will prove to bring immense value as well as opportunities to the table. The Company shall be constantly evaluating opportunities to replace the existing tonnage with younger and additional fleet.

During the year, the top line of the Company registered a growth of about 21% over the previous year while the bottomline decline by 13%.

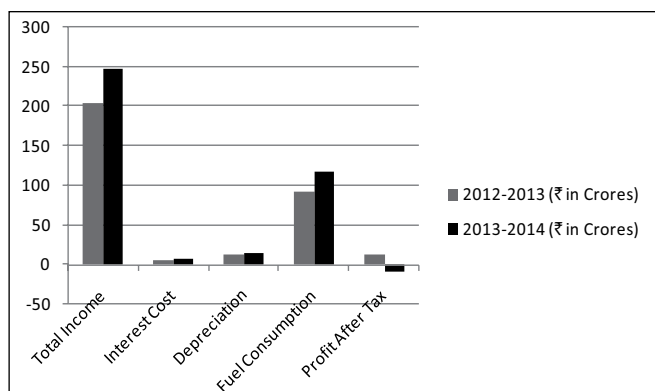
The wholly owned subsidiary of Shreyas, Shreyas Relay Systems Limited (SRS), has achieved a top line of ₹ 309.44 crores and a bottom line of ₹ 3.21 crores. This is a 3.02 % decline in the Net Profits over the previous year. SRS provides round the clock seamless door to door multimodal logistics solutions incorporating Domestic Multimodal Coastal Container Services, Regional Liner Service, International Air / Sea Freight Forwarding, Road and Rail, with the help of unparalleled in-house resources and associations with CONCOR, ACCA, IATA, WCA, and FFA. SRS has made its presence discern on Pan-India, Middle-East and Far-East sectors. SRS operates Fleet of 56 Own Trucks, and various types of more than 6200 containers.

At a consolidated level, the Company has posted a growth in the top line of 25 % from ₹ 388.89 crores in the year 2012-2013 to ₹ 487.31 crores in the year 2013-2014. The Net Loss was ₹ 4.60 crores in the current year and the cash profit was ₹ 32.56 crores.

We give below a snapshot of the salient features of the Company's stand-alone performance during 2013-2014 vis-à-vis the performance during 2012-2013:

- Total Income increased from ₹ 204.32 crores to ₹ 248.16 crores.
- Interest cost increased from ₹ 6.70 crores to ₹ 8.48 crores.
- Depreciation increased from ₹ 14.03 crores to ₹ 15.47 crores
- Fuel Consumption increased from ₹ 93.12 crores to ₹ 117.63 crores.
- Profit After Tax reduced from ₹ 12.63 crores to ₹ -8.11 crores.

### Snapshot of Financials



## Outlook on opportunities

### Coastal shipping

Coastal shipping offers several advantages over other modes of transportation in terms of cost and volume. It also complements rail and road transport by providing a multi-modal integrated transport facility. Coastal shipping can significantly reduce the overall cost of transportation. In fact, the diversion of cargo traffic to coastal shipping can also help reduce road congestion thereby preserving the quality of national highways, which, in turn, can reduce loss of life and material caused by road accidents.

Coastal shipping can handle and transport largesized cargo such as project cargo more easily than any other modes of transport that are limited by carriageway restrictions. The inherent capacity and infrastructure limitations of the other modes of transport restrict the movement of large and odd-shaped cargo. In fact, the Indian Government is evaluating to create a minimum depth of 14 meters at all the 12 ports that it owns, where depths range from 9 -12 meters. The global average is 12-23 meters, enabling the latest generation containers, tankers and dry bulk ships to come calling. The dredging requirements of Indian ports are assessed at over 1,100 million cubic meters with plans to increase draft levels at major ports to at least 14 meters.

### Logistics

The logistics industry in India is evolving rapidly and it is the interplay of infrastructure, technology and new types of service providers that will define whether the industry is able to help its customers reduce their logistics costs and provide effective services.

The roads and railway network is considered one of the most important component in the supply chain management in addition to the other modes of transport. As demand for goods are either for mass consumption or for industrial development grows beyond the conventional demand supply from the hubs of metropolitan cities to Tier-1 and Tier-2 cities, the share of road transport is anticipated to go up further, given its ability to facilitate the last-mile reach.

Warehousing storage, third party logistics (3PL) and logistics parks are the three fastest emerging segments taking the Indian logistics industry to new horizons. With the increasing awareness among Indian companies of the benefits of logistics outsourcing and 3PL, the business dynamics is expected to grow by leaps and bounds. Some of the main outsourcing activities include warehousing, forwarding and in-bound and out-bound transportation.



## **Outlook on Threats, Risks and Concerns**

### **Shipping**

There is a need for an integrated transport policy or an institutional mechanism promoting inter-sector co-ordination (roads, railways and shipping), which should seek to develop rapid aggregation or evacuation of cargo driven by seamless connectivity with other modes of transport, an efficient rail/road network and large-scale utilization of the Indian coastline.

Indian ports suffer due to frequent labour strikes, malpractices, inefficiency and low labour productivity. In addition, labour costs are as high as 40–60% of the total expenditure on them. There is also a need for the Indian ports to optimise their business process flow and facilitate exchange of electronic information among stakeholders by using the latest IT processes.

Roads within most Indian ports are narrow and are not designed to handle the traffic and load they currently handle. This results in traffic congestion, which, leads to delays in feeding and evacuation of cargo, thereby lowering the productivity of vessels.

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**

One of the major critical challenges faced by companies today is of insufficient integration of transport networks, information technology (IT), warehousing and distribution facilities. Also the Regulations exist at a number of different tiers, imposed by national, regional and local authorities. Regulations often differ from city to city, hindering the creation of national networks and economies of scale for the logistics players.

Further the disorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and lack of adequate training institutions has led to a shortfall in skilled management and client service personnel.

### **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 31<sup>st</sup> March, 2014, the Company had 30 shore staff and 126 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: 26<sup>th</sup> May, 2014

**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 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 ten Directors of which two are Executive Directors and eight are Non-Executive Directors. The Chairman and Managing Director is an Executive Director and Promoter. Five Directors of the Company are Independent Directors and five are Non-Independent Directors.

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, number of their other directorships and Committee Memberships / Chairmanships is given below:

Name of the Director	Category of Directorship <sup>1</sup>	Number of Board meetings attended out of Five held during the year 2013-14	Attendance at the last AGM (22. 07. 2013)	No. of Directorships in other public limited companies as on 31.03.2014	No. of Committee positions held in other public limited companies as on 31. 03. 2014 <sup>2</sup>	
<b>Mr. S. Ramakrishnan<sup>3</sup></b> Chairman & Managing Director	ED	4	Yes	10	NIL	NIL
<b>Mr. V. Ramnarayan</b> Executive Director	ED	3	Yes	10	NIL	1
<b>Mr. S. Mahesh<sup>3</sup></b> Director	NED (NI)	1	Yes	10	NIL	1
<b>Mr. L. B. Culas</b> Director	NED (NI)	4	No	1	NIL	NIL
<b>Mr. Ritesh S. Ramakrishnan<sup>4</sup></b> Director	NED (NI)	5	Yes	3	NIL	NIL
<b>Mr. Mannil Venugopalan</b> Director	NED (I)	5	No	7	NIL	4
<b>Capt. P. P. Radhakrishnan<sup>5</sup></b> Director	NED (I)	4	Yes	3	NIL	1
<b>Mr. Amitabha Ghosh</b> Director	NED (I)	4	Yes	10	3	4
<b>Mr. S. Ragothaman</b> Director	NED (I)	3	Yes	7	3	3
<b>Mr. D. T. Joseph</b> Director	NED (I)	5	Yes	6	1	3

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.
- 4. Mr. S. Ramakrishnan is father of Mr. Ritesh S. Ramakrishnan.
- 5. Capt. P.P. Radhakrishnan has resigned w.e.f. 9<sup>th</sup> November, 2013.

### Number of Board Meetings

Five Board meetings were held during the year ended on 31<sup>st</sup> March, 2014. These were on 16<sup>th</sup> April, 2013, 27<sup>th</sup> May, 2013, 30<sup>th</sup> July, 2013, 8<sup>th</sup> November, 2013 and 11<sup>th</sup> February, 2014. 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 31<sup>st</sup> March, 2014. The said Code has been posted on the website of the Company [www.transworld.com/shreyas](http://www.transworld.com/shreyas).

### 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 <sup>1</sup>	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

Mr. Ritesh S. Ramakrishnan	Member	Non-Executive and Non-Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary

1. Capt. P.P. Radhakrishnan resigned w.e.f. 9<sup>th</sup> November, 2013

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 31<sup>st</sup> March, 2014 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			
		26/05/2013	29/07/2013	07/11/2013	10/12/2014
1	Mr. Amitabha Ghosh	Present	Present	Absent	Present
2	Capt. P. P. Radhakrishnan**	Present	Present	Present	-
3	Mr. S. Ragothaman	Present	Present	Absent	Absent
4	Mr. D.T. Joseph	Present	Present	Present	Present
5	Mr. Mannil Venugopalan	Present	Present	Absent	Present
6	Mr. Ritesh S. Ramakrishnan	Present	Present	Present	Present

\*\* Capt. P.P. Radhakrishnan resigned w.e.f. 9<sup>th</sup> November, 2013

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 22<sup>nd</sup> July, 2013.

#### IV. Stakeholders Relationship Committee of Directors (Erstwhile Shareholders' and Investors Grievance Committee)

##### Composition

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

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

\*Capt. P.P. Radhakrishnan resigned w.e.f 9<sup>th</sup> November, 2013

\*\*Mr. D.T. Joseph was added as member wef 9<sup>th</sup> November, 2013

##### Terms of reference

- Review the existing investor redressal system and suggest measures for improvement.
- Resolution of investor grievances / complaints.
- Suggest improvement in investor relations.
- Consider and take on record Certificate from a practicing Company Secretary under Clause 47(c) of the Listing agreement.
- 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 2 meetings of the Shareholders' / Investors Grievance Committee during the year ended on 31<sup>st</sup> March, 2014. These were on 22<sup>nd</sup> July, 2013 and 11<sup>th</sup> February, 2014. 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 2013-14 is given below:

Nature of complaints	Number of complaints	
	Received	Pending
Non-receipt of dividend	27	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
<b>TOTAL</b>	<b>27</b>	<b>0</b>

#### V. Remuneration and Nomination Committee

##### Composition

The present composition of the Remuneration and Nomination 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
Mr. D.T. Joseph	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

\*Capt. P.P. Radhakrishnan resigned w.e.f 9<sup>th</sup> November, 2013.

##### 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.

- c. Recommend the remuneration package of Executive Directors to the Board for its approval.

During the year the meeting of remuneration committee was held on 27<sup>th</sup> May, 2013 and 10<sup>th</sup> February, 2014.

### 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 2013-14 have been disclosed in Note No: 33 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 3<sup>rd</sup> February, 2010 which is valid from 1<sup>st</sup> April, 2009 upto 31<sup>st</sup> March, 2014.

The Company shall apply for the reappointment of Mr. S. Ramakrishnan for a further period of 5 years w.e.f 1<sup>st</sup> April, 2014.

The Whole-time directors 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, Audit Committee Meeting and Remuneration Committee Meeting attended. The details of sitting fees paid to the Non-Executive Directors for the year 2013-14 and shares held by them in the Company as on 31<sup>st</sup> March, 2014 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 <sup>st</sup> March, 2014
Mr. S. Mahesh	20,000/-	N.A	112,475
Mr. L. B. Culas	60,000/-	N.A	130,845
Capt. P. P. Radhakrishnan*	80,000/-	60,000/-	NIL

Mr. Amitabha Ghosh	80,000/-	60,000/-	NIL
Mr. S. Ragothaman	60,000/-	40,000/-	3,000
Mr. D. T. Joseph	1,00,000/-	80,000/-	NIL
Mr. Mannil Venugopalan	1,00,000/-	60,000/-	NIL
Mr. Ritesh S. Ramakrishnan	1,00,000/-	80,000/-	168,375

\* Capt. P.P. Radhakrishnan resigned w.e.f 9<sup>th</sup> November, 2013

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 has not recommended commission for the Directors not in whole-time employment of the Company for the year ended 31<sup>st</sup> March, 2014.

The Company does not have a scheme for stock options for its Directors. None of the Independent 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 & 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 2013-14.

## VII. General Body Meetings

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

Financial year	AGM No.	Date	Venue	Time
2012-13	25 <sup>th</sup>	22 <sup>nd</sup> July, 2013	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.
2011-12	24 <sup>th</sup>	21 <sup>st</sup> July, 2012	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.
2010-11	23 <sup>rd</sup>	17 <sup>th</sup> 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.

### b. Special resolutions passed at last three AGM's

The following special Resolution was passed by the Shareholders at the AGM held on 21<sup>st</sup> July, 2012:

- Waiver of excess remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director.

The following special resolution was passed by the Shareholders at the AGM held on 17<sup>th</sup> 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 21<sup>st</sup> September, 2010:

- Approved the revised remuneration package of Mr. V. Ramnarayan, Executive Director of the Company.
- To raised the funds to the extent of ₹ 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.

### c. Passing of resolutions by Postal ballot

During the year, the Company has passed one Special Resolution under Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011, to obtain consent of the Members of the Company.

## 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:

- 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.
- 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 31<sup>st</sup> March, 2014, 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 31<sup>st</sup> March, 2014, the Company has only one subsidiary as follows:

Shreyas Relay Systems Ltd : 100% holding by the Company

Shreyas Relay Systems Limited holds 51% in SRS Freight Management Ltd

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

g. **Disclosure regarding appointment or re-appointment of Directors**

i. **Name: Mr. S. Ramakrishnan**

Mr. S. Ramakrishnan is the driving force behind the Transworld Group of Companies, of which Shreyas is a part. He is the Chairman & Managing Director of Shreyas since its inception. He is a graduate in Commerce from the University of Mumbai and has over 29 years of entrepreneurial experience including hands on experience in shipowning, chartering & ship management. His extensive experience in all facets of running Container Feeder Services in the Indian Sub-continent is brought to bear on operations of the Company. He directly oversees the day-to-day activities of the Company.

**Other Directorships:**

	<b>Name of the companies/firm</b>	<b>Nature of interest</b>
1	Clarion Solutions Pvt. Limited	Director
2	Albatross Inland Ports Private Limited	Director
3	Crescent Shipping Agency (I) Ltd	Director
4	TLPL Shipping and Logistics Pvt. Ltd.	Director
5	Transworld Shipping and Logistics Limited	Director
6	SRS Freight Management Limited	Director
7	Tejas Oil Private Limited	Director
	Shreyas Relay Systems Limited	Chairman
8	Transworld GLS (India) Private Limited	Director
9	Trident Trading Private Limited	Director
10	Orient Express Ship Management Ltd.	Director
11	Relay Shipping Agency Ltd.	Director
13	Sivaswamy Holdings Private Ltd.	Director
14	Transworld Oil Private Ltd.	Director
15	TLPL Logistics Pvt. Ltd.	Director
16	Transcorp Finance Ltd.	Director
17	Transworld Logistics Ltd.	Director

	<b>Name of the companies/firm</b>	<b>Nature of interest</b>
18	Transworld Management Consultancy Pvt. Ltd.	Director
19	Albatross Shipping Ltd.	Director
20	Albatross Logistics Centre (I) Pvt. Ltd	Director
21	India Gateway Terminal Pvt. Ltd.	Director
22	United Arab Shipping Agency Company (I) Pvt. Ltd.	Director
23	Transworld Cultural and Sports Foundation	Director
24	Admec Logistics Ltd.	Director
25	Transworld Bulk Carriers (India) Pvt. Ltd.	Director
26	Transworld Terminals Private Limited	Director
27	Balaji Shipping (U.K) Ltd., UK	Director
28	Clarion Shipping Pvt. Ltd. Colombo	Director
29	Hayleylines Limited, Colombo	Director
30	Lanka Orient Express Lines Ltd., Colombo	Director
31	Orient Express Lines Inc. (Panama)	Director
32	FW-Sportzworks., Mauritius	Director
33	FW USFC., Mauritius	Director
34	Transworld Logistics FZE, Dubai	Director
35	Transworld Holdings Ltd., Mauritius	Director
36	Trasworld Logistics & Shipping Services, Inc., USA	Director
37	Balaji Shipping Lines FZCO, Dubai	Director
38	Orient Express Lines FZCO, Dubai	Director
39	Transworld Shipping, Trading & LogisticsServices LLC., Oman,	Director
40	Transworld Saudi Arabia., Saudi Arabia,	Director
41	K's Worldwide., Mauritius,	Director
42	Fidelis World FZ-LLC., UAE,	Director
43	Transworld Bulk Carriers FZCO	Director

**Committee Memberships:**

<b>Name of the companies/firm</b>	<b>Name of Committee</b>	<b>Committee Position</b>
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NIL

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: 109375

**ii. Name: Mr.V. Ramnarayan**

Mr. V. Ramnarayan is a Graduate in Science from the University of Mumbai with a Post Graduate Diploma in Business Management. He heads the operations of the Transworld Group of Companies in India. He has over 25 years of experience in the container shipping industry. He has to his credit the handling experience of the first container service which commenced from India. His experience covers all aspects of shipping like commercial, technical, etc.

Name of the companies/firm	Nature of interest
1. Shreyas Relay Systems Ltd.	Director
2. Crescent Shipping Agency (I) Ltd	Director
3. ADMEC Logistics Limited	Director
4. SRS Freight Management Ltd.	Director
5. Orient Express Ship Management Ltd.	Director
6. Relay Shipping Agency Ltd.	Director
7. Transcorp Finance Ltd.	Director
8. Transworld Logistics Ltd.	Director
9. Transworld Shipping and Logistics Ltd.	Director
10. Albatross Shipping Ltd.	Director
11. Clarion Solutions Pvt. Limited	Director
12. Albatross Inland Ports Private Limited	Director
13. TLPL Shipping and Logistics Pvt. Ltd	Director
14. Tejas Oil Private Limited	Director
15. Transworld GLS (India) Private Limited	Director
16. Trident Trading Private Limited	Director
17. Sivaswamy Holdings Private Ltd.	Director
18. Transworld Oil Private Ltd.	Director
19. Transworld Management Consultancy Pvt. Ltd.	Director
20. Transworld Terminals Pvt. Ltd.	Director
21. TLPL Logistics Pvt. Ltd.	Director
22. Albatross Logistics Centre (I) Pvt. Ltd.	Director
23. Brigantine Admec Container Services (I) Pvt. Ltd.	Director
24. Transworld Bulk Carriers (I) Pvt. Ltd.	Director
25. Transworld Cultural and Sports Foundation	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
Shreyas Relay Systems Limited	Audit Committee	Member
Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2014: 109375		

**iii. Name Mr. S. Mahesh**
**Experience:**

Mr. S. Mahesh, a Graduate in Commerce from the University of Mumbai, has hands on experience in ship owning and ship management. In addition, he has expertise in International Trading. He is presently based at Singapore and overlooks the activities of the Transworld Group of Companies in Far East countries. The Transworld Group of Companies has been able to expand its presence in these countries due to his expertise and vast experience.

**Other Directorships:**

Name of the companies/firm	Nature of interest
1. Shreyas Relay Systems Ltd.	Director
2. Crescent Shipping Agency (I) Ltd	Director
3. ADMEC Logistics Limited	Director
4. SRS Freight Management Ltd.	Director
5. Orient Express Ship Management Ltd.	Director
6. Relay Shipping Agency Ltd.	Director
7. Transcorp Finance Ltd.	Director
8. Transworld Logistics Ltd.	Director
9. Transworld Shipping and Logistics Ltd.	Director
10. Albatross Shipping Ltd.	Director
11. Clarion Solutions Pvt. Limited	Director
12. Albatross Inland Ports Private Limited	Director
13. TLPL Shipping and Logistics Pvt. Ltd	Director
14. Tejas Oil Private Limited	Director
15. Transworld GLS (India) Private Limited	Director
16. Trident Trading Private Limited	Director
17. Sivaswamy Holdings Private Ltd.	Director
18. Transworld Oil Private Ltd.	Director
19. Transworld Management Consultancy Pvt. Ltd.	Director
20. Transworld Terminals Pvt. Ltd.	Director



Name of the companies/firm	Nature of interest
21. TLPL Logistics Pvt. Ltd.	Director
22. Albatross Logistics Centre (I) Pvt. Ltd.	Director
23. Brigantine Admec Container Services (I) Pvt. Ltd.	Director
24. Transworld Bulk Carriers (I) Pvt. Ltd.	Director
25. Transworld Cultural and Sports Foundation	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
Shreyas Relay Systems Ltd	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: 1,12,475

**iv. Name : Mr. Leonard Basil Culas**
**Experience:**

Mr. L. B. Culas, a Chartered Engineer and a Chartered Shipbroker, has a cumulative maritime experience of over 25 years. He has served abroad for many years on various types of cargo vessels as an Engineer, including four years as Chief Engineer. He also possesses extensive shore experience which includes various aspects of Container Feeder Business, right from sourcing the right kind of vessel to the actual running of the service.

**Other Directorships:**

Name of the companies/firm	Nature of interest
1. Albatross CFS Pvt. Ltd	Director
2. Balaji Shipping (U.K) Ltd., UK	Director
3. Balaji Shipping Co. S.A., Panama	Director
4. Clarion Shipping Pvt. Ltd. Colombo	Director
5. Hayleylines Limited, Colombo	Director
6. Orient Express Lines Inc. (Panama)	Director
7. Transworld FZE	Director
8. Transworld Logistics & Shipping Services, Inc., USA	Director
9. Balaji Shipping Lines FZCO	Director
10. Orient Express Lines FZCO	Director
11. Transworld Saudi Arabia., Saudi Arabia,	Director

Name of the companies/firm	Nature of interest
12. Transworld Shipping, Trading & Logistics Services LLC., Oman, Director.	Director
13. Transworld Bulk carriers FZCO	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
NA		

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: 130845

**v. Name Mr. Ritesh S. 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:**

Name of the companies/firm	Nature of interest
1. Albatross Shipping Limited	Whole-Time Director
2. Encore Pierian Logistics Business Services Limited	Director
3. Shreyas Shipping and Logistics Ltd.	Director
4. Transworld Bulk Carriers (India) Pvt. Ltd.	Director
5. SRS Freight Management Ltd.	Director
6. TLPL Shipping & Logistics Pvt. Ltd.	Additional Director
7. Transworld Management Consultancy Pvt. Ltd	Additional Director
8. Transworld Terminals Pvt. Ltd.	Additional Director
9. Sivaswamy Holdings Pvt. Ltd.	Additional Director
10. Transworld Shipping and Logistics Ltd	Additional Director

Name of the companies/firm	Nature of interest
11. Orient Express Ship Management Ltd.	Additional Director
12. Transworld GLS (India) Pvt. Ltd.	Additional Director
13. Relay Shipping Agency Ltd.	Additional Director
14. Balaji Shipping (U.K) Ltd., UK	Director
15. Orient Express Lines Inc. ( Panama )	Director
16. Transworld FZE	Director
17. Transworld Holdings Ltd., Mauritius	Director
18. Transworld Logistics & Shipping Services, Inc., USA	Director
19. Balaji Shipping Lines FZCO	Director
20. Orient Express Lines FZCO	Director
21. Transworld Shipping, Trading & Logistics Services LLC., Oman	Director
22. Transworld Saudi Arabia, Saudi Arabia,	Director

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: 1,68,375

**vi. Name : Capt. Man Mohan Saggi**

**Experience:**

Capt. Man Mohan Saggi is a Master (FG) and holds highest maritime qualification as an Extra Master. He is also an M.B.A. He has 40 years experience in maritime sector. He retired as Nautical Advisor to Government of India, Chief Examiner of Masters and Mates and Additional Director General of Shipping (Technical) in November 2012. He is an ex trustee of JNPT, Mumbai and Kandla ports. He was also the Chairman of Navigational Safety in Ports Committee (NSPC) responsible for approval of Navigational Safety of Non-major Ports. His areas of expertise include maritime training, registration, survey and certification, port and flag state control, casualty investigation, oil pollution response, antipiracy measures, salvage and wreck removal etc. He led the Indian Delegation to Maritime Safety Committee of International Maritime Organisation on numerous occasions. Since February 2013, he is functioning as the Director of prestigious Narottam Morarjee Institute of Shipping established in 1969, which enrolls about 700 students annually from all over the country for Post Graduate Diploma and Fellowship in commercial shipping. At

present, he is also consulting on Maritime reforms undertaken by Govt. of Zanzibar, Republic of Tanzania.

**Other Directorships:**

Name of the companies/firm	Nature of interest
1. Narottam Morarjee Institute of Shipping	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
NA		

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: NIL

**vii. Name: Mr. S. Ragothaman**

**Experience:**

Mr. S. Ragothaman is around 68 years of age. He is a Chartered Accountant by profession. He was working with ICICI Ltd. during the period 1970 to 1997. Currently, he offers consultancy services in the areas of Strategy, Mergers and Acquisitions, Setting up new businesses, Building strategic alliances, etc. He also offers advice to start up companies in IT enabled services, logistics and Supply chain management, etc. He is on the Board of various companies and also holds various Committee positions. During his career span of 27 years at ICICI, he had exposure to work on different Industrial projects. He was involved in setting up new ventures such as Merchant Banking, Leasing, Bill discounting, Structured finance, Rehabilitation, etc. He worked as the Team leader for various initiatives proposed by ICICI like setting up ICICI Bank, empowerment initiatives to delegate powers to Zonal offices, etc.

**Other Directorships:**

	Name of the companies/firm	Nature of interest
1	Bombay Dyeing & Mfg. Co. Ltd	Director
2	Hinduja Foundaries Ltd	Director
3	Xpro Global Ltd	Director
4	Xpro India Ltd	Director
5	National Peroxide Ltd	Director
6	DIGJAM Ltd	Director
7	Sakthi Finance Ltd	Director
8	Shreyas Relay Systems Ltd	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
Bombay Dyeing & Mfg. Co. Ltd	Audit Committee	Chairman
Xpro India Ltd	Audit Committee	Member
Hinduja Foundaries Ltd	a. Audit Committee	Member
DIGJAM Ltd	b. Investor Grievances Committee	Member
National Peroxide Ltd	Audit Committee	Member
Shreyas Relay Systems Ltd	Audit Committee	Chairman

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: 3000

**viii. Name: D. T. Joseph**
**Experience:**

Mr. D. T. Joseph, born in 1945, is IAS (ret'd) by profession. He took over as Secretary in Ministry of Shipping in the year 2003 and retired in 2005. Earlier, he was Secretary (Co-ordination) in the Cabinet Secretariat. As Secretary Shipping, he helped in getting the tonnage tax option implemented for shipowners. As Director-General of Shipping, he streamlined Chartering guidelines 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
1. Adani Ports and SEZ Ltd	Director
2. Tata Teleservices Maharashtra Ltd	Director
3. Shreyas Relay Systems Ltd	Director
4. Keystone Realtors Pvt. Ltd	Director
5. Ocean Sparkle Ltd.	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
Adani Ports and SEZ Ltd	Audit Committee Shareholder & Investor Grievance	Member
Shreyas Relay Systems Ltd	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: NIL

**ix. Name Mr. Amitabha Ghosh**
**Experience:**

Mr. Amitabha Ghosh is a Chartered Accountant by profession and a fellow member of the Indian Institute of Bankers. He joined Allahabad Bank in 1951 as a first Indian Probationary Officer and was elevated to the post of Chairman and Managing Director after holding various important assignments in the Bank. He was also the Deputy Governor of Reserve Bank of India from 1982 to 1984 and from 1985 to 1992. He was Chairman of Reserve Bank of India Services Board during 1992-1993. He is a member of various Working Groups / Committees. He has also contributed a number of articles to the various publications of Government of India and Reserve Bank of India.

**Other Directorships:**

Name of the companies/firm	Nature of interest
1. Cenetary Advisory Services Pvt. Ltd	Director
2. Kesoram Industries Ltd	Director
3. Orient Paper & Industries Ltd	Director
4. Palit Consultancy Pvt. Ltd	Director
5. Peninsula Land Ltd	Director
6. Zenith Fiber Ltd	Director
7. Shreyas Relay Systems Ltd	Director
8. Shreyas Shipping & Logistics Limited	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
Kesoram Industries Ltd	Audit Committee	Member
Orient Paper & Industries Ltd	Audit Committee	Chairman
Peninsula Land Ltd	Audit Committee	Chairman

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: NIL

**x. Name : Mr. Mannil Venugopalan**

**Experience:**

Mr. Mannil Venugopalan is the former Managing Director and Chief Executive Officer of the Federal Bank (May 2005 till July, 2010). He was also been the Chairman & Managing Director of Bank of India since August, 2003 till April, 2005. He started his career as a Probationary Officer with Bank of India in 1966 and within a stint for 3 years in between with Union Bank of India as Executive Director rose to the position of the Chairman and Managing Director of Bank of India. His tenure at Federal Bank for half decade is memorable for the transformational initiatives that he launched in the Bank and today it is one of the best banks in the country in efficiency parameters and in coping with the inevitable process of adapting to the rapidly changing business environment

**Other Directorships:**

Name of the companies/firm	Nature of interest
1. L&T Finance Ltd	Director
2. Dewan Housing Finance Corp Ltd	Director
3. Au Financiers (India) Ltd	Director
4. KDDL Limited	Director
5. ILFS Environmental Infra and Services Ltd	Director
6. LIC HFL AMC Ltd	Director
7. Shri Kailash Logistics Ltd	Director
8. Vishwa Infrastructures and Services Pvt. Ltd	Director
9. Neighbourhood Agri Business Solutions Pvt. Ltd	Director

**Committee Memberships:**

Name of the companies/firm	Name of Committee	Committee Position
L&T Finance Ltd	Audit Committee	Member
Dewan Housing Finance Corp Ltd	Audit Committee	Member
Au Financiers (India) Ltd	Audit Committee	Member

Name of the companies/firm	Name of Committee	Committee Position
LIC HFL AMC Ltd	Audit Committee	Member
ILFS Environmental Infra and Services Ltd	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31<sup>st</sup> March, 2014: NIL

**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.transworld.com/shreyas](http://www.transworld.com/shreyas)

The financial results during the year 2013-14 were published in the newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31/03/2013	30/06/2013	30/09/2013	31/12/2013
Free Press Journal	25/06/2013	9/7/2013	9/11/2013	21/01/2014
Navshakti	25/06/2013	9/7/2013	9/11/2013	21/01/2014

- b. Official press releases and presentations as and when made to the media and Analysts are made available on the Company's website [www.transworld.com/shreyas](http://www.transworld.com/shreyas)
- 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.

**XII. 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.

### XIII. General Shareholders' Information

S. No.	Salient items of interest	Particulars
i.	AGM date	12 <sup>th</sup> August, 2014
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)	1.04.2014 to 31.03.2015
	<b>Results for the quarter ending</b>	
	30 <sup>th</sup> June, 2014	On or before 14 <sup>th</sup> August, 2014
	30 <sup>th</sup> September, 2014	On or before 14 <sup>th</sup> November, 2014
	31 <sup>st</sup> December, 2014	On or before 14 <sup>th</sup> February, 2015
	31 <sup>st</sup> March, 2015	On or before 30 <sup>th</sup> May, 2015
		Annual General Meeting is proposed to be held in July 2015.
v.	Dates of Book Closure	5 <sup>th</sup> August 2014 to 12 <sup>th</sup> August 2014
vi.	Dividend Payment date	On or after 18 <sup>th</sup> August, 2014, if declared at the forthcoming Annual General Meeting
vii.	Listing on Stock Exchanges	<b>Equity shares:</b> The Bombay Stock Exchange Ltd., Mumbai National Stock Exchange of India Ltd.
		The Company has paid listing fees for the year 2013-14 to the Indian Stock Exchanges where its securities are listed.
viii.	Stock Code	<b>Equity shares:</b> The Bombay Stock Exchange Ltd., Mumbai - <b>520151</b> National Stock Exchange of India Ltd. - <b>SHREYAS</b>
ix.	The International Securities Identification Number (ISIN) for the Company's Shares in dematerialised form.	<b>Equity shares:</b> INE757B01015

S. No.	Salient items of interest	Particulars
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: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
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 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 <sup>st</sup> March, 2014, 21,375,432 Equity shares of ₹ 10/- each (97.35% of the total Equity shares 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.

S. No.	Salient items of interest	Particulars
xv.	Address for correspondence	<p><b>Registered office:</b> 4<sup>th</sup> Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (East), Mumbai - 400 088.</p> <p><b>Administrative office:</b> 2<sup>nd</sup> 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.</p> <p><b>Registrar &amp; Share Transfer Agents</b> 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: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a></p>

#### Distribution of Shareholding as on 31<sup>st</sup> March, 2014

Category (Nominal value of shares)	No. of Share-holders	% of Total Share-holders	Share amount (In ₹)	% of Total Share-holding
From To				
Upto 5,000	12847	89.71	16112600	7.34
5,001 - 10,000	662	4.63	5504280	2.51
10,001 - 20,000	396	2.77	6080280	2.76
20,001 - 30,000	163	1.13	4119120	1.89
30,001 - 40,000	65	0.45	2130790	1.05
40,001 - 50,000	41	0.29	1936410	0.88
50,001 - 1,00,000	79	0.55	5667950	2.58
1,00,001 & above	67	0.47	177843900	80.99
<b>Total</b>	<b>14320</b>	<b>100.00</b>	<b>21,95,75,330</b>	<b>100.00</b>

#### Shareholders' profile

As on 31<sup>st</sup> March, 2014, the Company had 14,320 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
<b>A Promoter's Holding</b>				
<b>1 Promoters</b>				
Indian Promoters:	22,97,370	10.46	NIL	N.A.
Foreign Promoters:	1,37,95,725	62.83	NIL	N.A.
<b>B Non-Promoter Holding</b>				
<b>2 Institutional Investors</b>				
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		0.00	N.A.	N.A.
<b>3 Others</b>				
a. Bodies Corporate	4,15,625	1.89	N.A.	N.A.
b. Indian Public	48,65,649	22.1457	N.A.	N.A.
c. NRIs/OCBs			N.A.	N.A.
d. HUF	176532	0.80	N.A.	N.A.
e. Clearing Member	230247	1.05	N.A.	N.A.
f. Market Maker	6108	0.03	N.A.	N.A.
g. NRI (Repat)	150923	0.69	N.A.	N.A.
h. NRI (Non Repat)	18354	0.08	N.A.	N.A.
i. Trust	100	0.00	N.A.	N.A.
<b>Total (1+2+3)</b>	<b>21957533</b>	<b>100</b>	<b>NIL</b>	<b>0.00</b>

#### Top 10 shareholders as on 31<sup>st</sup> March, 2014

Sr. No	Name of the Shareholder	Number of Shares held as on 31.03.14	% of Shareholding
1	Transworld Holdings Limited	12351650	56.25
2	Anisha Ramakrishnan	1167325	5.32
3	Mithila Mahesh	1167325	5.32
4	Ritesh S. Ramakrishnan	168375	0.77
5	Murli S. Mahesh	168375	0.77
6	Rajan Ramnarayan	140875	0.64
7	Rajiv Ramnarayan	136375	0.62
8	L. B. Culas	130845	0.60
9	Mahesh Sivaswamy	112475	0.51
10	V. Ramnarayan	109375	0.50
11	S. Ramakrishnan	109375	0.50

## Stock price data

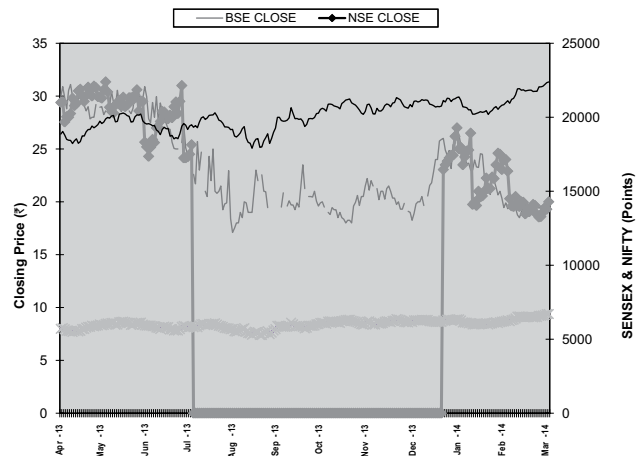
(1) The monthly high and low stock quotations during the financial year 2013-14 and performance in comparison to the BSE Sensex and S&P CNX Nifty is given below:

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 2013	32.45	23.2	19,622.68	18144.22	31.55	26.8	5918.65	5477.20
May 2013	31.85	25	20,443.62	19451.26	31.5	27.4	6229.45	5910.95
June 2013	31.45	24.6	19,860.19	18467.16	32	23.5	6011	5616.85
July 2013	27.25	17.1	20,351.06	19126.82	26.9	23.65	6093.35	5675.75
August 2013	23	16.05	19,569.20	17448.71	--	--	5808.5	5118.85
September 2013	23.5	19.2	20,739.69	18166.17	--	--	6142.5	5318.9
October 2013	21	18	21,205.44	19264.72	--	--	6309.05	5700.95
November 2013	22.2	17.55	21,321.53	20137.67	--	--	6342.95	6011.75
December 2013	22	18.25	21,438.74	20568.70	--	--	6362.25	6129.95
January 2014	27.7	20.55	21,409.66	20343.78	28	22.55	6358.3	6027.25
February 2014	25	18.9	22,140.51	19963.12	25.05	19.05	6282.7	5933.3
March 2014	23.35	17.5	22,467.21	20920.98	21.15	18.2	6730.05	6212.25

(2) Shares traded during 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014

Particulars	On BSE	On NSE
No of Shares traded	563860	601026
Highest Share Price	₹ 32.45 (April, 2013)	₹ 32 (June, 2013)
Lowest Share Price	₹ 16.05 (August, 2014)	₹ 18.2 (March, 2014)
Closing Share Price as on 31 <sup>st</sup> March, 2014	₹ 19.9	₹ 20.3
Market Capitalisation as on 31 <sup>st</sup> March, 2014	₹ 43.70 cr	₹ 44.57 cr

(3) The Company's share price movement during 2013-14 on BSE and NSE vis-à-vis respective indices:



For and on behalf of the  
**Board of Directors**

Place: Mumbai  
 Date: 26<sup>th</sup> May, 2014

**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 M/s Shreyas Shipping and Logistics Ltd for the year ended on 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange(s).

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's Regn. No.: 003990S

Place: Mumbai  
Date: 26<sup>th</sup> May, 2014

**S. Ramakrishnan**  
Partner  
Mem. No.: 18967



## **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. Ramakrishanan, Chief Executive Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges) and Rajesh Desai, Chief Financial Officer 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 31<sup>st</sup> March, 2014 (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 31<sup>st</sup> March, 2014.

Mumbai

Date: 26<sup>th</sup> May, 2014

**S. Ramakrishanan**

Chief Executive Officer

**Rajesh Desai**

Chief Financial Officer

# Independent Auditor's Report

To the Members of Shreyas Shipping and Logistics Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of Shreyas Shipping and Logistics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

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

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

## Basis for Qualified Opinion

- a) *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 (AS16)-Borrowing Costs. The Company has not considered the "borrowing costs" while adjusting the foreign currency differences to the cost of the assets. It has been clarified by the Ministry of Corporate affairs vide Circular No.25/2012 dated 9<sup>th</sup> August 2012 that "borrowing costs" need not be considered while capitalizing the eligible exchange differences. But this clarification is effective only from 1<sup>st</sup> April, 2011. In view of this,*
  - i. *Cumulative foreign exchange loss is understated to the extent of ₹ 212.28 lacs for the period prior to 1<sup>st</sup> April, 2011*
  - ii. *Depreciation related to above including the adjustment to opening reserves is cumulatively overstated to the extent of ₹ 59.98 lacs (of this ₹ 11.94 Lacs relates to year ended 31<sup>st</sup> March, 2014 and ₹ 11.94 lacs to the year ended 31<sup>st</sup> March, 2013, ₹ 36.10 lacs to the period earlier to 1<sup>st</sup> April, 2012).*
- b) *Company has deferred the dry dock expenses incurred during the current year and the year ended 31<sup>st</sup> March, 2013 proportionately over next 30 months from the date of incurrence instead of charging off the same to Statement of Profit and loss on their incurrence as provided in AS 10 on fixed assets, due to which dry dock expenses are cumulatively understated to the extent of ₹ 469.09 Lacs (to the extent carried forward). Dry Dock expenses of ₹ 17.76 Lacs is overstated for the year ended 31<sup>st</sup> March, 2014 and ₹ 486.85 Lacs is understated for the year ended 31<sup>st</sup> March, 2013. Consequently, cumulative loss for the year ended 31<sup>st</sup> March, 2014 is understated by ₹ 469.09 Lacs.*
- c) *In view of (a) and (b) above, loss is overstated to the extent of ₹ 29.70 Lacs for the year without considering the prior year impact of understatement of loss to the extent*

of ₹ 651.09 Lacs. The reserves as at 31<sup>st</sup> March, 2014 are stated higher to the extent of ₹ 621.39 Lacs.

Correspondingly, Fixed assets, Non-current assets and Current assets are higher to the extent of ₹ 152.30 Lacs, ₹ 134.02 Lacs and ₹ 335.07 respectively.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to:

- a) Note 27 of the financial statements regarding Company awaiting final order from SEBI in the matter of restating March 31, 2013 financial statements to give effect to the qualifications in our report for that year.
- b) Note 33 of the financial statements regarding payment of Managerial Remuneration which is in excess of limit prescribed under Companies Act, 1956 in respect of 2012-13 for which an application for approval made by company is pending with Central Government.

Our opinion is not qualified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters

specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) 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;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

**S. Ramakrishnan**  
 Partner  
 Mem. No.: 18967

Place: Mumbai  
 Date: 26<sup>th</sup> May, 2014

## Annexure

### Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date

- I. In respect of its fixed assets:
  - (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 and no material discrepancies were noticed on such verification;
  - (c) In our opinion, the Company has not disposed any material assets during the year and accordingly going concern status of the Company is not affected;
- II. In respect of its inventory:
  - (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management;
  - (b) In our opinion and according to the information and explanation given to us, 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) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- III.
  - (a) According to the information and explanation given to us, the Company has neither taken nor granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act during the year.
  - (b) As explained to us, during the tenure of Unsecured interest bearing loan given in previous year to Shreyas Relay Systems Limited, rate of interest and other terms and conditions of unsecured loans given by the Company, were not prima facie prejudicial to the interest of the Company;
  - (c) The outstanding unsecured interest bearing loan of ₹ 700 Lacs given to Shreyas Relay Systems Limited (repayable on demand), a wholly owned subsidiary Company during the previous year has been converted into equity on 23<sup>rd</sup> September 2013 and interest thereon for the part of the year has been received in full in cash;
- IV. In our opinion and according to the information and explanation given to us, there is an adequate internal control procedure 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. During the course of audit, we have not observed any major weaknesses in internal control or any continuing failure to correct major weakness in internal control;
- V. In respect of contracts or arrangements entered in the Register maintained under section 301 of the Act, to the best of our knowledge and belief and according to information and explanation given to us:
  - (a) The particulars of contracts or arrangements referred in section 301 of the Act have been entered in the register required to be maintained under that section; and
  - (b) Where each of such transactions is in excess of ₹ 5 lacs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time;
- VI. The Company has not accepted deposits from the public within the meaning of sections 58A and 58AA of the Act and the rules framed there under;
- VII. In our opinion, the Company has an internal audit system commensurate with its size and nature of 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) According to the information and explanation given to us and on the basis of our examination of the books of accounts, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Service tax, Wealth Tax, Custom Duty, cess and any other 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) According to the information and explanation given to us, there are no dues of sales tax/income tax/custom tax/wealth tax/excise duty/cess which have not been deposited on account of any dispute.
- X. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year;
- XI. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions;
- XII. In our opinion and according to the information and explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- XIII. The Company is not a Nidhi / Mutual benefit fund/ Society and the provisions of special statute applicable to chit fund are not applicable to the Company;
- XIV. The Company is not dealing or trading in shares, securities, debentures and other investments;
- XV. In our opinion and to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions except for guaranteeing loans taken by its Subsidiaries (Shreyas Relay Systems Limited and SRS Freight Management Limited), the terms and conditions whereof are not prejudicial to the interest of the Company;
- XVI. In our opinion and to the information and explanation given to us, term loans have been applied for the purpose for which the loans were obtained;
- XVII. In our opinion and to the information and explanation given to us and on an overall examination of Balance Sheet, we report that no funds raised on short-term basis have 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, during the year;
- XIX. The Company has not issued any debentures during the year;
- 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 the year.

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

**S. Ramakrishnan**  
 Partner  
 Mem. No.: 18967

Place: Mumbai  
 Date: 26<sup>th</sup> May, 2014

## Balance Sheet as at 31<sup>st</sup> March, 2014

Particulars	Notes	As at	As at
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		₹	₹
<b>Equity &amp; Liabilities</b>			
<b>Shareholder's Funds</b>			
Share Capital	3	219,575,330	219,575,330
Reserves and Surplus	4	1,114,324,196	1,272,304,922
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	651,035,174	817,119,234
Long-term provisions	6	119,462,764	57,808,602
<b>Current Liabilities</b>			
Short-term borrowings	7	95,378,701	43,988,196
Trade payables	8	170,773,726	164,488,241
Other current liabilities	9	316,233,901	215,959,909
Short Term provisions	10	16,653,814	16,607,778
<b>TOTAL</b>		<b>2,703,437,606</b>	<b>2,807,852,212</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
(I) Tangible Assets	11	1,852,354,358	2,145,446,891
(II) Intangible Assets	11	-	-
Non-current investments	12	95,150,000	25,150,000
Other non-current assets	13	72,382,194	78,599,681
<b>Current assets</b>			
Current Investments	14	25,818,958	712,943
Inventories	15	84,707,644	77,544,654
Trade Receivables	16	286,160,075	205,826,831
Cash And Bank Balances	17	164,004,668	69,471,142
Short-Term Loans And Advances	18	23,282,700	110,023,645
Other Current Assets	19	99,577,009	95,076,425
<b>TOTAL</b>		<b>2,703,437,606</b>	<b>2,807,852,212</b>
<b>Summary of significant accounting policies</b>	<b>2</b>		
The accompanying notes form an integral part of this Balance Sheet			

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

Chartered Accountants  
Firm Regn No 003990S

**S. RAMAKRISHNAN**

Partner  
Membership No. 18967

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
Chairman & Managing  
Director

**Amitabha Ghosh**  
Director

**Namrata Malushte**  
Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
Executive Director

**Rajesh Desai**  
Chief Financial Officer

**Statement of Profit And Loss** for the Year ended 31<sup>st</sup> March, 2014

Particulars	Notes	Year Ended	Year Ended
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		₹	₹
<b>I. INCOME</b>			
Income from Operations	20	<b>2,481,625,972</b>	2,043,197,082
Other Income	21	<b>17,573,842</b>	20,175,024
<b>Total Income</b>		<b>2,499,199,814</b>	2,063,372,106
<b>II Expenses:</b>			
Operation Cost	22	<b>656,121,043</b>	515,763,823
Fuel Cost	23	<b>1,176,274,670</b>	931,204,444
Employee Benefit Expenses	24	<b>268,150,109</b>	238,458,116
Finance Cost	25	<b>84,826,263</b>	66,987,898
Depreciation & Amortization Expense	11	<b>154,657,021</b>	140,279,278
Other Expenses	26	<b>39,594,989</b>	37,880,606
<b>TOTAL EXPENSES</b>		<b>2,379,624,095</b>	1,930,574,165
<b>III Profit Before Exceptional And Extraordinary Items And Tax ( I - II )</b>		<b>119,575,719</b>	<b>132,797,941</b>
IV Exceptional Item (Refer footnote to Note 11)		190,991,215	-
<b>V Profit Before Extraordinary Items And Tax ( III - IV )</b>		<b>(71,415,496)</b>	<b>132,797,941</b>
VI Extraordinary Items		-	-
<b>VII Profit Before Tax ( V - VI )</b>		<b>(71,415,496)</b>	<b>132,797,941</b>
VIII Tax Expense:			
Current Tax		<b>9,450,000</b>	6,500,010
Prior Year Tax/(Credit)		210,986	-
<b>IX Profit For The Year ( VII - VIII )</b>		<b>(81,076,482)</b>	<b>126,297,931</b>
Earning per equity share: ( Nominal Value of Share ₹ 10) - Basic / Diluted	39	<b>(3.69)</b>	5.75
<b>Summary of significant accounting policies</b> The accompanying notes form an integral part of this Financial Statement	<b>2</b>		

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

 Chartered Accountants  
 Firm Regn No 003990S

**S. RAMAKRISHNAN**

 Partner  
 Membership No. 18967

Place : Mumbai

 Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
 Chairman & Managing  
 Director

**Amitabha Ghosh**  
 Director

**Namrata Malushte**  
 Company Secretary

Place : Mumbai

 Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
 Executive Director

**Rajesh Desai**  
 Chief Financial Officer

## Cash Flow for the year ended 31<sup>st</sup> March, 2014

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
<b>A Cash flow from operating activities</b>		
Net profit/ (Loss) before tax	(71,415,496)	132,797,941
Adjusted for Non cash / Non Operating items		
Depreciation	154,657,021	140,279,278
Loss/(Profit) on Sale on Fixed Assets	961,102	(58,404)
Loss/(Profit) on Sale of Investments	18,333	(65,200)
Unrealised Exchange/ Swap Loss/ (Gain) on current assets & liabilities	4,272,204	655,669
Interest Expenses on Loans	84,826,263	66,987,898
Liabilities/Provisions For Expenses No Longer Required Written Back	(5,418,595)	-
Income from Current Investments	(149,784)	(4,046,432)
Interest Income	(8,640,121)	(944,932)
<b>Adjustments for Changes in Working Capital: (a)</b>	<b>159,110,927</b>	<b>335,605,818</b>
<b>Increase/(Decrease) In Current Assets</b>		
Inventories	7,162,990	18,519,563
Sundry Debtors	81,810,964	(35,252,511)
Other Current Assets, Loans and Advances	(18,879,582)	121,443,070
	70,094,372	104,710,122
<b>Less: increase/(Decrease) in Current Liabilities &amp; Provision</b>	<b>(78,350,151)</b>	<b>(110,482,081)</b>
<b>Net increase/(Decrease) in Working Capital (b)</b>	<b>(8,255,779)</b>	<b>(5,771,959)</b>
Cash Generated from Operations (a) - (b)	167,366,706	341,377,777
Less: Taxes Paid	(15,026,865)	(9,773,038)
Add : Provision for Impairment in Value of Vessel (Exceptional Item, Refer footnote to Note 11)	190,991,215	-
Less : Prior Period Items	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>343,331,056</b>	<b>331,604,739</b>
<b>B Cash flow from investing activities</b>		
Addition to Fixed Assets (net)	(53,516,805)	(667,886,740)
Sale of Fixed Assets	-	1,346,722
Sale of Investments	-	-
Interest Income	8,640,121	944,932
Advance for Sale of Vessel (Refer Note 9)	52,067,979	-
Income from Current Investments	131,451	4,111,632
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>7,322,746</b>	<b>(661,483,454)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds / (Repayment) of Borrowings (Net)	(132,299,546)	365,828,537
Redemption of Preference Share Capital	-	-
Loan to Subsidiary (Net of Repayment)	-	(70,000,000)
Interest Expenses	(84,826,263)	(66,987,898)
Dividend Paid	(15,413,524)	(12,759,797)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(232,539,333)</b>	<b>216,080,842</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>118,114,469</b>	<b>(113,797,873)</b>
<b>CASH &amp; CASH EQUIVALENTS - OPENING BALANCE</b>	<b>67,823,067</b>	<b>182,063,526</b>
<b>ADD : NET CHANGES IN CASH &amp; CASH EQUIVALENT AS ABOVE</b>	<b>118,114,469</b>	<b>(113,797,873)</b>
<b>ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS</b>	<b>(2,759,905)</b>	<b>(442,586)</b>
<b>CASH &amp; CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>183,177,631</b>	<b>67,823,067</b>
<b>CLOSING CASH &amp; CASH EQUIVALENTS CONSISTS OF</b>		
CASH ON HAND (Refer Note 17)	878,470	936,680
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (REFER NOTE 17)	156,480,203	66,173,444
INVESTMENT IN LIQUID FUND SECURITIES (Refer Note 14)	25,818,958	712,943
<b>TOTAL</b>	<b>183,177,631</b>	<b>67,823,067</b>

Notes:

- 1) The above statement has been prepared by indirect method.
- 2) 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 SRIDHAR & SANTHANAM**

Chartered Accountants  
Firm Regn No 003990S

**S. RAMAKRISHNAN**

Partner  
Membership No. 18967

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
Chairman & Managing  
Director

**Amitabha Ghosh**  
Director

**Namrata Malushte**  
Company Secretary

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
Executive Director

**Rajesh Desai**  
Chief Financial Officer



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Corporate Information

1 Shreyas Shipping and Logistics Limited (SSLL) is India's first container feeder owning and operating company. SSLL started its operations in 1993 primarily to fill the gap for feeding of containers between Indian ports and internationally renowned Asian transshipment ports. SSLL's shares are listed on both Bombay Stock Exchange and National Stock Exchange.

### 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 instalments 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

Dry Dock/ Special Survey Expenses are normally incurred twice in a period of 5 years. Major improvements are capitalised as a cost of Ship and other expenses are charged to Statement of Profit & Loss over the period of Dry Dock Cycle i.e. 2.5 Years.

### 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 ₹5,000 or less are depreciated in full in the year of acquisition.

#### Intangibles 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 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 fair 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.

Material procured for dry dock and remaining unutilised are included in inventory and valued as above.

**g. Foreign Exchange Transactions**

- i) Transactions in foreign currencies are recorded at standard exchange rates prevailing on the date of 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 31<sup>st</sup> 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 1<sup>st</sup> April, 2007, in terms of Ministry of Corporate affairs Notification dated 31<sup>st</sup> March, 2009 relating to Accounting Standard 11 'The Effect of Changes in Foreign Exchange Rates'. Applicability of the above notification has since been extended upto March 2020.
- 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 difference 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.
- d) Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

**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 statement of Profit and Loss. Company has no other obligation except the monthly contributions.

Company 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 Seamens 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.

Term loan processing charges are accounted over the tenure of loan.

**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.

**l. Taxation**

The 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, if any. In view of Company opting for Tonnage Tax, no provision is made for deferred tax.

**m. 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 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 company.

**3) SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>AUTHORISED</b>		
2,40,00,000 (2,40,00,000) Equity Shares of ₹ 10/- each	<b>240,000,000</b>	240,000,000
14,00,000 (14,00,000) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ₹ 100/- each	<b>140,000,000</b>	140,000,000
	<b>380,000,000</b>	380,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
2,19,57,533 (2,19,57,533) Equity Shares of ₹ 10/- each fully Paid up	<b>219,575,330</b>	219,575,330
<b>TOTAL</b>	<b>219,575,330</b>	219,575,330

**3a. During the year, the Company has not issued/bought back any of the Equity Shares.**

Particulars	31-Mar-14		31-Mar-13	
	Nos.	Amt. (₹)	Nos.	Amt. (₹)
At the beginning of the year	21,957,533	219,575,330	21,957,533	219,575,330
(+) Issued during the year	-	-	-	-
(-) Redeemed during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>21,957,533</b>	<b>219,575,330</b>	21,957,533	219,575,330

**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-Mar-14		31-Mar-13	
	% of Holding	Nos.	% of Holding	Nos.
Transworld Holdings Limited (Holding Company)	56.25%	12,351,650	56.25%	12,351,650
Mithila V Mahesh	5.32%	1,167,325	5.32%	1,167,325
Anisha Valli Ramakrishnan	5.32%	1,167,325	5.32%	1,167,325

**3d. The Board, in its meeting on May 26<sup>th</sup>, 2014 proposed a final dividend of ₹ 0.60 per equity share (2012-13 - paid ₹ 0.60 per equity share). The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 12<sup>th</sup>, 2014. The total dividend appropriation for the year ended March 31<sup>st</sup>, 2014 amounted to ₹ 154.14 lacs (2012-13 - ₹ 154.14 lacs) including corporate dividend tax of ₹ 22.39 lacs (2012-13 - ₹ 22.39 lacs).**

**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.**

**3g. No bonus shares have been issued during the last five years.**

**4) RESERVE AND SURPLUS**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>a) Capital Redemption Reserve</b>		
As per last balance sheet	130,000,000	130,000,000
	130,000,000	130,000,000
<b>b) Securities Premium</b>		
As per last Balance sheet	382,292,449	382,292,449
	382,292,449	382,292,449

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>c) General Reserve</b>		
As per last Balance sheet	171,715,149	171,715,149
	171,715,149	171,715,149
<b>d) Tonnage Tax Reserve</b>		
As per last balance sheet	25,000,000	129,046,945
Add : Transfer from Statement of Profit and Loss	24,000,000	25,000,000
Less : Transfer to Tonnage Tax Utilised Reserve	-	129,046,945
	49,000,000	25,000,000
<b>e) Tonnage Tax Utilised Reserve</b>		
As per last balance sheet	232,500,000	103,453,055
Add : Transfer from Tonnage Tax Reserve	-	129,046,945
	232,500,000	232,500,000
<b>f) Hedging Reserve</b>		
As per last balance sheet	(54,306,192)	-
Less : Provision for Hedging Losses ( AS-30 )	(61,490,720)	(54,306,192)
	(115,796,912)	(54,306,192)
<b>g) Surplus in the statement of profit and loss</b>		
Balance as per last Balance Sheet	385,103,516	299,219,109
Profit/(loss) for the year	(81,076,482)	126,297,931
Amount available for appropriation	304,027,034	425,517,040
<b>Less Appropriations</b>		
Transfer to Tonnage Tax Reserve	24,000,000	25,000,000
Proposed Dividend on Equity Shares	13,174,520	13,174,520
Tax on Proposed Dividend on Equity Shares	2,239,004	2,239,004
<b>Total Appropriations</b>	<b>39,413,524</b>	<b>40,413,524</b>
<b>Net Surplus in the statement of profit and loss</b>	<b>264,613,510</b>	<b>385,103,516</b>
<b>Total reserves and surplus</b>	<b>1,114,324,196</b>	<b>1,272,304,922</b>

#### (5) Long-term borrowings

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Secured :</b>		
Term Loan from Banks	854,759,019	987,058,565
Less: Current Maturities of above loans disclosed under "Other Current Liabilities" (Note no. 9 )	203,723,845	169,939,331
<b>TOTAL</b>	<b>651,035,174</b>	<b>817,119,234</b>

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

- (i) Canara Bank FCNR Loan \$1,27,79,460, is secured by a first charge over the Vessel M.V.OEL Trust and M.V.OEL Shreyas. Loan to be repaid in 58 structured monthly instalments with the first repayment starting from January 2012 i.e. \$2,29,190. Foreign currency loan carries interest @ LIBOR (6months) + 500 bps. Loan repaid during the year 2013-14 is \$ 27,50,280 (March 31, 2013 - \$ 27,50,280).

- (ii) Axis Bank Car loan of ₹ 33,87,872, is secured by hypothecation of car, carrying interest @10.06%, (on a monthly reducing basis) . The Loan is repayable in 36 equal monthly instalments of ₹ 1,12,000 starting from 7 July 2011. Loan repaid during the year 2013-14 is ₹ 13,44,000 (March 31, 2013 - ₹ 13,44,000).
- (iii) ICICI Bank Loan ₹ 47,75,00,000 , is secured by a first charge over the Vessel M.V.Oel Kochi and M.V.OEL Kutch and collateral charge over M.V.OEL Victory. Loan to be repaid in 28 quarterly instalments with the first repayment starting from October 2013. ICICI Bank Loan carries interest @ I-Base + 290 bps. Loan repaid during the year 2013-14 is ₹1,91,00,000 (March 31, 2013 - ₹ Nil).

**(5b) There have been no defaults in repayment of any of the loans or interest thereon during the year.**

**(6) Long term provisions**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March 2013 ₹
<b>For employee benefits</b>		
Compensated Absence	3,665,852	3,502,410
<b>Others</b>		
Derivatives Liability	115,796,912	54,306,192
<b>TOTAL</b>	<b>119,462,764</b>	<b>57,808,602</b>

Disclosures required as per AS - 15 on "Employees Benefits" has been made in Note no. 29

**7) Short-term borrowings**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Secured :</b>		
Working Capital Loan From Bank	95,378,701	43,988,196
(Secured loan from bank consists of working capital facility. These loans are secured by hypothecation of current assets of the company and Letter of Comfort from Transworld Holdings Ltd., Mauritius, the Ultimate Holding Company)		
<b>TOTAL</b>	<b>95,378,701</b>	<b>43,988,196</b>

**(8) Trade payables**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Sundry Creditors for Trade</b>		
Due to Micro and Small Enterprises (excluding interest)	251,145	81,263
Due to Others	170,522,581	164,406,978
<b>TOTAL</b>	<b>170,773,726</b>	<b>164,488,241</b>

**8a) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.**

**8b) Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.**

Particulars	2013-14 ₹	2012-13 ₹
(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;	<b>2,51,145</b>	81,263
(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;	<b>Nil</b>	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;	<b>Nil</b>	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	<b>13,844</b>	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.	<b>Nil</b>	Nil

**(9) Other current liabilities**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Current Maturities of Long Term Borrowings (Refer Note 5)	<b>203,723,845</b>	169,939,331
Interest accrued but not due on loans	<b>979,191</b>	1,101,903
Unclaimed Dividend ( Refer Note 9(a))	<b>1,664,430</b>	2,361,018
Advance from Customers	<b>3,377,649</b>	1,718,898
Unfinished Voyage income ( Refer Note 9(b))	<b>32,539,900</b>	19,658,080
Liability for Employee Benefits	<b>15,403,264</b>	14,414,788
Statutory Liabilities	<b>6,477,643</b>	6,765,891
Advance Against Sale of Vessel	<b>52,067,979</b>	-
<b>TOTAL</b>	<b>316,233,901</b>	215,959,909

**(9a) 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.**

**(9b) Unfinished Voyage income relates to unfinished voyage legs as at the balance sheet (Refer Note 2(d)(iii))**

**(10) Short term provisions**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>For employee benefits</b>		
Compensated Absence	<b>1,240,290</b>	1,194,254
<b>Others</b>		
Proposed Equity Dividend	<b>13,174,520</b>	13,174,520
Tax on Proposed Equity Dividend	<b>2,239,004</b>	2,239,004
<b>TOTAL</b>	<b>16,653,814</b>	16,607,778

Disclosures required as per AS - 15 on "Employees Benefits" has been made in Note no. 29

**(11) Fixed Assets**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2013 ₹	Additions ₹	"Deductions/ Adjustments" ₹	As at 31.03.2014 ₹	As at 01.04.2013 ₹	For the year ₹	"Deductions/ Adjustments/ Impairment" ₹	As at 31.03.2014 ₹	As at 31.03.2014 ₹	As at 31.03.2013 ₹
<b>TANGIBLES</b>										
FLEET	2,833,713,377	5,249,510	48,053,570	2,887,016,457	705,442,242	153,073,975	19,09,91,215**	1,049,507,432	1,837,509,025	2,128,271,135
FURNITURE & FIXTURES	8,901,080	39,798	(97,997)	8,842,881	333,091	563,640	(34,126)	862,605	7,980,276	8,567,989
OFFICE EQUIPMENTS	3,885,792	170,279	(1,095,897)	2,960,174	541,945	195,141	(346,140)	390,946	2,569,228	3,343,847
COMPUTERS	3,685,172	3,650	(1,849,527)	1,839,295	2,258,882	385,586	(1,702,051)	942,417	896,878	1,426,290
VEHICLES	4,617,632	-	-	4,617,632	780,002	438,679	-	1,218,681	3,398,951	3,837,630
<b>A)TOTAL TANGIBLE ASSETS AS ON 31.03.2014</b>	<b>2,854,803,053</b>	<b>5,463,237</b>	<b>45,010,149</b>	<b>2,905,276,439</b>	<b>709,356,162</b>	<b>154,657,021</b>	<b>188,908,898</b>	<b>1,052,922,081</b>	<b>1,852,354,358</b>	<b>2,145,446,891</b>
A)TOTAL TANGIBLE ASSETS AS ON 31.03.2013	2,189,989,651	631,623,999	33,189,403	2,854,803,053	570,861,904	140,279,278	(1,785,020)	709,356,162	2,145,446,891	
<b>INTANGIBLES</b>										
COMPUTER SOFTWARE	2,039,802	-	(2,039,802)	-	2,039,802	-	(2,039,802)	-	-	-
<b>B)TOTAL INTANGIBLE ASSETS AS ON 31.03.2014</b>	<b>2,039,802</b>	<b>-</b>	<b>(2,039,802)</b>	<b>-</b>	<b>2,039,802</b>	<b>-</b>	<b>(2,039,802)</b>	<b>-</b>	<b>-</b>	<b>-</b>
B)TOTAL INTANGIBLE ASSETS AS ON 31.03.2013	2,058,002	-	(18,200)	2,039,802	2,058,002	-	(18,200)	2,039,802	-	
<b>TOTAL (A + B) AS ON 31.03.2014</b>	<b>2,856,842,855</b>	<b>5,463,237</b>	<b>42,970,347</b>	<b>2,905,276,439</b>	<b>711,395,964</b>	<b>154,657,021</b>	<b>186,869,096</b>	<b>1,052,922,081</b>	<b>1,852,354,358</b>	<b>2,145,446,891</b>
TOTAL (A + B) AS ON 31.03.2013	2,192,047,653	631,623,999	33,171,203	2,856,842,855	572,919,906	140,279,278	(1,803,220)	711,395,964	2,145,446,891	-

**Footnote :**

\*\* Company has entered into an agreement for sale of vessel "MV Unity" on 19<sup>th</sup> March, 2014 for an aggregate sale value of \$ 2.86Mn. Actual delivery of the vessel took place on 16<sup>th</sup> April, 2014. Adjustment to depreciation reserve in fleet represents difference between carrying value of vessel, on the date of delivery, and proposed sale value which has been recognised as an exceptional item.



**(12) Non-current Investments**

Particulars	Face Value	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
		No. of Shares/ debentures	Amt (₹)	No. of Shares/ debentures	Amt (₹)
<b>1) TRADE-UNQUOTED- Fully Paid - At Cost</b>					
<b>IN SUBSIDIARY</b>					
a SHREYAS RELAY SYSTEMS LIMITED (Wholly owned subsidiary) - Equity Shares.	10.00	<b>3,500,000</b>	<b>95,000,000</b>	2,500,000	25,000,000
<b>OTHERS - UNQUOTED- Fully Paid - At Cost</b>					
b ORIENT EXPRESS SHIP MANAGEMENT LIMITED - Equity Shares.	10.00	<b>15,000</b>	<b>150,000</b>	15,000	150,000
<b>TOTAL</b>			<b>95,150,000</b>		25,150,000

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

**(13) Other non-current assets**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Unsecured considered good, unless otherwise stated		
Advance Income Tax (Net of provision) (Provision for Tax ₹ 1,92,40,000/- (March 31, 2013: ₹ 1,05,48,391/-))	<b>32,455,606</b>	27,089,727
Unamortised Loan Processing charges	<b>10,655,359</b>	13,173,698
Unamortised Dry Dock Expenditure	<b>11,301,496</b>	21,675,014
Bank Fixed Deposits with Maturity of more than 12 months*	<b>17,594,519</b>	16,227,280
Others**	<b>375,214</b>	433,962
<b>TOTAL</b>	<b>72,382,194</b>	78,599,681

\* Bank deposits are on lien with ICICI bank towards debt service coverage and with Tariff Manager, Kandla Port Trust

\*\* Others include amount with Port Trust of India ₹ 50,000/- (March 31, 2013: ₹ 50,000/- )

**(14) Current Investments**

S. No.	Particulars	As at 31.03.2014		As at 31.03.2013		As at 31.03.2013	
		NAV	Face Value	Units	Amount	Units	Amt (₹)
	MUTUAL FUND ( UNQUOTED)						
	AT COST OR MARKET VALUE, WHICHEVER IS LESS MUTUAL FUND (UNQUOTED)						
a	BIRLA SUNLIFE CASH PLUS	100.33	100	<b>50,134.67</b>	<b>5,023,243</b>	-	-
b	ICICI PRUDENTIAL LIQUID - DIRECT PLAN	100.06	100	<b>50,225.43</b>	<b>5,025,265</b>	-	-
c	RELIANCE LIQUID FUND - TREASURY PLAN DIRECT	1,528.74	1,500	<b>3,287.34</b>	<b>5,025,493</b>	-	-
d	HDFC LIQUID FUND - DIRECT PLAN	10.20	10	<b>492,817.42</b>	<b>5,025,851</b>	-	-
e	CANARA ROBECO LIQUID SUPER - DAILY DIVIDEND REINVESTED	10.80	10	<b>64,302.67</b>	<b>750,000</b>	64,302.67	750,000
f	SBI MUTUAL FUND	1,003.25	1,000	<b>5,008.22</b>	<b>5,024,496</b>	-	-
	LESS : PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS				<b>55,390</b>		37,057
	<b>TOTAL</b>				<b>25,818,958</b>		712,943

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

**(15) Inventories**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
(At lower of Cost or Net Realisable Value as valued and certified by Management)		
Lube Oils and Fuel Oil	83,633,123	71,109,179
Victualling Stock	1,074,521	657,797
Inventory for Dry Dock	-	5,777,678
<b>TOTAL</b>	<b>84,707,644</b>	<b>77,544,654</b>

**(16) Trade receivables**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	-	-
Considered doubtful	394,572	-
Others		
Considered Good	286,160,075	205,826,831
Considered doubtful	-	9,149,216
Less: Provision for doubtful debts	(394,572)	(9,149,216)
<b>TOTAL</b>	<b>286,160,075</b>	<b>205,826,831</b>

**(17) Cash and Bank Balances**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Cash and Cash Equivalents</b>		
Cash on Hand	878,470	936,680
<b>Balances with Banks</b>		
In current accounts	42,891,203	38,978,794
In deposit accounts*	118,570,565	27,194,650
	162,340,238	67,110,124
<b>Other bank balances:</b>		
Unclaimed dividend accounts	1,664,430	2,361,018
<b>TOTAL</b>	<b>164,004,668</b>	<b>69,471,142</b>

\* Includes margin money deposit with bank towards Letter of Credit, ₹ 49,81,565/- (March 31, 2013: Nil )

**(18) Short-term loans and advances**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March 2013 ₹
<b>Unsecured considered good, unless otherwise stated</b>		
Loan to Subsidiary	-	71,066,993
<b>Advances</b>		
Related Parties	18,775,977	29,845,344
Others		
- Considered good	4,506,723	9,111,308
- Considered doubtful	-	766,769
Less: Provision for Doubtful Advances	4,506,723	9,878,077
	-	(766,769)
	4,506,723	9,111,308
<b>TOTAL</b>	<b>23,282,700</b>	<b>110,023,645</b>

**(19) Other Current Assets**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Unsecured / Considered Good</b>		
Claims Receivable	14,147,696	4,803,136
Interest accrued on fixed deposits with banks	21,563	6,826
Prepaid Expenses	12,510,099	5,546,378
Income accrued	333,037	-
Unfinished Voyage Expenses*	6,260,816	4,312,690
Unamortised Loan Processing charges**	2,552,823	2,574,864
Unamortised Dry Dock Expenditure	35,607,718	27,010,360
Gratuity Fund with Life Insurance Corporation	622,779	147,630
Duty Credit under Served from India Scheme	19,223,024	35,915,337
Others***	8,297,454	14,759,204
<b>TOTAL</b>	<b>99,577,009</b>	<b>95,076,425</b>

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

\*\* Loan processing charges which are getting amortised over the tenure of the loan.(refer Note 2(j))

\*\*\* Others include CENVAT Credit available for utilisation ₹ 60,91,228/- (March 31, 2013 : ₹1,47,59,204/-)

**(20) Income from Operations**

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
Ocean Freight Income	2,371,107,880	1,939,124,718
Charter Hire Income	107,292,921	63,671,858
Duty Credit Under Served from India Scheme	-	35,915,337
Non Liner Income	3,225,171	4,485,169
<b>TOTAL</b>	<b>2,481,625,972</b>	<b>2,043,197,082</b>

**(21) Other Income**

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
Interest Received On Deposits With Banks	1,607,724	944,932
Interest Received On Income Tax Refund	2,371,163	-
Interest Received On Loan To Subsidiary	4,661,234	1,185,548
Dividend From Mutual Fund Investments (Current - Non Trade)	149,784	4,046,432
Profit On Sale Of Mutual Fund Investments (Current Non-Trade)	-	65,200
Liabilities/Provisions For Expenses No Longer Required Written Back*	5,418,595	530,310
Profit On Sale Of Assets	-	58,404
Exchange Difference (Net)	-	10,571,995
Other Miscellaneous Income	3,365,342	2,772,203
<b>TOTAL</b>	<b>17,573,842</b>	<b>20,175,024</b>

\* Includes ₹ 46,97,000/- received from the customer earlier provided for.

**(22) Operation cost**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Port and Marine Dues	<b>330,270,279</b>	267,143,696
Charter Hire and Ocean Freight Charges	<b>38,839,407</b>	22,741,695
Stores and Spares Consumed	<b>95,353,977</b>	82,444,834
Vessel Management and Agency Fees	<b>46,175,078</b>	40,123,981
Dry Dock Expenses (Net of Capitalisation)	<b>48,643,396</b>	18,803,529
Insurance and Protection Club Fee	<b>40,243,132</b>	33,346,267
Repairs and Maintenance to Fleet	<b>22,075,365</b>	23,240,794
Crew Victualling	<b>15,151,965</b>	12,087,354
Sundry Expenses	<b>15,733,023</b>	14,759,204
Rates & Taxes	<b>1,996,649</b>	672,021
Brokerage / Commission	<b>1,638,772</b>	400,448
<b>TOTAL</b>	<b>656,121,043</b>	515,763,823

**(23) Fuel Cost**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Inventory at the beginning of the Year	<b>71,109,179</b>	49,153,607
Add: Purchases	<b>1,188,798,614</b>	953,160,016
Less: Inventory at the end of the Year	<b>(83,633,123)</b>	(71,109,179)
Cost of fuel consumed	<b>1,176,274,670</b>	931,204,444
<b>TOTAL</b>	<b>1,176,274,670</b>	931,204,444

**(23a) Details of Fuel consumed**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
<b>Fuel oil</b>		
Fuel oil consumption	<b>898,435,695</b>	691,651,233
Gas oil consumption	<b>220,935,440</b>	192,470,299
<b>Lube Oil</b>		
Lube Oil consumption	<b>50,206,041</b>	42,703,094
<b>Fresh water</b>	<b>6,697,494</b>	4,379,818
<b>TOTAL</b>	<b>1,176,274,670</b>	931,204,444

**(24) Employee Benefit Expenses**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
<b>Floating Staff</b>		
Salaries, Wages & Other Allowances For Floating Staff	<b>227,189,687</b>	197,152,173
Contribution To Provident Fund For Floating Staff ( Also Refer Note No.29)	<b>2,444,481</b>	2,622,421
Staff Welfare For Floating Staff	<b>1,062,279</b>	1,168,327
<b>Shore Staff</b>		
Salaries And Bonus	<b>33,164,883</b>	31,522,542
Contribution To Provident Fund And Gratuity ( Also Refer Note No.29)	<b>1,403,310</b>	2,598,069
Staff Welfare	<b>2,885,469</b>	3,394,584
<b>TOTAL</b>	<b>268,150,109</b>	238,458,116

**(25) Finance Cost**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Interest Expense	<b>81,299,487</b>	65,021,456
Loan Processing Charges*	<b>3,526,776</b>	1,966,442
<b>TOTAL</b>	<b>84,826,263</b>	66,987,898

\* Loan Processing Charges represent amortised portion relatable to respective year.

**(26) Other expenses**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Bad Debts/Claims/Doubtful Advances Written Off	<b>5,192,106</b>	717,206
Add: Provision For Doubtful Debts	<b>394,572</b>	9,149,216
Less: Reversal of Provision for Doubtful Debts no longer required	<b>(4,452,216)</b>	-
	<b>1,134,462</b>	9,866,422
Professional & Consultancy Fees	<b>6,950,398</b>	3,982,141
Rent	<b>5,542,598</b>	2,540,119
Advertisement And Business Promotion	<b>3,786,029</b>	3,444,797
Travelling And Conveyance	<b>3,813,454</b>	2,916,503
Communication Expenses	<b>1,729,507</b>	1,903,428

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Auditors Remuneration ( Refer Details Below)	2,058,812	1,981,070
Repairs And Maintenance- Other Assets.	1,900,743	1,572,619
Vehicle Lease Rent (Refer Note No. 38)	1,326,000	1,198,000
Director's Sitting Fees	1,168,910	813,869
Loss On Sale / Restatement Of Mutual Fund Investments (Current Investments)	18,333	37,057
Loss On Sale/Discard Of Assets	961,102	-
Insurance Expenses	806,861	713,418
Rates & Taxes	170,829	350,134
Exchange Difference (Net)	1,332,117	-
Donations	100,000	50,000
Other Expenses	6,794,834	6,511,029
<b>TOTAL</b>	<b>39,594,989</b>	<b>37,880,606</b>

#### (26a) Auditors Remuneration

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Including Service Tax	-	-
As Auditors	1,274,160	1,295,221
In Other Capacity		
Tax Audit Fees	224,720	247,192
Fees for Certification and others	414,345	410,857
Reimbursement of expenses	145,587	27,800
<b>TOTAL</b>	<b>2,058,812</b>	<b>1,981,070</b>

#### 27. Restatement of Financial Statements

BSE has vide its letter dated 12<sup>th</sup> March, 2014 advised the company to restate its financial statements for 2012-13 to give effect to auditor's qualifications in their report, in terms of SEBI Circular dated 13<sup>th</sup> August, 2012 with regard to manner of dealing with Audit report filed by listed companies. The period allowed for restatement under the said SEBI circular ended on 11<sup>th</sup> May, 2014. The company met SEBI officials on 10<sup>th</sup> April, 2014 and explained its stand clearly to them.

Further the company has written on 21<sup>st</sup> April 2014 to SEBI, which was also followed up by further letters dated 08<sup>th</sup> May, 2014 & 09<sup>th</sup> May, 2014, that the restatement will not be in the interest of the company as the qualifications arose out of a mere change of opinion and not because of any violation of basic accounting principles.

The company awaits SEBI's final decision in this regard and therefore no restatement has been carried out.

#### 28. Details of Duty Credit Scrip utilised for Importing Goods:

Particulars	2013-14	2012-13
	₹	₹
Opening Balance	35,915,337	24,120
Addition during the year	-	35,915,337
Utilisation/Expired during the year	16,692,313	24,120
Closing Balance	19,223,024	35,915,337

## 29. Employee Benefits

### (A) Gratuity

#### (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:

Particulars	2013-14 ₹	2012-13 ₹
Present Value of Funded Obligations	8,845,060	8,210,706
Fair Value of Plan Assets	(9,467,839)	(8,358,336)
Amount not Recognized as an Asset (limit in Para 59(b))	-	-
Net Liability / (Asset) recognized in the Balance Sheet	(622,779)	(147,630)

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

Particulars	2013-14 ₹	2012-13 ₹
Current Service Cost	612,447	553,296
Interest on Defined Benefit Obligation	673,330	632,954
Expected Return on Plan Assets	(615,356)	(659,809)
Net Actuarial Losses/ (Gains) Recognized in the year	(888,317)	423,627
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	-	(11,187)
<b>TOTAL</b>	<b>(217,896)</b>	<b>938,881</b>

\*The Actual Return on Plan Assets is ₹ 8,52,250 (Previous Year ₹ 6,15,507).

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

##### Change in Defined Benefit Obligation

Particulars	2013-14 ₹	2012-13 ₹
Opening Defined Benefit Obligation	8,210,706	7,211,646
Current Service Cost	612,447	553,296
Interest Cost	673,330	632,954
Actuarial Losses / (Gain )	(651,423)	379,325
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	-	(566,515)
Closing Defined Benefit Obligation	8,845,060	8,210,706

**Change in Fair Value of Assets**

Particulars	2013-14 ₹	2012-13 ₹
Opening Fair Value of Plan Assets	8,358,336	7,880,884
Expected Return on Plan Assets	615,356	659,809
Actuarial Gain / ( Losses )	236,894	(44,302)
Assets Distributed on Settlements	-	-
Contributions by Employer	257,253	-
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Amount not recognized as per asset (Limit para 59(b))	-	-
Benefits Paid	-	(138,055)
Closing Defined Benefit Obligation	9,467,839	8,358,336
Expected Employer's Contribution Next Year	-	400,000

## (e) Actuarial Assumptions at the Valuation date

Particulars	2013-14 ₹	2012-13 ₹
Valuation Method	Projected Unit Credit	Projected Unit Credit
Discount Rate	8.80% p.a	7.95% p.a
Expected Rate of Return on Plan Assets*	7.50% p.a	7.50% p.a
Salary Escalation Rate	7.00% p.a	7.00% p.a
Mortality in Service	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
Retirement Age	58 Yrs	58 Yrs

\*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

Particulars	2013-14 ₹	2012-13 ₹
Government of India Securities	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
Insurer Managed Funds	100%	100%
Others	-	-
<b>GRAND TOTAL</b>	<b>100%</b>	<b>100%</b>

## (g) Experience Adjustments

Particulars	2013-2014 ₹	2012-2013 ₹	2011-2012 ₹	2010-11 ₹
Defined Benefit Obligation	8,845,060	8,210,706	7,211,646	5,298,783
Plan Assets	9,467,839	8,358,336	7,880,884	6,569,534
Surplus / (Deficit)	622,779	147,630	669,238	1,270,751
Exp. Adj. on Plan Liabilities	-	137,540	1,320,940	(251,060)
Exp. Adj. on Plan Assets	236,894	(44,302)	112,924	(105,757)



**(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**

<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
	₹	₹
Discount Rate	<b>8.80% p.a</b>	7.95% p.a
Salary Escalation Rate	<b>7.00% p.a</b>	7.00% p.a

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

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2014</b>	<b>As at 31<sup>st</sup> March, 2013</b>
	₹	₹
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	<b>4,696,664</b>	4,489,824
Closing balance of present value of Compensated Absences (Y)	<b>4,906,142</b>	4,696,664
Movement in Net Liability (X-Y)	<b>(209,478)</b>	(206,840)
Non-Current (Refer Note 6)	<b>3,665,852</b>	3,502,410
Current (Refer Note 10)	<b>1,240,290</b>	1,194,254

**(c) Payments made under defined contribution schemes:**

<b>Particulars</b>	<b>Year Ended 31<sup>st</sup> March, 2014</b>	<b>Year Ended 31<sup>st</sup> March, 2013</b>
	₹	₹
Contribution to Seamans Provident Fund - Floating Staff	<b>2,444,481</b>	2,622,421
Contribution to Provident Fund - Shore Staff (Note 24)	<b>1,621,206</b>	1,659,188

**30. Dividend remitted in Foreign Currency**

<b>Particulars</b>	<b>Year Ended 31<sup>st</sup> March, 2014</b>	<b>Year Ended 31<sup>st</sup> March, 2013</b>
	₹	₹
Dividend (Gross)	<b>7,410,990</b>	6,175,825
Number of Non-resident shareholders	<b>1</b>	1
Number of Shares held	<b>12,351,650</b>	12,351,650
Type	<b>Final</b>	Final
For the year	<b>2012-13</b>	2011-2012

**31. Foreign Currency Exposures outstanding at the Balance Sheet date.**

Category: Currency Swap Contract of Rupee Loan from ICICI Bank Ltd of ₹ 45,84,00,000 (USD 82,56,089)

Purpose: In order to hedge the Company's future foreign currency earnings against the volatility in foreign exchange rates.

**Foreign Currency exposures not hedged by derivative instrument or otherwise:**

Particulars	Currencies	Year Ended 31 <sup>st</sup> March 2014	Year Ended 31 <sup>st</sup> March 2013
a) Receivables	USD	1,187,741	1,465,919
b) Payables	DHS	10,141	-
	EURO	4,007	56,117
	SGD	4,838	50,493
	USD	99,719	747,200
	YEN	445,720	3,817,788
	SLR	3,576,182	249,391
	DKK	44,823	-
c) FCNR Loan taken from Bank	USD	8,178,330	9,341,610
d) Cash and Bank Balances	USD	2,281,549	1,206,034
	SGD	-	370
	DHS	790	-
e) Balances with collection agents	USD	924	-
	SLR	3,260,631	2,035,622
f) Advance with Agents & Vendors	YEN	1,123,824	-
	PKR	1,482,302	1,419,916
	EURO	4,953	4,340
	USD	857,792	-
	POUND	-	11,132
	SLR	-	73,132

32. The notional loss as on March 31, 2014 amounts to ₹ 11,57,96,912 (March 31, 2013: ₹ 5,43,06,192), on fair valuation of cross currency interest rate swap has been taken to the Hedging Reserve account.

**33. MANAGERIAL REMUNERATION\***

(Included Under Salary, Wages And Allowances- Note no. 24)

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
I) TO MANAGING DIRECTOR		
a) Remuneration	4,800,000	6,240,000
b) Contribution to Provident Fund	465,600	604,800
c) Leave Travel Allowance	-	500,000
	5,265,600	7,344,800
Less: Refund of excess Remuneration paid for Financial Year 2010-11	-	1,508,800
	5,265,600	5,836,000
II) TO EXECUTIVE DIRECTOR		
a) Remuneration	3,696,000	3,696,000
	3,696,000	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) Remuneration paid to Managing Director during the year is as per maximum permissible limits prescribed in Section 269 and schedule XIII to the Companies Act, 1956. Approval is yet to be received from Central Government in respect of remuneration paid in excess of limits prescribed, considering auditor's qualification, to Managing Director for the year ended on 31<sup>st</sup> March, 2013.

#### 34. Capital and other Commitments

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Estimated amount of contracts remaining to be executed on capital account and others not provided for	-	-

#### 35. Contingent Liabilities

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Claims against the Company not acknowledged as debts.	Nil	NIL
Corporate guarantee given on behalf of Subsidiary companies (including interest)	196,968,061	202,686,071
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
Income Tax Demand for the Assessment Year 2010-11	-	1,339,695
Income Tax Demand for the Assessment Year 2011-12	2,752,937	-

#### 36. 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.

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
<b>Revenue by Segment</b>		
Shipping	107,292,921	63,671,858
Logistics (Shipping part)	2,371,107,880	1,939,124,718
Others	3,225,171	40,400,506
<b>Total Revenue</b>	<b>2,481,625,972</b>	<b>2,043,197,082</b>
<b>Segment Results</b>		
Shipping	(8,677,427)	(77,147,220)
Logistics (Shipping part)	192,702,385	216,369,712
Others	2,803,042	40,388,323
<b>Total</b>	<b>186,828,000</b>	<b>179,610,815</b>
Add: Other Income	17,573,842	20,175,024
Less: i) Interest & Finance Charges	84,826,263	66,987,898
ii) Unallocated Expenditure	-	-
<b>Profit before Tax, Prior Period, Exceptional &amp; Extra Ordinary items</b>	<b>119,575,579</b>	<b>132,797,941</b>
<b>Segment Depreciation</b>		
Shipping	30,729,969	21,327,488
Logistics (Shipping part)	122,344,006	117,643,712
Others	1,583,046	1,308,078
<b>Total</b>	<b>154,657,021</b>	<b>140,279,278</b>

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

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
In India	1,611,964,590	1,428,873,098
In Pakistan	3,690,475	4,593,440
Rest of World	865,970,907	609,730,544
<b>Total Revenue</b>	<b>2,481,625,972</b>	<b>2,043,197,082</b>

## 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. Related Party Transactions (Refer Annexure 1)

## 38. Accounting for Lease

The Company has taken Vehicles on Cancellable Operating Lease and the lease rental of ₹13,26,000 (₹ 11,98,000) is charged to the statement of Profit and Loss.

The Company has taken Office Premises on Cancellable Operating Lease and the lease rental of ₹ 55,42,598 (₹ 25,40,119) is charged to the statement of Profit and Loss.

## 39. Working for Earnings per share:

Particulars		Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
		₹	₹
Profit/(Loss) after Tax (Amount in ₹)		(81,076,482)	126,297,931
Add/(Less) : Preference Dividend (including Dividend Distribution Tax) (Amount in ₹)		-	-
Adjusted net profit for the year (Amount in ₹)	A	(81,076,482)	126,297,931
Weighted average number of Equity shares outstanding (in nos.)	B	21,957,533	21,957,533
Nominal value Per Share (Amount in ₹)	C	10	10
Earnings Per Share (Basic & Diluted) (Amount in ₹)	A/B	(3.69)	5.75

## 40. Other disclosures:

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Expenditure in foreign currency (on accrual basis):		
Vessels Loan Repayment	255,882,549	208,514,188
Others*	105,587,699	139,544,018
Earnings in foreign exchange (on accrual basis):	868,972,346	563,217,630

\* Others include payment towards protection & indemnity insurance, port and marine dues, dry dock expenditure, etc

**41. Value of imports calculated on CIF basis**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Stores & Spares	<b>30,876,993</b>	62,826,429
Fuel Oil	<b>70,766,660</b>	137,800,792
Capital Goods	<b>5,249,510</b>	619,775,504

**42. Imported & Indigenous fuel and spare parts consumed**

Particulars	%	Year Ended 31 <sup>st</sup> March, 2014	%	Year Ended 31 <sup>st</sup> March, 2013
		₹		₹
Fuel				
Imported	6%	<b>70,858,715</b>	21%	198,109,492
Indigenous	94%	<b>1,105,415,955</b>	79%	733,094,952
<b>Total</b>	100%	<b>1,176,274,670</b>	100%	931,204,444
Stores & Spares				
Imported	32%	<b>30,876,993</b>	76%	62,826,429
Indigenous	68%	<b>64,476,984</b>	24%	19,618,405
<b>Total</b>	100%	<b>95,353,977</b>	100%	82,444,834

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

Particulars	Name of the company	Amount outstanding as on 31.03.2014 ₹	Maximum amount due at any one time during the year ₹
a) Loans and advances			
(i) Loans and advances in the nature of loans made to subsidiary company.	Shreyas Relay Systems Ltd	-	71,066,993
(ii) Loans and advances in the nature of loans made to associate company.		<b>NIL</b>	<b>NIL</b>
(iii) Loans and advances in the nature of loans where there is.		<b>NIL</b>	<b>NIL</b>
1) no repayment schedule or repayment beyond seven year (or)			
2) no interest or interest below section 372A of the Companies Act.			
(iv) Loans and advances in the nature of loans made to firms / companies in which directors of the company are interested.		<b>NIL</b>	<b>NIL</b>

Particulars	Name of the company	Amount outstanding as on 31.03.2014 ₹	Maximum amount due at any one time during the year ₹
b) Investment by the Company			
(i) in subsidiary company	Shreyas Relay Systems Ltd.		
	a) 35,00,000 Equity shares of ₹10 each fully paid	<b>95,000,000</b>	-
(ii) in associate company		<b>NIL</b>	<b>NIL</b>
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.		<b>NIL</b>	<b>NIL</b>

#### 44. Prior period comparatives

Prior year figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our report of even date

#### FOR PKF SRIDHAR & SANTHANAM

Chartered Accountants  
Firm Regn No. 003990S

#### S. RAMAKRISHNAN

Partner  
Membership No. 18967

Place : Mumbai

Date : 26<sup>th</sup> May 2014

For and On behalf of the Board

#### S. Ramakrishnan

Chairman & Managing Director

**Amitabha Ghosh**  
Director

**Namrata Malushte**  
Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May 2014

#### V. Ramnarayan

Executive Director

**Rajesh Desai**  
Chief Financial Officer

**RELATED PARTY TRANSACTIONS (as on 31.03.2014)**
**Annexure - I**  
**(Amount in '000)**

Transactions	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total upto 31.03.2014	Total upto 31.03.2013
<b>Service / freight income</b>								
Balaji Shipping (UK) Ltd.	-	-	-	8,652	-	-	8,652	199
Orient Express Lines (S) Pte. Ltd., Singapore	-	-	-	-	-	-	-	6,727
Orient Express Lines FZCO, Dubai	-	-	29,240	-	-	-	29,240	-
Lanka Orient Express Lines Ltd. Colombo	-	-	-	14,391	-	-	14,391	3,143
Shreyas Relay Systems Ltd	-	1,248,384	-	-	-	-	1,248,384	1,112,376
<b>Investment ( Wholly owned subsidiary - Equity Shares)"</b>								
Shreyas Relay Systems Ltd	-	70,000	-	-	-	-	70,000	-
<b>Interest Received on Loan</b>								
Shreyas Relay Systems Ltd	-	4,661	-	-	-	-	4,661	1,186
<b>Sale of fixed asset to related party</b>								
Albatross Shipping Ltd	-	-	-	-	-	-	-	515
<b>Loan given</b>								
Shreyas Relay Systems Ltd	-	-	-	-	-	-	-	70,000
<b>Vessel management fees paid</b>								
Orient Express Ship Management Ltd.	-	-	-	30,337	-	-	30,337	26,278
<b>Vehicle Lease Rent paid</b>								
Mrs Manita vivek Kumar Singh	-	-	-	-	-	660	660	660
Mrs Ratnaprabha Desai	-	-	-	-	-	174	174	174
<b>Agency Fees paid</b>								
Relay Shipping Agency Ltd.	-	-	-	16,543	-	-	16,543	13,107
Lanka Orient Express Lines Ltd. Colombo	-	-	-	1,744	-	-	1,744	1,110
Transworld Logistics Ltd.	-	-	-	-	-	-	-	362

**RELATED PARTY TRANSACTIONS (as on 31.03.2014) (Contd.)**

Transactions	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total upto 31.03.2014	Total upto 31.03.2013
<b>Container charges</b>								
Shreyas Relay Systems Ltd	-	1,173	-	-	-	-	1,173	1,511
<b>Rent paid</b>								
Sivaswamy Holdings Pvt. Ltd.	-	-	-	4,144	-	-	4,144	3,337
Geeta Ramkrishnan	-	-	-	-	-	1,500	1,500	-
<b>Managerial Remuneration paid (Net)</b>								
Mr. S. Ramakrishnan	-	-	-	-	5,266	-	5,266	5,836
Mr. V. Ramnarayan	-	-	-	-	3,696	-	3,696	3,696
Remuneration paid to Key Management Personnel								
Capt Vivek Kumar Singh	-	-	-	-	5,192	-	5,192	4,808
Mr. Rajesh Desai	-	-	-	-	2,580	-	2,580	2,345
Mr . Vinay Kshirsagar	-	-	-	-	-	-	-	1,052
<b>Stores, Spares, Victualling, Repairs expenses, etc.paid</b>								
Admec Logistics Ltd.	-	-	-	11,398	-	-	11,398	8,592
<b>Donation</b>								
Valli & Sivaswamy Memorial Charitable Trust	-	-	-	100	-	-	100	50
<b>Dividend Paid on Equity Shares</b>								
Transworld Holdings Ltd.	7,411	-	-	-	-	-	7,411	6,176
Mr. S. Ramakrishnan	-	-	-	-	66	-	66	55
Mrs. Geeta Ramakrishnan	-	-	-	-	-	66	66	54
Mr. Ritesh S.Ramakrishnan	-	-	-	-	-	101	101	84
Mrs. Anisha Ramakrishnan	-	-	-	-	-	700	700	584
Mrs. Mala Mahesh	-	-	-	-	-	66	66	54
Mr. Murali Mahesh	-	-	-	-	-	101	101	84
Ms. Mithila Mahesh	-	-	-	-	-	700	700	584
Mr. S. Mahesh	-	-	-	-	-	67	67	56
Mr. V. Ramnarayan	-	-	-	-	66	-	66	55
Mrs. Brinda Ramnarayan	-	-	-	-	-	66	66	54



**RELATED PARTY TRANSACTIONS (as on 31.03.2014) (Contd.)**

 Outstanding balances pertaining to related parties as at 31<sup>st</sup> Mar, 2014 (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 31.03.2014	Total as on 31.03.2013
Debit balance due to company	-	156,630	47	18,776	-	-	175,454	127,926
Loan to Subsidiary Company	-	-	-	-	-	-	-	70,000
Credit balance due from company	-	-	-	8,593	-	-	8,593	6,158
Investment in Subsidiary	-	95,000	-	-	-	-	95,000	25,000

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

**RELATED PARTY TRANSACTIONS (as on 31.03.2014) (Contd.)**

* 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 <sup>st</sup> March 2014)
Fellow subsidiaries	Orient Express Lines FZCO, Dubai Balaji Shipping Lines FZCO
Subsidiary companies	Shreyas Relay System Ltd. SRS Freight Management Ltd.
Other related parties	Orient Express Ship Management Ltd. Sivaswamy Holdings Pvt. Ltd. Lanka Orient Express Lines Ltd. Colombo Orient Express Lines (S) Pte. Ltd., Singapore ADMEC Logistics Ltd. Relay Shipping Agency Ltd. Balaji Shipping (UK) Ltd. Balaji Logistics Sgpe Pte Ltd. Transworld Logistics Ltd. Valli & Sivaswamy Memorial Charitable Trust Transworld Shipping & Logistics Ltd. Albatross Shipping Ltd. Crescent Shipping Agency (India) Ltd.
Key Management Personnel	Mr. S.Ramakrishnan ( Chairman & Managing Director) Mr. V.Ramnarayan (Executive Director) Capt Vivek Kumar Singh Mr. Rajesh Desai
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh S. Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Mr. Murali Mahesh Ms. Mithila Mahesh Mrs. Brinda Ramnarayan Mrs. Manita vivek Kumar Singh Mrs. Ratnaprabha Desai

## 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 <sup>st</sup> March, 2014
2	No. of shares held as on 31 <sup>st</sup> March, 2014	35,00,000 Equity shares of ₹ 10/- each fully paid-up
3	Extent of holding as on 31 <sup>st</sup> March, 2014	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 <sup>st</sup> March, 2014	-
	(b) Not dealt with in the accounts of company for the year ended 31 <sup>st</sup> March, 2014	20,944,439
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	38,485,261
	(b) Not dealt with in the accounts of company	45,833,479

As per our report of even date

For and On behalf of the Board

**S. Ramakrishnan**  
Chairman & Managing  
Director

**Amitabha Ghosh**  
Director

**Namrata Malushte**  
Company Secretary

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
Executive Director

**Rajesh Desai**  
Chief Financial Officer

# Independent Auditor's Report

To the Members of Shreyas Shipping and Logistics Limited

## Report on the Financial Statements

We have audited the attached consolidated financial statements of Shreyas Shipping and Logistics Limited ("the Company") and its subsidiaries (the Company and its subsidiaries constitute 'the Group'), which comprise the Balance Sheet as at March 31, 2014, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

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

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

We did not audit the financial statements of subsidiary – SRS Freight Management Limited. The financial statement of SRS Freight Management Limited as on 31<sup>st</sup> March 2014 (Total Assets: ₹ 743.82 Lacs, Total Revenue: ₹ 4,600.57 Lacs, Net cash outflow of ₹ 1.68 Lacs) has been audited by another auditor whose report has been furnished to us and, our opinion, in so far as its relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor.

## Basis for Qualified Opinion

- a) *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 "borrowing costs" and accounted for in accordance with Accounting Standard 16 (AS16)-Borrowing Costs. The Company has not considered the "borrowing costs" while adjusting the foreign currency differences to the cost of the assets. It has been clarified by the Ministry of Corporate affairs vide Circular No.25/2012 dated 9<sup>th</sup> August, 2012 that "borrowing costs" need not be considered while capitalizing the eligible exchange differences. But this clarification is effective only from 1<sup>st</sup> April, 2011. In view of this,*
  - i. *Cumulative foreign exchange loss is understated to the extent of ₹ 212.28 lacs for the period prior to 1<sup>st</sup> April, 2011*
  - ii. *Depreciation related to above including the adjustment to opening reserves is cumulatively overstated to the extent of ₹ 59.98 lacs (of this ₹ 11.94 Lacs relates to year ended 31<sup>st</sup> March, 2014 and ₹ 11.94 lacs to the year ended 31<sup>st</sup> March, 2013, ₹ 36.10 lacs to the period earlier to 1<sup>st</sup> April, 2012).*
- b) *Company has deferred the dry dock expenses incurred during the current year and the year ended 31<sup>st</sup> March, 2013 proportionately over next 30 months from the date of incurrence instead of charging off the same to Statement of Profit and loss on their incurrence as provided in AS 10 on fixed assets, due to which dry dock expenses are cumulatively understated to the extent of ₹ 469.09 Lacs (to the extent carried forward). Dry Dock expenses of ₹ 17.76 Lacs is overstated for the year ended 31<sup>st</sup> March, 2014 and ₹ 486.85 Lacs is understated for the year ended*

31<sup>st</sup> March, 2013. Consequently, cumulative loss for the year ended 31<sup>st</sup> March, 2014 is understated by ₹ 469.09 Lacs.

- c) In view of (a) and (b) above, loss is overstated to the extent of ₹ 29.70 Lacs for the year without considering the prior year impact of understatement of loss to the extent of ₹ 651.09Lacs. The reserves as at 31<sup>st</sup> March, 2014 are stated higher to the extent of ₹ 621.39 Lacs. Correspondingly, Fixed assets, Non-current assets and Current assets are higher to the extent of ₹ 152.30 Lacs, ₹ 134.02 Lacs and ₹ 335.07 respectively.

#### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Emphasis of Matter**

We draw attention to:

- a) Note 30 of the consolidated financial statements regarding Company awaiting final order from SEBI in the matter of restating March 31, 2013 financial statements to give effect to the qualifications in our report for that year.
- b) Note 35 of the consolidated financial statements regarding payment of Managerial Remuneration which is in excess of limit prescribed under Companies Act, 1956 in respect of 2012-13 for which an application for approval made by company is pending with Central Government.

Our opinion is not qualified in respect of these matters.

#### **Report on Other Legal and Regulatory Requirements**

We report that the Consolidated Financial Statements have been prepared in accordance with the requirements of Accounting Standard (AS21) "Consolidated Financial Statements" issued under the Companies (Accounting Standard) Rules 2006, on the basis of the individual audited Financial Statements of the Company and its subsidiaries.

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

**S. Ramakrishnan**  
Partner  
Mem. No.: 18967

Place: Mumbai  
Date: 26<sup>th</sup> May, 2014

## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014

Particulars	Notes	As at	As at
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		₹	₹
<b>Equity And Liabilities</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	219,575,330	219,575,330
Reserves and Surplus	4	1,166,188,815	1,298,821,701
Minority Interest	5	103,891,443	102,440,000
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	6	682,621,264	880,328,246
Deferred Tax Liabilities (Net)	7	20,473,271	19,676,690
Long-Term Provisions	8	125,153,356	64,101,514
<b>Current Liabilities</b>			
Short-Term Borrowings	9	292,346,762	248,227,720
Trade Payables	10	323,334,410	289,168,913
Other Current Liabilities	11	354,151,410	260,317,480
Short-Term Provisions	12	30,214,103	29,059,907
<b>TOTAL</b>		<b>3,317,950,164</b>	<b>3,411,717,501</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
	13		
(I) Tangible Assets		2,077,670,146	2,388,223,416
(II) Intangible Assets		27,493	47,415
Non-current investments	14	150,000	150,000
Other non-current assets	15	187,995,714	131,266,743
<b>Current assets</b>			
Current Investments	16	25,818,958	712,943
Inventories	17	84,707,644	77,544,654
Trade Receivables	18	543,849,371	507,910,350
Cash and Bank Balances	19	177,501,698	92,507,909
Short-Term Loans and Advances	20	23,309,446	55,668,941
Other Current Assets	21	196,919,694	157,685,130
<b>TOTAL</b>		<b>3,317,950,164</b>	<b>3,411,717,501</b>
<b>Summary of significant accounting policies</b>	<b>2</b>		
The accompanying notes form an integral part of this Financial Statement			

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

Chartered Accountants  
Firm Regn No 003990S

**S. Ramakrishnan**

Partner  
Membership No. 18967

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
Chairman & Managing  
Director

**Amitabha Ghosh**  
Director

**Namrata Malushte**  
Company Secretary

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
Executive Director

**Rajesh Desai**  
Chief Financial Officer

## Consolidated Statement of Profit And Loss for the Year ended 31<sup>st</sup> March, 2014

Particulars	Notes	Year Ended	Year Ended
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		₹	₹
<b>INCOME</b>			
I. Income from Operations	22	<b>4,873,106,044</b>	3,888,912,164
II. Other Income	23	<b>16,219,013</b>	20,915,686
III. <b>Total Income (I + II)</b>		<b>4,889,325,057</b>	3,909,827,850
IV. <b>Expenses:</b>			
Operation Cost	24	<b>2,737,262,236</b>	2,111,139,994
Fuel Cost	25	<b>1,176,274,670</b>	931,204,444
Employee Benefit Expense	26	<b>378,019,607</b>	327,734,647
Financial Cost	27	<b>116,163,837</b>	95,062,844
Depreciation & Amortization Expense	13	<b>180,561,991</b>	164,508,688
Other Expenses	28	<b>124,511,415</b>	102,215,011
<b>Total Expenses (IV)</b>		<b>4,712,793,756</b>	3,731,865,628
V. Profit Before Exceptional & Extraordinary Items & Tax (III-IV)		<b>176,531,301</b>	177,962,222
VI. Exceptional Items (Refer Footnote to Note 13 )		<b>190,991,215</b>	-
VII. Profit Before Extraordinary Items & Tax (V -VI)		<b>(14,459,914)</b>	177,962,222
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII- VIII)		<b>(14,459,914)</b>	177,962,222
X. Tax Expense:			
Current Tax		<b>27,000,875</b>	22,757,917
Deferred Tax		<b>796,581</b>	1,343,170
Prior Year Tax		<b>1,129,321</b>	(175,693)
MAT Credit		<b>(224,068)</b>	-
XI Profit/(Loss) For The Year (IX-X)		<b>(43,162,625)</b>	154,036,828
XII. Share of (Profit) transferred to Minority Interest		<b>(2,863,030)</b>	-
XIII. Profit for the year (after adjustment of Minority Interest) (XI-XII)		<b>(46,025,655)</b>	154,036,828
<b>Earning Per Equity Share ( Nominal Value Of Share ₹ 10)</b>	<b>41</b>		
Profit for the year (after adjustment of Minority Interest) (XI-XII)			
- Basic		<b>(2.61)</b>	6.51
- Diluted		<b>(2.61)</b>	6.51
<b>Summary of significant accounting policies</b>	<b>2</b>		
The accompanying notes form an integral part of this Financial Statement			

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

Chartered Accountants  
Firm Regn No 003990S

**S. Ramakrishnan**

Partner  
Membership No. 18967

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
Chairman & Managing  
Director

**Amitabha Ghosh**  
Director

**Namrata Malushte**  
Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
Executive Director

**Rajesh Desai**  
Chief Financial Officer

## Consolidated Cash Flow for the year ended 31<sup>st</sup> March, 2014

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
<b>A Cash flow from operating activities</b>		
<b>Net profit/ (Loss) before tax</b>	(14,459,914)	177,962,222
<b>Adjusted for Non cash / Non Operating items</b>		
Depreciation	180,561,991	164,508,688
Loss/(Profit) On Sale of Fixed Assets	2,124,820	(371,031)
Loss/(Profit) On Sale Of Investments	18,333	(65,200)
Interest Expenses On Loans	116,163,837	95,062,844
Bad Debts & Provision for Doubtful Debts	7,378,368	11,899,316
Unrealized Exchange/ Swap Loss/ (Gain) on Current Assets	4,121,693	655,674
Income From Current Investments	(149,784)	(4,046,432)
Interest Income	(4,574,948)	(1,238,490)
<b>Operating Profit Before Working Capital Changes (a)</b>	<b>291,184,396</b>	<b>444,367,591</b>
<b>Adjustments for Changes in Working Capital:</b>		
<b>Increase/(Decrease) In Current Assets</b>		
Inventories	7,162,990	18,519,563
Sundry Debtors	44,644,648	175,784,405
Other Current Assets, Loans And Advances	44,500,891	170,647,758
	96,308,529	364,951,726
Less: increase/(Decrease) in Current Liabilities & Provision	87,046,796	109,017,156
<b>Net increase/(Decrease) in Working Capital (b)</b>	<b>9,261,733</b>	<b>255,934,570</b>
<b>Cash Generated from Operations (a) - (b)</b>	<b>281,922,663</b>	<b>188,433,021</b>
Less: Taxes Paid	(52,822,240)	(39,700,517)
Add : Provision For Impairment in Value of Vessel (Extraordinary Item, Refer footnote to Note 13)	190,991,215	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>420,091,638</b>	<b>148,732,504</b>
<b>B Cash flow from investing activities</b>		
Addition To Fixed Assets	(63,104,834)	(697,641,274)
Advance for Sale of Vessel (Refer Note 11)	52,067,979	-
Sale of Fixed Assets	-	3,988,721
Interest Income	4,574,948	1,238,490
Income From Current Investments	131,451	4,111,632
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(6,330,456)</b>	<b>(688,302,431)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds / (Repayment) of Borrowings (Net)	(162,567,951)	484,586,807
Redemption of Preference Share Capital	-	-
Interest Expenses	(116,163,837)	(95,062,844)
Dividend Paid	(26,454,662)	(14,645,438)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(305,186,450)</b>	<b>374,878,525</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>108,574,732</b>	<b>(164,691,402)</b>
CASH & CASH EQUIVALENTS - OPENING BALANCE	90,859,834	255,993,822
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	108,574,732	(164,691,402)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(2,759,905)	(442,586)
<b>CASH &amp; CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>196,674,661</b>	<b>90,859,834</b>
<b>CLOSING CASH &amp; CASH EQUIVALENTS CONSISTS OF</b>		
CASH ON HAND (Refer Note 19)	1,215,768	3,085,090
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Note 19)	169,639,935	87,061,801
INVESTMENT IN LIQUID FUND SECURITIES	25,818,958	712,943
<b>TOTAL</b>	<b>196,674,661</b>	<b>90,859,834</b>

**Notes:**

- 1) The above statement has been prepared by indirect method.
- 2) 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 SRIDHAR & SANTHANAM**

 Chartered Accountants  
 Firm Regn No 003990S

**S. Ramakrishnan**

 Partner  
 Membership No. 18967

Place : Mumbai

 Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
 Chairman & Managing  
 Director

**Amitabha Ghosh**  
 Director

**Namrata Malushte**  
 Company Secretary

Place : Mumbai

 Date : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
 Executive Director

**Rajesh Desai**  
 Chief Financial Officer



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Corporate Information

1 Shreyas Shipping and Logistics Limited (SLL) is India's first container feeder owning and operating company. SLL started its operations in 1993 primarily to fill the gap for feeding of containers between Indian ports and internationally renowned Asian transshipment ports. SLL's shares are listed on both Bombay Stock Exchange and National Stock Exchange. Shreyas Relay Systems Limited (SRL) is wholly owned subsidiary of SLL. SRL specializes in offering seamless, door-to-door, multi-model transportation solutions incorporating the Road-Rail-Sea-Air routes. SRS Freight Management Limited (SRFML), formerly known as Haytrans (India) Limited, a subsidiary of SRL, is in to business of Air & Sea Freight Forwarding and operates under its own CHA (Custom House Agent) license.

### 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 capitalized.

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

Dry Dock / Special Survey Expenses are normally incurred twice in a period of 5 years. Major improvements are capitalized as a cost of Ship and other expenses are charged over the period of Dry Dock Cycle i.e. 2.5 Years.

#### 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 ₹ 5000 or less are depreciated in full in the year of acquisition.

In SRFML, a subsidiary company, has provided depreciation on written down value method at the rates and in the manner 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.

##### Intangibles 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 invoices which is accounted on receipt basis.
- ii) Operating Income includes 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 vessel sails from the port of loading , Rail income upon rail departing from the loading terminal and in case of trailer income upon material reaching destination.
- iii) In relation to Ocean Freight and Road Transport, Income and Expenses relating to unfinished leg/trips of the voyage/ route as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg/trips of voyages/route 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 credit scrips, 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 in recognized on time proportion basis. Dividend income is recognized only when the owner's right to receive payment is established.

**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 fair value whichever is lower.

**f. Inventories**

Inventories are valued at lower of Cost or Net Realizable Value. The cost is determined under "First in First out" formula. Material procured for dry dock and remaining unutilized are included in inventory and valued as above.

**g. Foreign Exchange Transactions**

- i) Transactions in foreign currencies are recorded at standard exchange rates prevailing on the date of 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 31<sup>st</sup> 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 1<sup>st</sup> April 2007, in terms of Ministry of Corporate affairs Notification dated 31<sup>st</sup> March, 2009 relating to Accounting Standard 11, 'The Effects of Changes in Foreign Exchange Rates' Applicability of the above notification has since been extended upto March 2020.
- 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 recognized in the Statement of Profit and Loss
- v) In the case of SSSL, 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 amortized as expense or income over the life of the contract. Exchange differences on such a contract are recognized 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 recognized 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 capitalizes all the related costs including premium or discount, exchange difference 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.
- d) Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

**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. The Group 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 are recognized immediately in Statement of Profit and Loss as Income / Expense.

Any other termination benefits are recognized 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 capitalized as a part of the respective asset up to the date of acquisition / completion of construction.

Term loan processing charges are accounted over the tenure of loan.

**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.

**l. 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, 1961, deferred tax assets are recognized only if there exists virtual certainty of their realization. Minimum Alternative Tax credit is recognized 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.

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 recognized in the year in which impairment takes place.

**n. 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 can not be measured or where a realistic estimate of the obligation can not 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 future events not wholly within the control of the Group.

### 3) SHARE CAPITAL

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
<b>AUTHORISED</b>		
2,40,00,000 (2,40,00,000) Equity Shares of ₹ 10/- each	<b>240,000,000</b>	240,000,000
14,00,000 (14,00,000) 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ₹ 100/- each	<b>140,000,000</b>	140,000,000
	<b>380,000,000</b>	380,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
2,19,57,533 (2,19,57,533) Equity Shares of ₹ 10/- each fully Paid up	<b>219,575,330</b>	219,575,330
<b>TOTAL</b>	<b>219,575,330</b>	219,575,330

#### 3a) During the year, the Company has not issued/bought back any of the Equity Shares.

Particulars	31 <sup>st</sup> March, 2014		31 <sup>st</sup> March, 2013	
	Nos.	Amt. (₹)	Nos.	Amt. (₹)
At the beginning of the year	<b>21,957,533</b>	<b>219,575,330</b>	21,957,533	219,575,330
(+) Issued during the year	-	-	-	-
(-) Redeemed during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>21,957,533</b>	<b>219,575,330</b>	21,957,533	219,575,330

#### 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 <sup>st</sup> March, 2014		31 <sup>st</sup> March, 2013	
	% of Holding	Nos.	% of Holding	Nos.
Transworld Holdings Limited (Holding Company)	56.25%	12,351,650	56.25%	12,351,650
Mithila V. Mahesh	5.32%	1,167,325	5.32%	1,167,325
Anisha Valli Ramakrishnan	5.32%	1,167,325	5.32%	1,167,325

3d) The Board, in its meeting on May 26<sup>th</sup>, 2014 proposed a final dividend of ₹ 0.60 per equity share (2012-13 - paid ₹ 0.60 per equity share). The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 12<sup>th</sup>, 2014. The total dividend appropriation for the year ended March 31<sup>st</sup>, 2014 amounted to ₹ 154.14 lacs (2012-13 - ₹ 154.14 lacs) including corporate dividend tax of ₹ 22.39 lacs (2012-13 - ₹ 22.39 lacs).

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.

3g) No bonus shares have been issued during the last five years.

**4) RESERVE AND SURPLUS**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>a) Capital Redemption Reserve</b>		
As per last balance sheet	<b>130,000,000</b>	130,000,000
<b>b) Securities Premium Reserve</b>		
As per last Balance sheet	<b>382,292,449</b>	382,292,449
<b>c) General Reserve</b>		
As per last Balance sheet	<b>167,852,040</b>	167,852,040
Add: Transfer from Statement of Profit and Loss	<b>3,863,109</b>	-
	<b>171,715,149</b>	167,852,040
<b>d) Tonnage Tax Reserve</b>		
As per last balance sheet	<b>25,000,000</b>	129,046,945
	<b>24,000,000</b>	25,000,000
Less: Transfer to Tonnage Tax Utilization Reserve	-	129,046,945
	<b>49,000,000</b>	25,000,000
<b>e) Tonnage Tax Utilised Reserve</b>		
As per last balance sheet	<b>232,500,000</b>	103,453,055
Add: Transfer from Tonnage Tax Reserve	-	129,046,945
	<b>232,500,000</b>	232,500,000
<b>f) Hedging Reserve</b>		
As per last balance sheet	<b>(54,306,192)</b>	-
Add: Provision for Hedging Losses ( AS-30)	<b>(61,490,720)</b>	(54,306,192)
	<b>(115,796,912)</b>	(54,306,192)
<b>g) Surplus in the statement of profit and loss</b>		
Balance as per last financial Statement	<b>415,483,404</b>	303,141,238
Profit(Loss) from the year	<b>(46,025,655)</b>	154,036,828
Add / (less): Adjustment for Minority share	<b>1,755,713</b>	9,760,000
Amount available for appropriation	<b>371,213,462</b>	466,938,066
<b>Less Appropriations</b>		
Transfer to Tonnage Tax Reserve	<b>24,000,000</b>	25,000,000
Rectification to General Reserve balance	<b>3,863,109</b>	-
Arrear of Preference Share Dividend *	<b>344,126</b>	-
Proposed Dividend on Preference Shares	<b>9,500,000</b>	9,500,000
Tax on Proposed Dividend on Preference Shares	<b>1,614,525</b>	1,541,138
Proposed Dividend on Equity Shares	<b>13,174,520</b>	13,174,520
Tax on Proposed Dividend on Equity Shares	<b>2,239,004</b>	2,239,004
<b>Total Appropriations</b>	<b>54,735,284</b>	51,454,662
<b>Net Surplus in the statement of profit and loss</b>	<b>316,478,178</b>	415,483,404
<b>TOTAL</b>	<b>1,166,188,815</b>	1,298,821,701

\* Arrear of dividend on 8% Optionally Convertible Cumulative Redeemable Preference shares in SRS Freight Management Limited to extent of Minority for the period 28<sup>th</sup> September, 2012 to 31<sup>st</sup> March, 2014.

## 5) Minority Interest

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Equity</b>	<b>1,107,317</b>	-
<b>Preference</b>		
10,00,000, 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ₹ 100/- each *	<b>100,000,000</b>	100,000,000
24,400, 8% Optionally Convertible, Cumulative, Redeemable Preference Share of ₹ 100/- each **	<b>2,440,000</b>	2,440,000
Arrear of Preference Share Dividend in SRS Freight Management Limited to extent of minority	<b>344,126</b>	-
<b>TOTAL</b>	<b>103,891,443</b>	102,440,000

\* Preferential share allotment of 10,00,000, 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ₹ 100/- each fully paid up to Transworld Shipping & Logistics Limited and M/s Crescent Shipping Agency (I) Limited, issued by wholly owned subsidiary, Shreyas Relay Systems Limited. Date of allotment : 28<sup>th</sup> March, 2012 and redeemable on 1<sup>st</sup> April, 2013. The holders of these preference shares have expressed their desire to postpone the redemption till 31<sup>st</sup> March, 2017.

\*\* Preferential share allotment of 24,400 8% Optionally-Convertible, Cumulative, Redeemable Preference Shares of ₹ 100/- each fully paid up to minority shareholders, issued by subsidiary SRS Freight Management Ltd. Date of allotment : 28<sup>th</sup> September, 2012 and redeemable before September, 2015 at the option of investor.

## 6) Long-term borrowings

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Secured :</b>		
Term Loan from Banks	<b>917,865,309</b>	1,080,433,260
Less: Current Maturities of above loans disclosed under the Head "Other Current Liabilities" (Refer Note 11 )	<b>235,244,045</b>	200,105,014
<b>TOTAL</b>	<b>682,621,264</b>	880,328,246

### 6a) Nature of security and terms of repayment for secured loan availed from Banks

- (i) Canara Bank FCNR Loan \$1,27,79,460, is secured by a first charge over the Vessel M.V.OEL Trust and M.V.OEL Shreyas. Loan to be repaid in 58 structured monthly instalments with the first repayment starting from January 2012 i.e. \$2,29,190. Foreign currency loan carries interest @ LIBOR (6months) + 500 bps. Loan repaid during the year 2013-14 is \$ 27,50,280 (March 31, 2013 - \$ 27,50,280).
- (ii) Axis Bank Car loan of ₹ 33,87,872, is secured by hypothecation of car, carrying interest @10.06%, (on a monthly reducing basis). The Loan is repayable in 36 equal monthly instalments of ₹ 1,12,000 starting from July 2011. Loan repaid during the year 2013-14 is ₹ 13,44,000 (March 31, 2013 - ₹ 13,44,000).
- (iii) ICICI Bank Loan ₹ 47,75,00,000, is secured by a first charge over the Vessel M.V. OEL Kochi and M.V. OEL Kutch and collateral charge over M.V. OEL Victory. Loan to be repaid in 28 quarterly instalments with the first repayment starting from October 2013. ICICI Bank Loan carries interest @ I-Base + 290 bps. Loan repaid during the year 2013-14 is ₹1,91,00,000 (March 31, 2013 - ₹ Nil).
- (iv) ICICI Bank - ₹ 4,25,35,787/- (March 31, 2013, ₹ 6,54,88,877/-), is secured by hypothecation of specific trailers (40 nos.). Repayable in equal monthly instalments as per the repayment schedule for specific loan against the trailer.

Bank	No. of trailers	Repayable Terms - months	Interest Rates %	No. of Instalments outstanding as at 31 <sup>st</sup> March, 2014	Outstanding as at 31 <sup>st</sup> March, 2014	Outstanding as at 31 <sup>st</sup> March, 2013
ICICI Bank Ltd	5	47	9.75%	8	3,239,445	7,722,073
ICICI Bank Ltd	5	47	10.50%	11	4,120,847	8,214,422
ICICI Bank Ltd	5	47	10.70%	13	3,762,572	6,885,427
ICICI Bank Ltd	18	59	10.66%	27	20,375,071	27,998,118
ICICI Bank Ltd	2	59	11.10%	31	2,825,827	3,718,827
ICICI Bank Ltd	5	48	10.32%	30	8,212,026	10,950,010
<b>TOTAL</b>	40				<b>42,535,787</b>	65,488,877

- (v) HDFC Bank - ₹ 2,05,70,503/- (March 31, 2013 ₹ 2,78,85,818/-), is secured by hypothecation of specific trailers (16 nos.). Repayable in equal monthly instalments as per the repayment schedule for specific loan against the trailer.

Bank	No. of trailers	Repayable Terms - months	Interest Rates %	No. of Instalments outstanding as at 31 <sup>st</sup> March, 2014	Outstanding as at 31 <sup>st</sup> March, 2014	Outstanding as at 31 <sup>st</sup> March, 2013
HDFC LTD	11	59	10.65%	27	12,442,416	17,087,881
HDFC LTD	5	48	10.25%	30	8,128,087	10,797,937
<b>TOTAL</b>	16				<b>20,570,503</b>	27,885,818

6b) There have been no defaults in repayment of any of the loans or interest thereon during the year.

#### 7) Deferred tax liabilities (Net)

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Deferred Tax Liabilities</b>		
Fixed Assets : Impact of difference between tax depreciation and depreciation & amortization charged for the financial reporting	23,675,791	22,243,815
<b>Gross Deferred Tax Liabilities</b>	<b>23,675,791</b>	<b>22,243,815</b>
<b>Deferred Tax Assets</b>		
Provision for doubtful debts	(792,410)	(275,336)
Share Issue Expenses	-	(25,956)
Leave encashment	(2,410,110)	(2,179,671)
Gratuity	-	(86,162)
<b>Gross Deferred Tax Assets</b>	<b>(3,202,520)</b>	<b>(2,567,125)</b>
<b>TOTAL</b>	<b>20,473,271</b>	<b>19,676,690</b>

- 7a) Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.
- 7b) The net increase during the period in the deferred tax liability of ₹ 7,96,581/- (previous year ₹ 13,43,170/-) has been debited to the Statement of Profit & Loss.
- 7c) Considering the uncertainty of realization of deferred tax asset, primarily due to unabsorbed business loss, in future, no deferred tax asset has been recognized in the standalone financial statement of SRS Freight Management Limited.

**8) Long term provisions**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>For employee benefits</b>		
Provision for Gratuity	-	265,564
Provision for Compensated Absence	<b>9,356,444</b>	9,529,758
<b>Others</b>		
Derivatives Liability	<b>115,796,912</b>	54,306,192
<b>TOTAL</b>	<b>125,153,356</b>	64,101,514

8a) Disclosure required as per AS-15 on "Employees Benefits" has been made in Note no. 32.

8b) Current portion of provision for Compensated Absence Liabilities is disclosed under Note no. 12 - 'Short-Term Provisions'.

**9) Short-term borrowings**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Secured :</b>		
Working Capital Loan From Bank	<b>292,346,762</b>	246,674,275
(Secured loan from bank consists of working capital facility. These loans are secured by hypothecation of current assets including book debts of the Group)		
<b>Unsecured :</b>		
Loan from HDFC Bank	-	1,553,445
<b>TOTAL</b>	<b>292,346,762</b>	248,227,720

**10) Trade payables**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Sundry Creditors for Trade :</b>		
Due to Micro and Small Enterprises	<b>251,145</b>	81,263
Due to Others	<b>323,083,265</b>	289,087,650
<b>TOTAL</b>	<b>323,334,410</b>	289,168,913

10a) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.



## 10b) Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.

Particulars	2013-14	2012-13
(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;	Principal - ₹ 2,51,145 Interest - ₹ 34,796	Principal - ₹ 81,263 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	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	₹ 34,796	₹ 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 and Medium Enterprises Development Act, 2006.	Nil	Nil

**(11) Other current liabilities**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Current Maturities of Long Term Borrowings (Note 6) (Secured term loans from banks)	235,244,045	200,105,014
Interest accrued but not due on loans	979,191	1,101,903
Unclaimed Dividend	1,664,430	2,361,018
Advance From Customers	5,787,690	1,718,898
Unfinished Voyage income	32,539,900	19,658,080
Liability for Employee Benefits	15,403,264	14,414,788
Statutory Liabilities	10,464,911	20,957,779
Advance Against Sale of Vessel	52,067,979	-
<b>TOTAL</b>	<b>354,151,410</b>	<b>260,317,480</b>

11a) 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.

11b) Unfinished Voyage income, in case of Ocean Freight, relates to unfinished voyage legs as at the balance sheet (Refer Note 2(d)(iii)).

**12) Short term provisions**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>For employee benefits</b>		
Gratuity	-	1,194,254
Compensated Absence	3,686,054	1,410,991
<b>Others</b>		
Proposed Preference Dividend	9,500,000	9,500,000
Provision for tax on Preference Dividend	1,614,525	1,541,138
Proposed Equity Dividend	13,174,520	13,174,520
Provision for tax on Equity Dividend	2,239,004	2,239,004
<b>TOTAL</b>	<b>30,214,103</b>	<b>29,059,907</b>

Disclosures required as per AS - 15 on "Employees Benefits" has been made in Note no. 32



**Fixed Assets**

13)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost as at 01 <sup>st</sup> April 2013	Additions	Deductions/ Adjustments	Cost as at 31 <sup>st</sup> March 2014	As at 01 <sup>st</sup> April 2013	For the year	Deductions/ Adjustments/ Impairments	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
TANGIBLES	₹	₹	₹	₹	₹	₹	₹	₹	₹
FLEET	2,833,713,377	5,249,510	48,053,570	2,887,016,457	705,442,242	153,073,975	190,991,215**	1,837,509,025	2,128,271,135
CONTAINERS	167,180,272	-	-	167,180,272	50,810,195	7,966,645	-	108,403,432	116,370,077
FURNITURE & FIXTURES	14,237,282	6,654,202	(905,716)	19,985,768	1,935,357	1,015,491	(377,325)	17,412,245	12,301,925
OFFICE EQUIPMENTS	10,073,436	2,000,336	(2,181,803)	9,891,969	3,039,775	796,569	(610,403)	6,666,028	7,033,661
COMPUTERS	10,837,942	1,317,533	(2,077,128)	10,078,347	4,835,531	1,533,316	(1,864,982)	5,574,482	6,002,411
TRAILER (COMMERCIAL VEHICLE)	137,660,104	-	-	137,660,104	24,371,674	15,571,620	-	97,736,810	113,308,430
VEHICLES	5,967,114	-	-	5,967,114	1,046,789	566,384	-	4,353,941	4,920,325
MACHINERY	18,000	-	-	18,000	2,548	1,269	-	14,183	15,452
<b>A)TOTAL TANGIBLE ASSETS AS ON 31<sup>st</sup> MARCH 2014</b>	<b>3,179,707,527</b>	<b>15,221,581</b>	<b>42,888,923</b>	<b>3,237,818,031</b>	<b>791,484,111</b>	<b>180,525,269</b>	<b>188,138,505</b>	<b>2,077,670,146</b>	<b>2,388,223,416</b>
<b>A)TOTAL TANGIBLE ASSETS AS ON 31<sup>st</sup> MARCH 2013</b>	<b>2,489,892,690</b>	<b>661,378,545</b>	<b>28,436,292</b>	<b>3,179,707,527</b>	<b>631,218,856</b>	<b>164,474,014</b>	<b>(4,208,759)</b>	<b>2,388,223,416</b>	
INTANGIBLES									
COMPUTER SOFTWARE	2,143,977	16,800	(2,039,802)	120,975	2,096,562	36,722	(2,039,802)	27,493	47,415
<b>B)TOTAL TANGIBLE ASSETS AS ON 31<sup>st</sup> MARCH 2014</b>	<b>2,143,977</b>	<b>16,800</b>	<b>(2,039,802)</b>	<b>120,975</b>	<b>2,096,562</b>	<b>36,722</b>	<b>(2,039,802)</b>	<b>27,493</b>	<b>47,415</b>
<b>B)TOTAL TANGIBLE ASSETS AS ON 31<sup>st</sup> MARCH 2013</b>	<b>2,162,177</b>	<b>-</b>	<b>(18,200)</b>	<b>2,143,977</b>	<b>2,080,088</b>	<b>34,674</b>	<b>(18,200)</b>	<b>2,096,562</b>	
<b>Total (A + B) AS ON 31<sup>st</sup> MARCH 2014</b>	<b>3,181,851,504</b>	<b>15,238,381</b>	<b>40,849,121</b>	<b>3,237,939,006</b>	<b>793,580,673</b>	<b>180,561,991</b>	<b>186,098,703</b>	<b>2,077,697,639</b>	<b>2,388,270,831</b>
<b>Total (A + B) AS ON 31<sup>st</sup> MARCH 2013</b>	<b>2,492,054,867</b>	<b>661,378,545</b>	<b>28,418,092</b>	<b>3,181,851,504</b>	<b>633,298,944</b>	<b>164,508,688</b>	<b>(4,226,959)</b>	<b>2,388,270,831</b>	

**Footnote :**

\*\* Company has entered into an agreement for sale of vessel "MV Unity" on 19<sup>th</sup> March 2014 for an aggregate sale value of \$ 2.86Mn. Actual delivery of the vessel took place on 16<sup>th</sup> April 2014. Adjustment to depreciation reserve in fleet represents difference between carrying value of vessel, on the date of delivery, and proposed sale value which has been recognized as an exceptional item.

#### 14) Non-current Investments

	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
TRADE - UNQUOTED-FULLY PAID (AT COST)		
ORIENT EXPRESS SHIP MANAGEMENT LIMITED - Equity Shares.	150,000	150,000
<b>TOTAL</b>	<b>150,000</b>	<b>150,000</b>

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

#### 15) Other non-current assets

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Unsecured considered good, unless otherwise stated		
Advance Income Tax (Net of provision) [(Provision for Tax ₹ 4,89,23,970 /- (March 31, 2013: ₹ 4,03,93,253/-)]	89,332,980	58,825,202
Minimum Alternate Tax Credit Entitlements	3,971,036	10,359,283
Unamortized Loan Processing charges	10,655,359	13,173,698
Unamortized Dry Dock Expenditure	11,301,496	21,675,014
Bank Fixed Deposits with original maturity of more than 12 months*	42,458,436	17,633,591
Others**	30,276,407	9,599,955
<b>TOTAL</b>	<b>187,995,714</b>	<b>131,266,743</b>

\* Bank deposits are on lien with ICICI Bank towards debt service account, KVB Bank towards guarantees provided and Tariff Manager, Kandla Port Trust.

\*\* Others include amount with Port Trust of India ₹ 50,000/- (March 31, 2013: ₹ 50,000/- ), Deposit with Custom, ₹ 130,000/- (March, 31, 2013 : ₹ 35,188/-), Earnest money Deposit ₹ 12,00,000/- ( March 31, 2013: ₹ 850,000/-), Security deposit with customer ₹ 2,44,45,584/- (March, 31, 2013 : ₹ 18,37,804/-).

#### 16) Current Investments

S. No.	Particulars	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013			
		NAV	Face Value	Units	Amount	Units	Amt (₹)
	MUTUAL FUND ( UNQUOTED)						
	At Cost or Fair Value, whichever is less						
a	Birla Sunlife Cash Plus	100.33	100	50,134.67	5,023,243	-	-
b	ICICI Prudential Liquid - Direct Plan	100.06	100	50,225.43	5,025,265	-	-
c	Reliance Liquid Fund - Treasury Plan Direct	1,528.74	1,500	3,287.34	5,025,493	-	-
d	HDFC Liquid Fund - Direct Plan	10.20	10	492,817.42	5,025,851	-	-
e	Canara Robeco Liquid Super - Daily Dividend Reinvested	10.80	10	64,302.67	750,000	64,302.67	750,000
f	SBI Mutual Fund	1,003.25	1,000	5,008.22	5,024,496	-	-
	Less : Provision for diminution in value of investments				55,390		37,057
	<b>TOTAL</b>				<b>25,818,958</b>		<b>712,943</b>

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

**17) Inventories**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
(At lower of Cost or Net Realizable Value)		
Lube Oils and Fuel Oil	83,633,123	71,109,179
Victualling Stock	1,074,521	657,797
Inventory for Dry Dock	-	5,777,678
<b>TOTAL</b>	<b>84,707,644</b>	<b>77,544,654</b>

**18) Trade receivables**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	16,879,963	11,936,441
Considered doubtful	2,725,875	848,624
<b>Others</b>		
Considered Good	526,969,408	495,973,909
Considered doubtful	-	10,554,910
<b>Less: Provision for doubtful debts</b>	<b>(2,725,875)</b>	<b>(11,403,534)</b>
<b>TOTAL</b>	<b>543,849,371</b>	<b>507,910,350</b>

**19) Cash and Bank Balances**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Cash and Cash Equivalents</b>		
Cash on Hand	1,215,768	3,085,090
<b>Balances with Banks</b>		
In current accounts	56,050,935	59,867,151
In deposit accounts*	118,570,565	27,194,650
	174,621,500	87,061,801
Other bank balances:		
Unclaimed dividend accounts	1,664,430	2,361,018
<b>TOTAL</b>	<b>177,501,698</b>	<b>92,507,909</b>

\* Includes margin money deposit with bank towards Letter of Credit, ₹ 49,81,565/- (March 31, 2013: Nil)

**20) Short-term loans and advances**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Unsecured considered good, unless otherwise stated</b>		
<b>To Related Parties</b>		
- Considered good	18,802,726	32,552,057
- Considered doubtful	-	-
Less: Provision for Doubtful Advances	-	-

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Others</b>		
- Considered good	4,506,720	23,116,884
- Considered doubtful	-	766,769
Less: Provision for Doubtful Advances	4,506,720	23,883,653
	-	(766,769)
	4,506,720	23,116,884
<b>TOTAL</b>	<b>23,309,446</b>	<b>55,668,941</b>

## 21) Other Current Assets

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Claims Receivable	15,473,966	8,386,693
Prepaid Expenses	19,631,253	12,559,020
Income accrued	66,631,371	38,780,742
Unfinished Voyages Expenses*	9,299,666	17,544,451
Unamortized Loan Processing charges**	2,552,823	2,574,864
Incomplete Trip Expenses	1,652,012	-
Unamortized Dry Dock Expenditure	35,607,718	27,010,360
Gratuity Fund with Life Insurance Corporation	626,870	-
Duty Credit under Served from India Scheme	19,223,024	35,915,337
Others*	26,220,991	14,913,663
<b>TOTAL</b>	<b>196,919,694</b>	<b>157,685,130</b>

\* Expense relates to expenses of unfinished legs/Trips as at the balance sheet date (Refer Note 2(d)(iii)).

\*\* Loan processing charges which is getting amortized over the tenure of the loan (Refer Note 2(j)).

\* Includes CENVAT Credit Payable March 31, 2013

\*\*\* Others include CENVAT Credit available for utilisation ₹ 60,91,228/- (March 31, 2013 : ₹1,47,59,204/-),

## 22) Revenue from Operations

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
Ocean Freight Income	1,249,194,270	914,622,034
Charter Hire Income	107,292,921	63,671,858
Non Liner Income	3,225,171	4,485,169
Domestic Service Income	2,274,119,349	1,730,601,676
Regional Freight Income	512,184,444	216,605,188
Trailer Income	193,407,614	562,369,497
Warehouse Income	385,050	1,660,200
Rail Domestic Income	75,927,793	161,235,026
Freight Forwarding / Clearing Income	457,369,432	197,746,179
Duty Credit under Served from India Scheme	-	35,915,337
<b>TOTAL</b>	<b>4,873,106,044</b>	<b>3,888,912,164</b>

### 23) Other Income

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Interest Received On Deposits With Banks	2,203,785	1,238,490
Interest Received On Income Tax Refund	2,371,163	-
Dividend From Mutual Fund Investments (Current - Non-Trade)	149,784	4,046,432
Profit On Sale Of Mutual Fund Investments (Current - Non-Trade)	-	65,200
Profit On Sale Of Assets	-	371,031
Liabilities/Provisions For Expenses No Longer Required Written Back*	8,125,589	1,384,299
Exchange Difference (Net)	-	10,843,743
Other Miscellaneous Income	3,368,692	2,966,491
<b>TOTAL</b>	<b>16,219,013</b>	<b>20,915,686</b>

\* Includes ₹ 46,97,000/- received from the customer earlier provided for.

### 24) Operation cost

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Charter Hire and Ocean Freight Charges	256,048,070	69,974,337
Freight Forwarding / clearing Expenses	388,129,157	182,810,940
Transportation Expenses	415,909,301	197,730,055
Terminal Handling Charges Domestic	355,115,095	252,508,504
Port and Marine Dues	329,097,265	267,143,696
Trailer Expenses	230,726,785	555,204,518
Terminal Handling Charges Liner	159,056,192	72,276,464
Container Lease Rent	128,331,177	80,768,276
Stores and Spares Consumed	95,353,977	82,444,834
Rake Expenses	68,722,095	153,094,091
Other Liner Expenses	55,461,888	12,378,867
Dry Dock Expenses	48,643,396	18,803,529
Other Domestic Expenses	47,897,562	32,535,660
Vessel Management and Agency Fees	46,175,078	40,123,981
Insurance and Protection Club Fee	40,243,132	33,346,267
Repairs and Maintenance to Fleet	22,075,365	23,240,794
Crew Victualling	15,151,965	12,087,354
Sundry Expenses	15,733,023	14,759,204
Agency Fees	9,367,797	5,523,685
Container/Cargo Insurance	4,691,136	1,516,461
Brokerage / Commission	2,484,753	400,448
Rates & Taxes	1,996,649	672,021
Godown Rent	851,378	1,796,008
<b>TOTAL</b>	<b>2,737,262,236</b>	<b>2,111,139,994</b>

**25) Fuel Cost**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Cost of fuel consumed	1,176,274,670	931,204,444
<b>TOTAL</b>	<b>1,176,274,670</b>	<b>931,204,444</b>

**25a) Details of Fuel consumed**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
<b>Fuel oil</b>		
Fuel oil consumption	898,435,695	691,651,233
Gas oil consumption	220,935,440	192,470,299
<b>Lube Oil</b>		
Lube Oil consumption	50,206,041	42,703,094
<b>Fresh water</b>	<b>6,697,494</b>	<b>4,379,818</b>
<b>TOTAL</b>	<b>1,176,274,670</b>	<b>931,204,444</b>

**26) Employee Benefit Expenses**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
<b>Floating Staff</b>		
Salaries, Wages & Other Allowances for Floating Staff	227,189,687	197,152,173
Contribution to Provident Fund for Floating Staff (Also Refer Note No. 32)	2,444,481	2,622,421
Staff Welfare for Floating Staff	1,062,279	1,168,327
<b>Shore Staff</b>		
Salaries and Bonus	125,679,526	105,985,915
Contribution to Provident Fund and Gratuity (Also Refer Note No. 32)	6,986,560	8,073,204
Staff Welfare	14,657,074	12,732,607
<b>TOTAL</b>	<b>378,019,607</b>	<b>327,734,647</b>

Disclosure required by AS 15 in respect of provision made towards various Employees benefits is made in Note no. 32.

**27) Finance Cost**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Interest Expense	112,637,061	93,096,402
Loan Processing Charges*	3,526,776	1,966,442
<b>TOTAL</b>	<b>116,163,837</b>	<b>95,062,844</b>

\* Loan Processing Charges represent amortised portion relating to respective year.

## 28) Other expenses

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Bad Debts/Claims/Doubtful Advances Written Off	11,359,027	1,095,263
Add: Provision For Doubtful Debts	1,877,251	11,182,110
Less: Reversal of Provision for Doubtful Debts no longer required	(5,857,910)	(378,057)
	7,378,368	11,899,316
Professional & Consultancy Fees	23,224,960	15,099,306
Travelling and Conveyance	19,711,806	14,334,543
Rent	18,038,736	11,297,986
Repairs and Maintenance - others	6,569,923	6,014,389
Communication Expenses	5,089,226	5,492,952
Auditors Remuneration	4,005,096	4,060,293
Vehicle Lease rent (Refer Note No. 40)	4,399,710	3,958,986
Advertisement and Business Promotion	3,786,029	3,444,797
Rates & Taxes	1,913,533	2,944,962
Insurance Expenses	1,299,280	1,605,246
Director's Sitting fees	1,979,332	1,358,141
Donations	100,000	1,050,000
Gifts & Presents	552,826	101,713
Loss On Sale / Restatement Of Mutual Fund Investments	18,333	37,057
Loss On Sale/Discard Of Assets	2,124,820	-
Exchange Difference (Net)	202,197	-
Other Expenses	24,117,240	19,515,324
<b>TOTAL</b>	<b>124,511,415</b>	<b>102,215,011</b>

## 29) Basis of Consolidation

- 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.
- The consolidated financial statements have been prepared in accordance with the Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and generally accepted accounting principles.
- Principles of consolidation:

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

- 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, unrealized profits or losses and minority interest have been separately disclosed.
- 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.

## 30) Restatement of Financial Statements

BSE has vide its letter dated 12<sup>th</sup> March 2014 advised the company to restate its financial statements for 2012-13 to give effect to auditor's qualifications in their report, in terms of SEBI Circular dated 13<sup>th</sup> August 2012 with regard to manner of



dealing with Audit report filed by listed companies. The period allowed for restatement under the said SEBI circular ended on 11<sup>th</sup> May, 2014. The company met SEBI officials on 10<sup>th</sup> April, 2014 and explained its stand clearly to them.

Further the company has written on 21<sup>st</sup> April, 2014 to SEBI, which was also followed up by further letters dated 08<sup>th</sup> May 2014 & 09<sup>th</sup> May, 2014, that the restatement will not be in the interest of the company as the qualifications arose out of a mere change of opinion and not because of any violation of basic accounting principles.

The company awaits SEBI's final decision in this regard and therefore no restatement has been carried out.

### 31) Details of shares held in subsidiary

Name of the Company	No. of Equity share held		Holding %	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
Shreyas Relay Systems Ltd. - SRSL	<b>3,500,000</b>	2,500,000	100%	100%
SRS Freight Management Ltd - Equity*	<b>10,450</b>	10,450	51.10%	51.10%
SRS Freight Management Ltd - 8% Optionally-Convertible, Cumulative, Redeemable Preference Shares*	<b>25,600</b>	25,600	51.20%	51.20%

\* Investment held by Shreyas Relay Systems Limited

### 32) Employee Benefits

#### (A) Gratuity

##### (a) Description of the Gratuity Plan:

The Group 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:

Particulars	2013-14 ₹	2012-13 ₹
Present Value of Funded Obligations	<b>16,477,471</b>	14,602,176
Fair Value of Plan Assets	<b>(17,104,341)</b>	(14,484,242)
Amount not Recognized as an Asset (limit in Para 59(b))	-	-
Net Liability / (Asset) recognized in the Balance Sheet	<b>(626,870)</b>	117,934

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 Group's own financial instruments

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

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

Particulars	2013-14 ₹	2012-13 ₹
Current Service Cost	<b>1,567,781</b>	1,148,593
Interest on Defined Benefit Obligation	<b>1,217,245</b>	1,040,603
Expected Return on Plan Assets	<b>(1,074,416)</b>	(920,291)
Transworld Saudi Arabia	<b>(1,287,911)</b>	1,881,377
Past Service Cost	-	-
Transworld Management Consultancy Pvt.Ltd	-	-
Effect of the limit in Para 59(b)	-	(11,187)
<b>TOTAL</b>	<b>422,699</b>	3,139,095

\* The Actual Return on Plan Assets is ₹ 13,98,096 (Previous Year ₹ 6,61,958).

**(d) Reconciliation of Benefit Obligation & Plan assets for the Period**
**Change in Defined Benefit Obligation**

Particulars	2013-14 ₹	2012-13 ₹
Opening Defined Benefit Obligation	14,602,176	11,639,784
Current Service Cost	1,567,781	1,148,593
Interest Cost	1,217,245	1,040,603
Actuarial Losses / (Gain)	(964,231)	1,623,044
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	54,500	(849,848)
Closing Defined Benefit Obligation	16,477,471	14,602,176

**Change in Fair Value of Assets**

Particulars	2013-14 ₹	2012-13 ₹
Opening Fair Value of Plan Assets	14,484,242	11,137,316
Expected Return on Plan Assets	1,074,416	920,291
Actuarial Gain / ( Losses )	323,680	(258,333)
Assets Distributed on Settlements	-	-
Contributions by Employer	1,174,978	3,106,356
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	47,025	(421,388)
Amount not recognized as per asset (Limit para 59(b))	-	-
Closing Fair Value of Plan Assets	17,104,341	14,484,242
Expected Employer's Contribution Next Year	2,300,000	1,400,000

**(e) Actuarial Assumptions at the Valuation date**

Particulars	2013-14 ₹	2012-13 ₹
Valuation Method	Projected Unit Credit	Projected Unit Credit
Discount Rate	8.80% p.a	7.95% p.a
Expected Rate of Return on Plan Assets*	7.50% p.a	7.50% p.a
Salary Escalation Rate		
Shreyas Shipping and Logistics Limited	7.00% p.a	7.00% p.a
Shreyas Relay Systems Limited	5.00% p.a	7.00% p.a
SRS Freight Management Limited	8.00% p.a	-
Mortality in Service	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
Retirement Age	58 Yrs	58 Yrs

\* 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.

\*\* 5% p.a. (2012-13 :7% p.a. ) in the case of Shreyas Relay Systems Limited

**(f) Descriptions of the Plan Assets**

Particulars	2013-14 ₹	2012-13 ₹
Government of India Securities	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
Insurer Managed Funds	100%	100%
Others	-	-
<b>GRAND TOTAL</b>	<b>100%</b>	<b>100%</b>

**(g) Experience Adjustments**

Particulars	2013-2014 ₹	2012-2013 ₹	2011-2012 ₹	2010-2011 ₹
Defined Benefit Obligation	16,477,471	14,602,176	11,639,784	8,391,999
Plan Assets	17,104,341	14,484,242	11,137,316	10,637,368
Surplus / (Deficit)	626,870	(118,204)	(502,468)	2,245,369
Exp. Adj. on Plan Liabilities	573,076	927,777	2,365,444	(70,106)
Exp. Adj. on Plan Assets	323,680	(258,333)	(1,011,678)	(79,877)

The above figures do not include previous year comparative data of SRSFML in the absence of detailed disclosures in the standalone accounts of that subsidiary. In the books of account of SRSFML, amount contributed to Life Insurance Corporation of India towards approved gratuity fund and charged to Statement of Profit & Loss Account in the previous year is, ₹ 12,809/-

**(B) Compensated Absences for Employees**

The Group 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	2013-14 ₹	2012-13 ₹
Discount Rate	8.80% p.a	7.95% p.a
Salary Escalation Rate SRSL	5.00% p.a	7.00% p.a
Salary Escalation Rate SLL	5%** - 7% p.a	7% p.a

\*\* 5% p.a. (2012-13 :7% p.a. ) in the case of Shreyas Relay Systems Limited

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

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	11,414,713	8,790,385
Closing balance of present value of Compensated Absences (Y)		
Current liability (Refer Note 12)	3,686,054	2,605,245
Non-current liability (Refer Note 8)	9,356,444	8,809,468
Movement in Net Liability (X-Y)	(1,627,785)	(2,624,328)

The above figures do not include previous year comparative data of SRSFML in the absence of detailed disclosures in the standalone accounts of that subsidiary. In the books of account of SRSFML, closing liability in respect of compensated absence disclosed as long term was, ₹ 7,20,290/-.

(c) **Payments made under defined contribution schemes:**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Contribution to Seaman's Provident Fund - Floating Staff (Note 26)	2,444,481	2,622,421
Contribution to Provident Fund - Shore Staff (Note 26)	5,670,844	4,834,645

**33. Foreign Currency Exposures outstanding at the Balance Sheet date.**

Category: Currency Swap Contract of Rupee Loan from ICICI Bank Ltd of ₹ 45,84,00,000 (USD 82,56,089)

Purpose: In order to hedge the Group's future foreign currency earnings against the volatility in foreign exchange rates.

**Foreign Currency exposures not hedged by derivative instrument or otherwise:**

Particulars	Currencies	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
a) Receivables	USD	1,274,933	1,784,897
	GBP	708	-
b) Payables	DHS	10,141	-
	EURO	6,425	56,117
	SGD	4,838	50,493
	USD	358,917	1,068,058
	YEN	445,720	3,817,788
	SLR	3,576,182	249,391
	DKK	44,823	-
	CHF	1,113	-
c) FCNR Loan taken from Bank	USD	8,178,330	9,341,610
d) Cash and Bank Balances	USD	2,281,549	1,206,034
	SGD	-	370
	DHS	790	-
e) Balances with collection agents	USD	924	-
	SLR	3,260,631	2,035,622
f) Advance with Agents & Vendors	YEN	1,123,824	-
	PKR	1,482,302	1,419,916
	EURO	4,953	4,340
	USD	857,792	-
	POUND	-	11,132
	SLR	-	73,132

**34.** The notional loss as on March 31, 2014 amounts to ₹ 11,57,96,912 (March 31, 2013: ₹ 5,43,06,192), on fair valuation of cross currency interest rate swap has been taken to the Hedging Reserve account.

### 35. MANAGERIAL REMUNERATION\*

(Included Under Salary, Wages and Allowances- Note no. 26)

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
I) TO MANAGING DIRECTOR		
a) Remuneration	4,800,000	6,240,000
b) Contribution to Provident Fund	465,600	604,800
c) Leave Travel Allowance	-	500,000
	<b>5,265,600</b>	<b>7,344,800</b>
Less: Refund of excess Remuneration paid for Financial Year 2010-11	-	1,508,800
	<b>5,265,600</b>	<b>5,836,000</b>
II) TO EXECUTIVE DIRECTOR		
a) Remuneration	3,696,000	3,696,000
b) Contribution to Provident Fund	-	-
c) Leave Travel Allowance	-	-
	<b>3,696,000</b>	<b>3,696,000</b>

- 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) Remuneration paid to Managing Director during the year is as per maximum permissible limits prescribed in Section 269 and schedule XIII to the Companies Act, 1956. Approval is yet to be received from Central Government in respect of remuneration paid in excess of limits prescribed, considering auditor's qualification, to Managing Director for the year ended on 31<sup>st</sup> March 2013.

### 36. Capital and other Commitments

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	₹	₹
Estimated amount of contracts remaining to be executed on capital account and others not provided for	-	-

### 37. Contingent Liabilities

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	₹	₹
Claims against the Group not acknowledged as debts.	2,560,467	NIL
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
On account of disputes in respect to sales tax/VAT	441,889	441,889
Redemption premium attributable to Minority ( to the extent not earmarked from Securities Premium)	6,148,800	12,297,600
Income Tax Demand for the Assessment Year 2010-11	-	1,339,695
Income Tax Demand for the Assessment Year 2011-12	2,752,937	-

### 38) Segment Reporting

- a) The Group operates in three business segments viz. Shipping, Logistics and Freight Forwarding . Shipping comprises Charter hire, Logistics includes Feeder, Domestic and Liner business. Freight Forwarding includes sea and air services of SRS Freight Management Limited.

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
<b>Revenue by Segment</b>		
Shipping	107,292,921	63,671,858
Logistics (Shipping part)	5,465,426,194	4,611,596,305
Freight Forwarding	458,013,802	197,746,179
Others	3,225,171	40,400,506
Total Revenue	6,033,958,088	4,913,414,848
Less : Intersegment Revenue	1,160,852,044	1,024,502,684
Total	4,873,106,044	3,888,912,164
<b>Segment Results</b>		
Shipping	(8,677,427)	(77,147,220)
Logistics (Shipping part)	275,583,461	273,933,038
Freight Forwarding	6,766,809	14,935,239
Others	2,803,042	40,388,323
<b>Total</b>	<b>276,475,885</b>	<b>252,109,380</b>
Add: Other Income	16,219,013	20,915,686
Less: i) Interest & Finance Charges	116,163,837	95,062,844
ii) Unallocated Expenditure	-	-
Profit before Tax , Prior Period, Exceptional & Extra Ordinary items	176,531,061	177,962,222
<b>Segment Depreciation</b>		
Shipping	30,729,969	21,327,488
Logistics (Shipping part)	147,812,416	141,558,910
Freight Forwarding	436,560	314,212
Others	1,583,046	1,308,078
<b>TOTAL</b>	<b>180,561,991</b>	<b>164,508,688</b>

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

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
In India	4,979,732,102	4,194,406,381
In Pakistan	46,026,203	40,756,390
Rest of World	1,008,199,783	678,252,077
<b>TOTAL REVENUE</b>	<b>6,033,958,088</b>	<b>4,913,414,848</b>

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.

**39) Related Party Transactions (Refer Annexure 1)**

**40) Accounting for Lease**

The Company has taken Containers on Cancellable Operating Lease and the lease rental of ₹ 12,83,31,177/- ( 2012-2013: ₹ 8,07,68,206/-) is charged to the Statement of Profit and Loss.

The Company has taken Vehicles on Cancellable Operating Lease and the lease rental of ₹ 42,19,710/- (2012-2013: ₹ 35,76,194/-) is charged to the statement of Profit and Loss.

The Company has taken Office Premises on Cancellable Operating Lease and the lease rental of ₹ 1,80,38,736 (2012-13: ₹ 1,06,66,993) is charged to the statement of Profit and Loss.

The minimum future lease rentals payable in respect of non-cancellable lease period are as follow :

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Not later than one year	<b>4,536,220</b>	1,215,000
Later than one year but not later than five years	<b>4,862,215</b>	130,191
Later than five years	<b>Nil</b>	Nil

**41) Working for Earnings per share:**

Particulars		Year Ended	Year Ended
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		₹	₹
Profit/(Loss) after Tax (Amount in ₹)		<b>(46,025,655)</b>	154,036,828
Add/(Less) : Preference Dividend (including Dividend Distribution Tax) (Amount in ₹)		<b>11,114,525</b>	11,041,138
Adjusted net profit for the year (Amount in ₹)	A	<b>(57,140,180)</b>	142,995,690
Optionally Convertible Cumulative Redeemable Preference share dividend attributable to Outsiders*	B	<b>245,189</b>	98,937
Weighted average number of Equity shares outstanding (in nos.)	C	<b>21,957,533</b>	21,957,533
Nominal value Per Share (Amount in ₹)	A/B	<b>10</b>	10
Earnings Per Share			
Basic		<b>(2.61)</b>	6.51
Diluted		<b>(2.61)</b>	6.51

\*Relating to minority portion of dividend not declared on preference shares issued by SRSFML on account of accumulated losses.

**42) 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**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
	₹	₹
Current Tax *	<b>27,000,875</b>	22,757,917
Less: MAT Credit Entitlement availed	<b>6,612,315</b>	5,990,499
Net Current Tax	<b>20,388,560</b>	16,767,418

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

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

**43) Prior period comparatives**

Prior year figures have been reclassified / regrouped wherever necessary to conform to the current year’s classification.

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

Chartered Accountants  
 Firm Regn No 003990S

**S. Ramakrishnan**

Partner  
 Membership No. 18967

Place : Mumbai

Date : 26<sup>th</sup> May 2014

For and On behalf of the Board

**S. Ramakrishnan**  
 Chairman & Managing  
 Director

**Amitabha Ghosh**  
 Director

**Namrata Malushte**  
 Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May 2014

**V. Ramnarayan**  
 Executive Director

**Rajesh Desai**  
 Chief Financial Officer



**RELATED PARTY TRANSACTIONS (as on 31.03.2014)**
**Annexure - I**  
**(Amount in '000)**

TRANSACTIONS	Holding company *	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total upto 31.03.2014	Total upto 31.03.2013
<b>Service / Freight income</b>	-	42,036	124,281	-	-	166,316	27,114
Balaji Shipping (UK) Ltd. UK.	-	-	8,652	-	-	8,652	199
BLPL Singapore Pte Ltd.	-	-	344	-	-	344	68
Orient Express.Line (S) Pte Ltd.	-	-	-	-	-	-	6,727
Orient Express Lines Ltd., FZCO, Dubai.	-	29,240	-	-	-	29,240	-
Lanka Orient Express Lines Ltd., Colombo	-	-	14,391	-	-	14,391	3,143
Relay Shipping Agency Ltd.	-	-	-	-	-	-	348
Albatross Shipping Ltd.	-	-	1,287	-	-	1,287	1,697
Transworld Shipping & Logistics Ltd.	-	-	1,701	-	-	1,701	5,612
Transworld Shipping, Trading & Logistics Services LLC Muscat (As Agent).	-	10,171	-	-	-	10,171	3,713
Clarion Shipping (Pvt) Ltd, Colombo (As agent)	-	-	90,968	-	-	90,968	-
TLPL Shipping & Logistics Pvt. Ltd.	-	-	119	-	-	119	246
Transworld FZE	-	12	-	-	-	12	-
Transworld Logistics Ltd.	-	-	-	-	-	-	205
Transworld GLS (India) Pvt LTD.	-	-	5,513	-	-	5,513	4,531
Albatross Shipping Limited.	-	-	1,276	-	-	1,276	35
Transworld Logistics & Shipping Services INC.,NJ USA.	-	2,613	-	-	-	2,613	589
Transworld Shipping GMBH.	-	-	6	-	-	6	-
Orient Express Ship Management Ltd.	-	-	24	-	-	24	-
Others	-	11,276	3,026	-	-	14,302	3,388
<b>Other Domestic &amp; Liner Income</b>	-	1,083	3,021	-	-	4,104	10
Albatross Shipping Ltd	-	-	1,742	-	-	1,742	10
Clarion Shipping (Pvt) Ltd , Colombo (As agent)	-	-	1,241	-	-	1,241	-
Transworld Shipping, Trading & Logistics Services LLC Muscat (As Agent).	-	1,083	-	-	-	1,083	-
TLPL Shipping & Logistics Pvt. Ltd	-	-	38	-	-	38	-
Others	-	-	38	-	-	38	-
<b>Slot charges paid</b>	-	163,533	47,953	-	-	211,486	85,968
Orient Express Lines Ltd., FZCO, Dubai.	-	100,461	-	-	-	100,461	33,617
BLPL Singapore Pte Ltd.	-	-	2,244	-	-	2,244	488
Transworld Shipping, Trading & Logistics Services LLC Muscat (As Agent).	-	23	-	-	-	23	-
Balaji Shipping Lines FZCO	-	-	-	-	-	-	1,122
Clarion Shipping (Pvt) Ltd , Colombo (As Agent)	-	-	40,724	-	-	40,724	-
Transworld Shipping & Logistics Ltd	-	-	3,207	-	-	3,207	2,318
Albatross Shipping Limited	-	-	344	-	-	344	10
Transworld GLS (India) Pvt LTD	-	-	1,434	-	-	1,434	1,423
Transworld Logistics & Shipping Services INC.,NJ USA.	-	63,048	-	-	-	63,048	46,693
TLPL Shipping and Logistics Pvt Ltd.	-	-	-	-	-	-	240
Transworld Saudia Arabia	-	-	-	-	-	-	57
Others	-	23	7,230	-	-	7,253	5,658

**RELATED PARTY TRANSACTIONS (as on 31.03.2014) (Contd.)**

TRANSACTIONS	Holding company *	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total upto 31.03.2014	Total upto 31.03.2013
<b>Container Handling / Storage Charges Paid</b>	-	2,586	18,074	-	-	20,660	12,295
Admec Logistics Ltd	-	-	5,660	-	-	5,660	7,568
Transworld GLS SDN BHD, Malaysia	-	-	-	-	-	-	4,727
Transworld Shipping, Trading & Logistics Services LLC Muscat (As Agent).	-	2,586	-	-	-	2,586	-
Clarion Shipping (Pvt) Ltd , Colombo (As Agent)	-	-	9,885	-	-	9,885	-
Relay Shipping Agency Ltd.	-	-	2,529	-	-	2,529	-
Others	-	2,586	2,529	-	-	5,115	-
<b>Transportation charges paid</b>	-	-	14,085	-	-	14,085	13,721
Admec Logistics Ltd	-	-	13,920	-	-	13,920	13,721
Clarion Shipping (Pvt) Ltd , Colombo (As Agent)	-	-	164	-	-	164	-
Others	-	-	164	-	-	164	-
<b>Stores, Spares, Victualling, Repairs expenses, etc. paid</b>	-	-	-	-	-	-	-
Admec Logistics Ltd.	-	-	11,398	-	-	11,398	8,592
<b>Agency Fees and Brokerage</b>	-	6,699	19,998	-	-	26,697	16,246
Relay Shipping Agency Ltd.	-	-	16,543	-	-	16,543	13,328
Lanka Orient Express lines Ltd., Colombo	-	-	1,744	-	-	1,744	1,110
Transworld Logistics Ltd.	-	-	-	-	-	-	362
Transworld Shipping, Trading & Logistics Services LLC Muscat (As Agent)	-	6,699	-	-	-	6,699	-
Albatross Shipping Ltd	-	-	-	-	-	-	2
Clarion Shipping (Pvt) Ltd , Colombo (As Agent)	-	-	1,711	-	-	1,711	1,444
Others	-	-	3,455	-	-	3,455	2,919
<b>Vessel management fees paid</b>	-	-	-	-	-	-	-
Orient Express Ship Management Ltd.	-	-	30,337	-	-	30,337	26,278
<b>Sale of Fixed Asset</b>	-	-	70	-	-	70	538
Albatross Shipping Ltd.	-	-	-	-	-	-	523
Sivaswamy Holdings Pvt. Ltd.	-	-	70	-	-	70	-
Meridian Shipping Agency Pvt Ltd.	-	-	-	-	-	-	8
Transworld Shipping & Logistics Ltd.	-	-	-	-	-	-	8
Others	-	-	-	-	-	-	15
<b>Vehicle Lease Rent paid</b>	-	-	-	-	1,434	1,434	1,434
Mrs. Manita vivek Kumar Singh	-	-	-	-	660	660	660
Mrs. Ratnaprabha Desai	-	-	-	-	174	174	174
Mrs. Saraswathi Ramanath	-	-	-	-	600	600	600
<b>Donation</b>	-	-	-	-	-	-	-
Valli & Sivaswamy Memorial Charitable Trust	-	-	100	-	-	100	1,050

**RELATED PARTY TRANSACTIONS (as on 31.03.2014) (Contd.)**

TRANSACTIONS	Holding company *	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total upto 31.03.2014	Total upto 31.03.2013
<b>Rent paid</b>	-	-	13,578	-	1,500	15,078	9,511
Sivaswamy Holdings Pvt. Ltd.	-	-	13,578	-	-	13,578	9,511
Geeta Ramkrishnan	-	-	-	-	1,500	1,500	-
Others	-	-	198	-	-	198	393
<b>Managerial Remuneration paid (Net)</b>	-	-	-	8,962	-	8,962	9,532
Mr. S. Ramkrishnan	-	-	-	5,266	-	5,266	5,836
Mr. V. Ramnarayan	-	-	-	3,696	-	3,696	3,696
<b>Remuneration paid to Key Management Personnel</b>	-	-	-	12,519	-	12,519	12,795
Capt Vivek Kumar Singh	-	-	-	5,192	-	5,192	4,808
Mr Rajesh Desai	-	-	-	2,580	-	2,580	2,345
Mr Vinay Kshirsagar	-	-	-	-	-	-	1,052
Mr S.Varadarajan	-	-	-	4,747	-	4,747	4,590
<b>Dividend paid on preference shares</b>	-	-	9,500	-	-	9,500	104
Crescent Shipping Agency (I) Ltd	-	-	4,750	-	-	4,750	52
Transworld Shipping & Logistics Ltd.	-	-	4,750	-	-	4,750	52
<b>Dividend Paid on Equity Shares</b>	7,411	-	-	131	1,866	9,408	7,840
Transworld Holdings Ltd.	7,411	-	-	-	-	7,411	6,176
Mr. S. Ramkrishnan	-	-	-	66	-	66	55
Mrs. Geeta Ramkrishnan	-	-	-	-	65	65	54
Mr. Ritesh S. Ramkrishnan	-	-	-	-	101	101	84
Ms.Anisha Ramkrishnan	-	-	-	-	700	700	584
Mrs.Mala Mahesh	-	-	-	-	66	66	54
Mr. Murali Mahesh	-	-	-	-	101	101	84
Ms. Mithila Mahesh	-	-	-	-	700	700	584
Mr. S. Mahesh	-	-	-	-	67	67	56
Mr. V. Ramnarayan	-	-	-	66	-	66	55
Mrs. Brinda Ramnarayan	-	-	-	-	65	65	54

**Outstanding balances pertaining to related parties as at 31<sup>st</sup> Mar, 2014**

TRANSACTIONS	Holding company *	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total upto 31.03.2014	Total upto 31.03.2013
Debit balance due to company	-	195	23,224	-	-	23,418	32,497
Credit balance due from company	-	12,439	27,810	-	-	40,249	39,059

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

**RELATED PARTY TRANSACTIONS (as on 31.03.2014) (Contd.)**
**RELATED PARTY TRANSACTIONS**
**\* Names of related parties**

<b>Nature of relationship</b>	<b>Name of the related party</b>
<b>Holding company</b>	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31 <sup>st</sup> March 2014)
<b>Fellow subsidiaries</b>	Orient Express Lines FZCO, Dubai Transworld Saudia Arabia Balaji Shipping Lines FZCO Balaji Shipping (UK) Ltd. UK. Transworld Shipping, Trading & Logistics Services LLC Muscat (As Agent). Transworld FZE Transworld Logistics & Shipping Services INC., NJ USA.
<b>Other related parties</b>	Orient Express Ship Management Ltd. Sivaswamy Holdings Pvt. Ltd. Lanka Orient Express Lines Ltd. Colombo Crescent Shipping Agency (India) Ltd. ADMEC Logistics Ltd. Relay Shipping Agency Ltd. Transworld Logistics Ltd. Transworld Shipping & Logistics Ltd. Albatross Shipping Ltd Meridian Shipping Agency Pvt Ltd Transworld GLS (India) Pvt Ltd TLPL Logistics Pvt Ltd TLPL Shipping & Logistics Pvt Ltd Valli & Sivaswamy Memorial Charitable Trust Clarion Shipping (Pvt) Ltd , Colombo (As agent) Lanka Orient Express lines Ltd., Colombo BLPL Singapore Pte Ltd
<b>Key Management Personnel</b>	Mr. S. Ramakrishnan (Chairman & Managing Director) Mr. V. Ramnarayan (Executive Director) Capt. Vivek Kumar Singh Mr. Rajesh Desai Mr. S.Varadarajan
<b>Relatives of Key Management Personnel</b>	Mrs. Geeta Ramakrishnan Mr. Ritesh S. Ramakrishnan Ms. Anisha Ramakrishnan Mr. S.Mahesh Mrs. Mala Mahesh Mr. Murali Mahesh Ms. Mithila Mahesh Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar Mrs. Manita Vivek Kumar Singh Mrs. Saraswati R Mrs. Ratnaprabha Desai

# Directors' Report

Your Directors are pleased to present the Twenty First Annual Report and the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

## 1) FINANCIAL PERFORMANCE

	Current year ended 31.03.2014 ₹	Previous Year ended 31.03.2013 ₹
Operating Income	3,094,318,314	2,690,941,813
Other Income	24,18,199	10,36,355
Profit before Interest, Depreciation and Tax	109,714,783	102,707,228
Less: Interest	33,145,686	28,277,030
Depreciation	25,468,410	23,915,197
<b>Profit Before Tax</b>	<b>51,100,687</b>	<b>50,515,001</b>
Less: Provision for Tax		
Current	17,326,807	16,257,907
Deferred	7,96,581	1,343,170
<b>Prior Year</b>	<b>9,18,3335</b>	<b>(175,693)</b>
Minimum Alternate Tax Credit		
<b>Profit / (Loss) After Tax</b>	<b>32,058,964</b>	<b>33,089,617</b>

## 2) DIVIDEND

During the year, Your Company recommends the final dividend to preference shareholders @ 9.50% p.a.

No dividend is proposed on equity shares.

The total outflow on account of dividend and dividend tax thereon amounts to ₹ 1,11,14,525/-. The breakup of dividend paid as under:

	Preference Share Dividend ₹
Dividend	95,00,000
Tax	16,14,525
<b>Total</b>	<b>1,11,14,525</b>

## 3) REVIEW OF OPERATIONS

During the year, your Company has reached in turnover of ₹ 3,094,318,314/- as compared to last years' turnover of ₹ 2,690,941,813 /- which shows around

14.99 % growth in turnover. Your Company has made a profit of ₹ 3,20,58,964/- in the current financial year.

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

During the year, changes have been effected in the Authorised Capital and Paid up Capital of the Company. The Authorized Capital has been increased from ₹ 13 Crores to ₹ 16 Crores. The paid up capital has been increased from ₹ 12.5 crores to ₹ 13.5 crores. The company has converted Unsecured Loan of Rupees Seven Crores taken from Shreyas Shipping and Logistics Limited (holding company) into Equity shares by an allotment of 10,00,000 Equity Shares of ₹ 10 each at a premium of ₹ 60 per share.

## 6) HOLDING COMPANY

Your Company continues to be a subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 2(87) of the Companies Act, 2013.

## 7) SUBSIDIARY COMPANY

Your Company has one subsidiary company, viz, SRS Freight Management Limited.

As required under Section 129 (3) read with Rule 5 of Companies (Accounts) Rules, 2013 of the Companies Act, 2013, the audited statements of accounts, along with

the Report of Board of Directors relating to SRS Freight Management 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 issued under the Companies (Accounting Standards) Rules, 2006 form part of this Annual Report.

## 9) DIRECTORS

In accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. S. Mahesh retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re- appointment.

## 10) HUMAN RESOURCE MANAGEMENT

On the human resource front, due to the dynamic business changes leading to fluctuating profitability among verticals lead to manpower being transferred to highly profitable verticals. There was a clear increase in manpower in the coastal vertical, specialized roles such as inventory, oracle, business strategy and systems, whereas a drop in headcount for the road and rail verticals. Therefore, although we have the same headcount but a far more diversified employee group. Focus has been on experience levels and specialization in core areas.

We had training sessions for employees across levels covering business vertical knowledge, execution skills, software training(Apollo & Oracle), statutory training and behavioral training focused towards a Total Quality Individual "TQI". Internal and external bodies were involved in these sessions. Integration was the key element in these trainings where cross selling and business systems were the focus areas.

A detailed performance management system which was an advanced mix in terms of current business parameters, criticality to business, retention of talent, current salary levels, years of experience, scope of scalability and salary market for these resources. Which eventually saw a salary correction/ no increments for the bottom 10% of the total head count. Employees who haven't got incentives are to be given training to ensure they are among the incentives list in the coming year.

Life at Shreyas Relay Systems Limited has also focused on celebrating wins in the form of T-Shirt distribution on external award wins, birthday celebrations and offsites for all the locations were arranged for the employees with their families.

Communication through centralized Virtual Meetups were arranged and relayed through Head Office. It was addressed by the Chairman and the CEO. We had on an average a 94% turnout inspite of being located across 10 locations.

In a nutshell, the year has seen HR transformation in terms of direction and consolidation in terms of quality manpower, transfers, role change, training and reward for performers.

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

Under the Notification No. GSR 1029 dated 31<sup>st</sup> 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:

	₹ (2013-14)
(i) Foreign exchange earnings (on accrual basis)	18,45,64,604
(ii) Foreign exchange outgo including operating and other expenditure, repayment of containers lease rental in foreign currency (on accrual basis)	25,40,79,708

## 12) 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 31<sup>st</sup> March, 2014;

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 31<sup>st</sup> March, 2014 and of the profit and loss of the Company for the year ended on 31<sup>st</sup> March, 2014;
- 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
- the annual accounts have been prepared on a 'going concern' basis'.

### 13) AUDITORS

As per the provisions of Section 139 (2) 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 the Companies Act, 2013.

### 14) COST AUDIT

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

### 15) PARTICULARS OF EMPLOYEES

For the financial year 2013-14 none of the employee's salary exceeded ₹ 60 Lacs p.a. or ₹ 5 Lacs p.m.

### 16) 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.

### 17) 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 : 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
Executive Director

# Independent Auditor's Report

To the Members of **SHREYAS RELAY SYSTEMS LIMITED**

## Report on the Financial Statements

We have audited the accompanying financial statements of Shreyas Relay Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required

and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the 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 Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) 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;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms clause (g) sub-section (1) of section 274 of the Companies Act, 1956.

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

**S. Ramakrishnan**  
Partner  
M.No.: 18967

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014



**Annexure**
**Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' 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) In our opinion, the Company has not disposed any material assets during the year and accordingly going concern status of the Company is not affected;
- 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, during the year;
- (b) The outstanding unsecured interest bearing loan of ₹ 700 Lacs taken from Shreyas Shipping & Logistics Limited, the holding Company during the previous year has been converted into equity on 23<sup>rd</sup> September, 2013 and the interest thereon for part of the year has been paid in full in cash.
- 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 the 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 within the meaning of sections 58A and 58AA of the Act and the rules framed thereunder;
- vii. The Company has an internal audit system commensurate with its size and nature of 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, Sales tax/ Value added tax, Service tax, Wealth Tax, Custom Duty, cess and any other statutory dues as applicable to it with the appropriate authorities. The Company is not registered under 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) Details of dues of income tax, sales tax/ Value added tax, wealth tax, service tax, customs duty, excise duty and cess, as applicable, which have not been deposited as on 31<sup>st</sup> March 2014 on account of disputes are given below.

Name of Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu Value Added Tax Act, 2006	Sales Tax/ VAT	1,91,434	2012-13	Deputy Commercial Tax Officer
Punjab Value Added Tax Act, 2005	Sales Tax/ VAT	1,87,955	2012-13	Deputy Excise & Taxation Commissioner and Joint Director (Enf.)

- x. The Company does not have accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year covered by our audit and in the financial year immediately preceding such 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. The Company is not a Nidhi/ Mutual benefit fund/ Society and the provisions of special statute applicable to chit fund are not applicable to the 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;
- xvi. The term loans taken from the bank 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. During the year the Company has made preferential allotment of 10,00,000 equity shares of ₹10 each at a premium of ₹60 per share to Shreyas Shipping and Logistics Limited and 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 during the year;
- 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's Regn. No.: 003990S

**S. Ramakrishnan**  
Partner  
M.No.: 18967

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

## Balance Sheet as at 31<sup>st</sup> March, 2014

Particulars	Notes	As At 31 <sup>st</sup> March, 14 ₹	As At 31 <sup>st</sup> March, 13 ₹
<b>I. Equity &amp; Liabilities</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	135,000,000	125,000,000
(b) Reserves and Surplus	3	126,777,917	45,833,479
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	31,586,090	63,209,012
(b) Deferred tax liabilities (Net)	5	20,473,271	19,676,690
(c) Long term provisions	6	4,907,686	5,572,622
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	167,572,202	271,708,825
(b) Trade payables	8	294,173,493	178,684,317
(c) Other current liabilities	9	36,771,950	41,481,641
(d) Short-term provisions	10	13,297,483	12,452,129
<b>TOTAL</b>		<b>830,560,092</b>	<b>763,618,715</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	11	224,301,837	241,934,589
(ii) Intangible assets	11	27,493	47,415
(b) Non-current investments	12	18,286,250	18,286,250
(c) Other non-current assets	13	102,023,830	43,123,984
<b>(2) Current assets</b>			
(a) Trade receivables	14	378,604,491	362,104,190
(b) Cash and Bank Balances	15	12,978,132	22,349,723
(c) Short-term loans and advances	16	25,061,443	22,874,931
(d) Other current assets	17	69,276,616	52,897,633
<b>TOTAL</b>		<b>830,560,092</b>	<b>763,618,715</b>
<b>Summary of significant accounting policies</b>	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 Ramakrishnan**

Partner  
Membership No. 18967  
Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S Ramakrishnan**

Chairman

**V Ramnarayan**

Executive Director

**Pooja Karia**

Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

## Statement of Profit And Loss for the year ended 31<sup>st</sup> March, 2014

Particulars	Notes	Year ended 31 <sup>st</sup> March, 14 ₹	Year ended 31 <sup>st</sup> March, 13 ₹
<b>III. INCOME</b>			
Revenue from operations	18	3,094,318,314	2,690,941,813
Other Income	19	2,418,199	1,036,355
		<b>3,096,736,513</b>	<b>2,691,978,168</b>
<b>IV. Expenses:</b>			
Operation Cost	20	2,816,743,030	2,454,081,302
Employee benefit expense	21	92,990,129	78,554,504
Financial costs	22	33,145,686	28,277,030
Depreciation and amortization expense	11	25,468,410	23,915,197
Other expenses	23	77,288,571	56,635,134
		<b>3,045,635,826</b>	<b>2,641,463,167</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	<b>51,100,687</b>	<b>50,515,001</b>
VI. Exceptional Items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>51,100,687</b>	<b>50,515,001</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>51,100,687</b>	<b>50,515,001</b>
<b>X. Tax expense:</b>			
(1) Current tax		17,326,807	16,257,907
(2) Deferred tax (Refer Note no. 5)		796,581	1,343,170
(3) Prior Year tax		918,335	(175,693)
<b>XI. Profit/(Loss) for the year</b>		<b>32,058,964</b>	<b>33,089,617</b>
<b>XV. Profit/(Loss) for the year (XI + XIV)</b>		<b>32,058,964</b>	<b>33,089,617</b>
XVI. Earnings per equity share: (Nominal value of ₹ 10 each)			
- Basic & Diluted (Refer Note No. 31)		<b>6.93</b>	<b>8.82</b>
<b>Summary of significant accounting policies</b>	<b>1</b>		
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 Ramakrishnan**

Partner  
Membership No. 18967  
Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S Ramakrishnan**

Chairman

**V Ramnarayan**

Executive Director

**Pooja Karia**

Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

## Cash Flow for the year ended 31<sup>st</sup> March, 2014

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
<b>A Cash flow from operating activities</b>		
<b>Net profit/ ( Loss) after tax</b>	<b>51,100,687</b>	50,515,001
Adjusted for Non cash/ Non operating item		
Depreciation and amortization expense	<b>25,468,410</b>	23,915,197
Interest Expenses	<b>33,145,686</b>	28,277,030
Provision for doubtful debts/bad debts	<b>1,482,679</b>	627,200
Unrealised Exchange Loss / (Gain)	<b>(187,903)</b>	(2,438)
(Profit)/Loss on Sale of Fixed Asset	-	(312,627)
Interest income	<b>(596,061)</b>	(293,558)
Provision & Creditors written back	<b>(765,783)</b>	(853,989)
<b>Operating Profit Before Working Capital changes (a)</b>	<b>109,647,715</b>	101,871,816
<b>Adjustments for Increase/Decrease in Working Capital</b>		
Decrease/(Increase) in Current Assets		
Trade Receivables	<b>(17,806,712)</b>	(145,896,512)
Other Current assets (Current & Non Current)	<b>(62,757,643)</b>	(45,502,569)
Loans & Advances	<b>286,492</b>	(6,191,401)
	<b>(80,277,863)</b>	(197,590,482)
Less : Decrease/(Increase) in Current Liabilities & Provisions	<b>110,309,416</b>	(19,949,622)
<b>Net increase/(Decrease) in working Capital (b)</b>	<b>30,031,553</b>	(217,540,104)
<b>Cash Generated from/(used in) operations (a) + (b)</b>	<b>139,679,268</b>	(115,668,289)
Less: Tax paid	<b>33,239,332</b>	27,849,826
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>106,439,936</b>	(143,518,115)
<b>B Cash flow from investing activities</b>		
Additions to Fixed Assets net of deductions	<b>(9,166,569)</b>	(29,050,692)
Sale of Fixed Asset	<b>1,350,834</b>	2,641,999
Interest income	<b>596,061</b>	233,472
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(7,219,674)</b>	(26,175,221)
<b>C Cash Flow from Financing Activities</b>		
Proceeds / (Repayment) of Borrowings (Net)	<b>(64,405,028)</b>	147,902,237
Preference Share Dividend including Dividend Distribution Tax	<b>(11,041,138)</b>	(1,885,641)
Interest expenses	<b>(33,145,687)</b>	(27,091,482)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(108,591,853)</b>	118,925,114
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>(9,371,591)</b>	(50,768,222)
Cash & Cash Equivalents - opening balance	<b>22,349,723</b>	73,117,945
Add : Net change in Cash & Cash Equivalent as above	<b>(9,371,591)</b>	(50,768,222)
<b>Cash &amp; Cash Equivalents - Closing balance</b>	<b>12,978,132</b>	22,349,723
Closing Cash & Cash Equivalents consists of (Refer Note 15)		
Cash on Hand	<b>316,177</b>	2,070,940
Balance with Scheduled Bank in current account	<b>12,661,955</b>	20,278,783
<b>TOTAL</b>	<b>12,978,132</b>	22,349,723

### 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

As per our report of even date

### FOR PKF SRIDHAR & SANTHANAM

Chartered Accountants  
Firm Regn. No. 003990S

### S Ramakrishnan

Partner  
Membership No. 18967  
Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

### S Ramakrishnan

Chairman

### V Ramnarayan

Executive Director

### Pooja Karia

Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Corporate Information

Shreyas Relay Systems Limited (SRSL) is wholly owned subsidiary of Shreyas Shipping and Logistics Limited (SSL) a Bombay Stock Exchange & National Stock Exchange listed company, founded in 1994. SRSL specialises in offering seamless, door-to-door, multi-modal transpiration 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 Statement 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 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 the Statement of Profit and Loss.

#### 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 / contraction 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 on the date of the relevant transactions. The realized exchange gains or losses are recognized in the Statement of Profit and Loss.

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 31<sup>st</sup> 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 1<sup>st</sup> April 2007, in terms of Ministry of Corporate affairs Notification dated 31<sup>st</sup> 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 Statement of Profit and Loss.

**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.
- c) Dividend income is recognised only when the owner's right to receive payment is established.
- d) Interest on deposits of surplus funds is recognised on time proportion basis.

**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 Statement of Profit and Loss. 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 the Statement of Profit and Loss 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.

**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**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>AUTHORISED SHARE CAPITAL</b>		
60,00,000 (30,00,000) Equity Shares of ₹10/- each	<b>60,000,000</b>	30,000,000
1,000,000 (March 13: 1,000,000) Non-Convertible, Cumulative, Redeemable Preference Shares of ₹100/- each.	<b>100,000,000</b>	100,000,000
	<b>160,000,000</b>	130,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
<b>Equity Shares</b>		
3,500,000 (March,13: 2,500,000) Equity Shares of ₹ 10/- each fully Paid up	<b>35,000,000</b>	25,000,000
<b>Preference Shares</b>		
1,000,000 (March 13: 1,000,000), 9.5% Non-Convertible, Cumulative, Redeemable Preference Shares of ₹ 100/- each.	<b>100,000,000</b>	100,000,000
<b>TOTAL</b>	<b>135,000,000</b>	125,000,000

**2 a. (i) Movement in respect of Equity Shares is given below :**

Particulars	31 <sup>st</sup> March, 2014		31 <sup>st</sup> March, 2013	
	Nos.	₹	Nos.	₹
At the beginning of the period	<b>2,500,000</b>	<b>25,000,000</b>	2,500,000	25,000,000
(+) Issued during the period*	<b>1,000,000</b>	<b>10,000,000</b>	-	-
(-) Redeemed during the period	-	-	-	-
Outstanding at the end of the period	<b>3,500,000</b>	<b>35,000,000</b>	2,500,000	25,000,000

\*Preferential allotment of 1,000,000 equity shares of ₹ 10/- each issued at a Premium of ₹ 60/- each to Shreyas Shipping and Logistics Limited, the holding company in lieu of unsecured interest bearing loan received in 2012-13.

**(ii) Movement in respect of Preference Shares is given below :**

Particulars	31 <sup>st</sup> March, 2014		31 <sup>st</sup> March, 2013	
	Nos.	₹	Nos.	₹
At the beginning of the period	<b>1,000,000</b>	<b>10,000,000</b>	1,000,000	10,000,000
(+) Issued during the period	-	-	-	-
(-) Redeemed during the period	-	-	-	-
Outstanding at the end of the period**	<b>1,000,000</b>	<b>10,000,000</b>	1,000,000	10,000,000

\*\* Preferential allotment of 1,000,000, 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: 28<sup>th</sup> March, 2012 and redeemable on 1<sup>st</sup> April, 2013. The holders of these preference shares have expressed their desire to postpone the redemption till 31<sup>st</sup> March, 2017.

**2 b. (i) 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.

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.

**(ii) Terms/rights attached to preference shares**

The Company has only one class of preference shares having a par value of ₹ 100/- per share. The holders of the preference shares are entitled to receive dividend at 9.5% as declared from time to time. The holders of the preference shares shall have a right to attend General Meetings of the Company and vote only on resolutions directly affecting their interest or where the dividends in respect thereof are in arrears for not less than two years on the date of the meeting, on all resolutions at every meeting of the Company.

In the event of winding-up of the company, the holders of the said shares shall be entitled to a preferential right of return of the amount paid-up on the shares together with arrears of cumulative preferential dividend due on the date of winding-up but shall have no further right or claim over the surplus assets of the Company.

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

Particulars	31 <sup>st</sup> March, 2014		31 <sup>st</sup> March, 2013	
	Nos.	% of Holding	Nos.	% of Holding
Equity Shares :				
Shreyas Shipping and Logistics Ltd, Holding Company and its nominees	<b>3,500,000</b>	<b>100%</b>	2,500,000	100%
Preference Shares :				
Transworld Shipping & Logistics Ltd.	<b>500,000</b>	<b>50%</b>	500,000	50%
Crescent Shipping Service (I) Ltd.	<b>500,000</b>	<b>50%</b>	500,000	50%

2d. No dividend is paid/ proposed in respect of equity shares in current year or previous year. Dividend paid/proposed on preference shares is ₹ 9.50 per share (P.Y. ₹ 9.50 per share)

**Note 3 : Reserves And Surplus**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
a) Securities Premium Account		
As per last Balance Sheet	-	-
Add: On Share Issue During the Year	<b>60,000,000</b>	-
	<b>60,000,000</b>	-
b) Surplus / (Deficit) in Profit and Loss Statement		
As per last Balance Sheet	<b>45,833,479</b>	23,785,000
Add : Profit for the year	<b>32,058,964</b>	33,089,617
	<b>77,892,443</b>	56,874,617
Less: - Appropriations		
Proposed Dividend on Preference Shares	<b>9,500,000</b>	9,500,000
Tax on Proposed Dividend on Preference Shares	<b>1,614,525</b>	1,541,138
Net surplus in the statement of profit and loss	<b>66,777,918</b>	45,833,479
<b>TOTAL (a+b)</b>	<b>126,777,917</b>	45,833,479

**Note 4 : Long-Term Borrowings**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Secured</b>		
From Banks		
- Term Loan	63,106,290	93,374,695
	<b>63,106,290</b>	93,374,695
Less: Current Maturities of above loans disclosed under the Head "Other Current Liabilities (Note No. 9)	<b>31,520,200</b>	30,165,683
<b>TOTAL</b>	<b>31,586,090</b>	63,209,012



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

- i) ICICI Bank - ₹ 4,25,35,787/- (31<sup>st</sup> March, 2013, ₹ 6,54,88,877/-), is secured by hypothecation of specific trailers (40 nos.). Repayable in equal monthly instalments as per the repayment schedule for specific loan against the trailer.

Bank	No. of trailers	Repayable Terms - in months	Interest Rates %	No. of Instalments outstanding as at 31.03.2014	Outstanding as at 31.03.14 ₹	Outstanding as at 31.03.13 ₹
ICICI Bank Ltd	5	47	9.75%	8	3,239,445	7,722,073
ICICI Bank Ltd	5	47	10.50%	11	4,120,847	8,214,422
ICICI Bank Ltd	5	47	10.70%	13	3,762,572	6,885,427
ICICI Bank Ltd	18	59	10.66%	27	20,375,071	27,998,118
ICICI Bank Ltd	2	59	11.10%	31	2,825,827	3,718,827
ICICI Bank Ltd	5	48	10.32%	30	8,212,025	10,950,010
<b>Total</b>	<b>40</b>				<b>42,535,787</b>	<b>65,488,877</b>

- ii) HDFC Bank - ₹ 2,05,70,503/- (31<sup>st</sup> March, 2013, 2013 ₹ 2,78,85,818/-) , is secured by hypothecation of specific trailers (16 nos.). Repayable in equal monthly instalments as per the repayment schedule for specific loan against the trailer.

Bank	No. of trailers	Repayable Terms - in months	Interest Rates %	No. of Instalments outstanding as at 31.03.2014	Outstanding as at 31.03.14 ₹	Outstanding as at 31.03.13 ₹
HDFC LTD	11	59	10.65%	27	12,442,416	17,087,881
HDFC LTD	5	48	10.25%	30	8,128,087	10,797,937
<b>Total</b>	<b>16</b>				<b>20,570,503</b>	<b>27,885,818</b>

**b) There has been no default in repayment of any of the loans or interest thereon during the year.**

**Note 5 : Deferred Tax Liability (Net)**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Fixed Assets : Impact of difference between tax depreciation and depreciation & amortisation charged for the financial reporting	<b>23,675,791</b>	22,243,815
Gross Deferred Tax Liabilities	<b>23,675,791</b>	22,243,815
<b>Deferred Tax Assets</b>		
Provision for doubtful debts	<b>(792,410)</b>	(275,336)
Share Issue Expenses	-	(25,956)
Leave encashment	<b>(2,410,110)</b>	(2,179,671)
Gratuity	-	(86,162)
<b>Gross Deferred Tax Assets</b>	<b>(3,202,520)</b>	(2,567,125)
<b>Deferred Tax Liabilities (Net)</b>	<b>20,473,271</b>	19,676,690

- 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 period in the deferred tax liability of ₹ 7,96,581/- (previous year ₹ 13,43,170/-) has been debited to the statement of Profit & Loss.

**Note 6 : Long-Term Provisions**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<u>Provision for Employee Benefits :-</u>		
Gratuity Liabilities	-	265,564
Compensated Absence Liabilities	<b>4,907,686</b>	5,307,058
<b>TOTAL</b>	<b>4,907,686</b>	5,572,622

Disclosure required by AS 15 on 'Employees benefits' has been made in Note no. 24. Current portion of provision for Compensated Absence Liabilities is disclosed under note 10 - 'Short-Term Provisions'.

**Note 7 : Short-Term Borrowings**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<u>Secured :-</u>		
Working Capital Loan repayable on demand from banks (Refer footnote (a)) (12.50% p.a. Working Capital loan from Karur Vysya Bank)	<b>167,572,202</b>	199,088,387
<u>Unsecured :-</u>		
Loan from Shreyas Shipping and Logistics Limited, the Holding Company, repayable on demand (14.00% p.a. - 14.50% p.a.)	-	71,066,993
Loan from HDFC	-	1,553,445
<b>TOTAL</b>	<b>167,572,202</b>	271,708,825

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

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 90 Days), Corporate guarantee from Shreyas Shipping and Logistics Limited, the Holding company and collateral security of containers.

**Note 8 : Trade Payables**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<u>Sundry Creditors for Trade :-</u>		
Due to Micro and Small Enterprises (excluding Interest)	-	-
Due to Others	<b>294,173,493</b>	178,684,317
<b>TOTAL</b>	<b>294,173,493</b>	178,684,317

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

Particulars	2013-2014 ₹	2012-2013 ₹
(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;	<b>Interest 20,952</b>	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;	<b>Nil</b>	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;	<b>Nil</b>	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	<b>20,952</b>	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 and Medium Enterprises Development Act, 2006.	<b>Nil</b>	Nil

**Note 9 : Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Current Maturities of Long Term Borrowings (Note 4) (Secured term loans from banks)	<b>31,520,200</b>	30,165,683
Statutory Liabilities	<b>2,841,773</b>	4,446,948
Advance from Customers	<b>2,409,977</b>	6,869,010
<b>TOTAL</b>	<b>36,771,950</b>	41,481,641

**Note 10: Short-Term Provisions**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Provision for Employee Benefits :		
Compensated Absence Liabilities	<b>2,182,958</b>	1,410,991
Other Provisions :		
Proposed Preference Dividend	<b>9,500,000</b>	9,500,000
Proposed Preference Dividend Distribution Tax	<b>1,614,525</b>	1,541,138
<b>TOTAL</b>	<b>13,297,483</b>	12,452,129

Disclosure required by AS 15 on 'Employees benefits' has been made in Note no. 24

**Note 11: Fixed Assets**

DESCRIPTION	Gross Block			Depreciation			Net Block		
	Cost As At 01.04.2013 ₹	Additions ₹	Deduction/ Adjustments ₹	Cost As At 31.03.2014 ₹	As At 01.04.2013 ₹	For The Year ₹	Deduction/ Adjustments ₹	As At 31.03.2014 ₹	As At 31.03.2014 ₹
Containers	167,180,272	-	-	167,180,272	50,810,195	7,966,645	-	58,776,840	108,403,432
Furniture & Fixtures	5,151,882	6,612,204	796,384	10,967,702	1,452,150	437,118	331,864	1,557,404	9,410,298
Computers	7,152,770	1,313,883	227,601	8,239,053	2,576,649	1,147,730	162,930	3,561,449	4,677,604
Office Equipments	3,489,779	1,223,682	1,075,906	3,637,555	607,697	179,601	254,263	533,035	3,104,520
Trailer (Commercial Vehicle)	137,680,104	-	-	137,680,104	24,371,674	15,571,620	-	39,943,294	97,736,810
Motor Vehicle	1,349,482	-	-	1,349,482	266,787	127,705	-	394,492	954,990
Machinery	18,000	-	-	18,000	2,548	1,269	-	3,817	14,183
<b>Tangible Asset (A)</b>	<b>322,022,289</b>	<b>9,149,769</b>	<b>2,099,891</b>	<b>329,072,168</b>	<b>80,087,700</b>	<b>25,431,688</b>	<b>749,057</b>	<b>104,770,331</b>	<b>224,301,837</b>
Software	104,175	16,800	-	120,975	56,760	36,722	-	93,482	27,493
<b>Intangible Asset (B)</b>	<b>104,175</b>	<b>16,800</b>	<b>-</b>	<b>120,975</b>	<b>56,760</b>	<b>36,722</b>	<b>-</b>	<b>93,482</b>	<b>27,493</b>
<b>Total (A+B)</b>	<b>322,126,464</b>	<b>9,166,569</b>	<b>2,099,891</b>	<b>329,193,143</b>	<b>80,144,460</b>	<b>25,468,410</b>	<b>749,057</b>	<b>104,863,813</b>	<b>224,329,330</b>
Total As On 31.03.2013	297,828,883	29,050,692	4,753,111	322,126,464	58,653,002	23,915,197	2,423,739	80,144,460	241,982,004
Total As On 31.03.2014									239,175,881

## Note 12 : Non-Current Investments

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Trade Investments Unquoted (Valued at Cost unless stated otherwise)		
Investments in Subsidiary :-		
10,450 equity shares of ₹100/- fully paid up in SRS Freight Management (Formerly known as Haytrans (I) Ltd. )	5,486,250	5,486,250
25,600, 8% Optionally Convertible, Cumulative, Redeemable Preference Shares of ₹100/- fully paid up in SRS Freight Management Ltd. (Formerly known as Haytrans (I) Ltd. )	12,800,000	12,800,000
<b>TOTAL</b>	<b>18,286,250</b>	<b>18,286,250</b>

- a) Investment has been valued considering the significant accounting policy disclosed in note no. 1 (d) to these financial statements.
- b) The Company's subsidiary, SRS Freight Management Ltd. has made a profit of ₹ 58,54,897/- for the year ended 31<sup>st</sup> March, 2014 & has accumulated loss of ₹ 2,07,19,377/- as on 31<sup>st</sup> March, 2014 but has a positive networth of ₹ 72,64,462/- as at 31<sup>st</sup> March, 2014. In view of the long term plan for leveraging the strength of this company in logistics business, diminution in value is considered as temporary and hence no provision is made.
- c) SRS Freight Management Limited has issued 25,600, 8% Cumulative, Redeemable Preference shares of ₹ 100 each fully paid up at premium of ₹ 400 per share on 28<sup>th</sup> Sep, 2012 in lieu of the share application money paid, which is convertible to equity shares at price of ₹ 500 per equity share at a premium of ₹ 400 per equity share or redeemable at ₹ 604 per share including premium of ₹ 504 per share, at the option of preference shareholders, after a period of 36 months from the date of allotment.

## Note 13: Other Non-Current Assets

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Advance Income Tax (Net of provision)	45,271,773	23,665,268
[Provision for Tax ₹ 2,94,59,902/- (31 <sup>st</sup> March, 2013: ₹ 2,98,44,862/-)]		
MAT Credit Entitlement	3,746,968	10,359,283
Deposits **	53,005,089	9,099,433
<b>TOTAL</b>	<b>102,023,830</b>	<b>43,123,984</b>

\*\* Deposit includes Deposit with Custom, ₹ 130,000/- (31<sup>st</sup> March, 2013 : ₹ 35,188/-). Margin Money deposit held on lien by bank against guarantee ₹ 2,36,30,822/- (31<sup>st</sup> March, 2013: ₹ 3,151,234/-), Earnest money Deposit ₹12,00,000/- (31<sup>st</sup> March, 2013: ₹ 850,000/-), Security Deposit with Customer ₹ 2,44,45,584/- (31<sup>st</sup> March, 2013: ₹ 18,37,804/-)

## Note 14 : Trade Receivables

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	13,422,340	9,283,548
Considered doubtful	2,331,303	848,624
Others		
Considered Good	365,182,151	352,820,642
Considered doubtful	-	-
	380,935,794	362,952,814
Less: Provision for doubtful debts (Refer Note no. 28)	2,331,303	848,624
<b>TOTAL</b>	<b>378,604,491</b>	<b>362,104,190</b>

**Note 15 : Cash & Bank Balances**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Cash &amp; Cash equivalent</b>		
<b>Balances with Banks</b>		
- Current Accounts	<b>12,661,955</b>	20,278,783
<b>Cash on Hand</b>	<b>316,177</b>	2,070,940
<b>TOTAL</b>	<b>12,978,132</b>	22,349,723

**Note 16 : Short-Term Loans & Advances**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Unsecured considered good, unless otherwise stated		
Loans and advances to related parties		
- Considered good	<b>26,749</b>	2,736,592
- Considered doubtful	-	-
Less: Allowance for doubtful loans and advances	-	-
Other Loans & Advances		
Prepaid Expenses	<b>7,121,154</b>	7,012,642
Gratuity Fund with LIC (Refer Note no. 24)	<b>11,566</b>	-
Others	<b>17,901,974</b>	13,125,697
<b>TOTAL</b>	<b>25,061,443</b>	22,874,931

Disclosure required by AS 15 on 'Employees benefits' has been made in Note no. 24

**Note 17 : Other Current Assets**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Income accrued	<b>66,298,334</b>	38,780,742
Claims Receivable	<b>1,326,270</b>	3,583,557
Incomplete Trip Expenses	<b>1,652,012</b>	10,533,334
<b>TOTAL</b>	<b>69,276,616</b>	52,897,633

**Note 18 : Revenue Form Operations**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Sales of Services		
Domestic Service Income	2,275,292,363	1,730,601,676
Liner Income	549,305,494	216,605,189
Trailer Income	193,407,614	562,369,497
Warehouse Income	385,050	1,660,200
Rail Domestic Income	75,927,793	161,235,026
Freight Forwarding Income	-	18,470,225
<b>TOTAL</b>	<b>3,094,318,314</b>	<b>2,690,941,813</b>

**Note 19 : Other Income**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Profit on sale of Assets ( Net)	-	312,627
Sundry Creditors Written Back	765,783	853,989
Interest on bank deposit (Gross)	596,061	293,559
Gain on exchange Rate Variation (Net)	1,053,005	(450,470)
Other Income	3,350	26,650
<b>TOTAL</b>	<b>2,418,199</b>	<b>1,036,355</b>

**Note 20 : Operation Cost**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Ocean Freight Charges	1,339,122,273	1,071,735,326
Trailer Expenses	230,726,785	555,204,518
Terminal Handling Charges Domestic	355,759,465	252,508,504
Transportation Expenses	415,909,301	197,730,056
Rake Expenses	68,722,095	153,094,091
Terminal Handling Charges Liner	159,056,192	72,276,464
Container Lease Rent	128,331,177	80,768,276
Freight Forwarding Expenses	-	17,149,702
Other Domestic Expenses	47,897,562	32,535,660
Other Liner Expenses	55,461,888	12,378,867
Agency Fees	9,367,797	5,523,685
Godown Rent	851,378	1,796,008
Container/Cargo Insurance	4,691,136	1,516,461
Brokerage / Commission	845,981	(136,316)
<b>TOTAL</b>	<b>2,816,743,030</b>	<b>2,454,081,302</b>

**Note 21 : Employee Benefit Expense**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Salaries and Bonus	76,581,672	64,513,969
Contribution to Provident Fund and other fund	4,690,233	4,884,565
Staff Welfare	11,718,224	9,155,970
<b>TOTAL</b>	<b>92,990,129</b>	<b>78,554,504</b>

**Note 22 : Finance Costs**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Interest on loan :		
From banks	28,484,452	27,091,482
From Holding Company	4,661,234	1,185,548
<b>TOTAL</b>	<b>33,145,686</b>	<b>28,277,030</b>

**NOTE 23 : Other Expense**

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
Bad debts W/off	2,596,416	378,057
Less: Reversal of Provision for Doubtful Debts no longer required	-	(378,057)
	<b>2,596,416</b>	-
Professional & Consultancy Fees	13,954,407	10,045,471
Rent	11,780,205	8,126,874
Travelling and Conveyance	14,522,338	10,327,949
Repairs and Maintenance	4,312,116	4,319,744
Rates and Taxes	1,742,704	2,594,828
Communication Expenses	3,065,586	3,334,665
Vehicle Lease Rent	2,893,710	2,378,194
Printing & Stationery	2,554,444	2,125,543
Audit Fees (Refer footnote (a) below)	1,710,328	1,936,193
Electricity Expenses	2,216,844	1,427,241
Insurance Expenses	492,419	733,365
Provision for Doubtful Debts	1,482,679	627,200
Director Sitting Fees	810,422	544,272
Donation	-	1,000,000
Gifts & Presents	552,826	101,713
Loss on Sale / Discard of Assets (Net)	1,188,318	-
Miscellaneous Expenses	11,412,811	7,011,882
<b>TOTAL</b>	<b>77,288,571</b>	<b>56,635,134</b>



**(a) Payment To Auditors**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
i) As Auditors (including Service Tax)	1,348,320	1,348,320
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	168,540	168,540
b) Fees for Certification	151,686	151,686
iii) Out of Pocket Expenses	41,782	267,647

**24. Employee Benefits**

**(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:**

Particulars	2013-2014 ₹	2012-2013 ₹
Present Value of Funded Obligations	6,967,653	6,391,470
Fair Value of Plan Assets	(6,979,219)	(6,125,906)
Amount not Recognized as an Asset (limit in Para 59(b))	-	-
<b>Net Liability / (Asset) recognized in the Balance Sheet</b>	<b>(11,566)</b>	265,564

Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net liability represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation.

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

Particulars	2013-2014 ₹	2012-2013 ₹
Current Service Cost	955,334	595,297
Interest on Defined Benefit Obligation	543,915	407,649
Expected Return on Plan Assets	(459,060)	(260,482)
Net Actuarial Losses/ (Gains) Recognized in the year	(399,594)	1,457,750
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	-	-
<b>Total</b>	<b>640,595</b>	2,200,214

\*The Actual Return on Plan Assets is ₹ 5,45,846 /- (Previous Year ₹ 46,451/-).

**(d) Reconciliation of Benefit Obligation & Plan assets for the period**
**Change in Defined Benefit Obligation**

Particulars	2013-2014 ₹	2012-2013 ₹
Opening Defined Benefit Obligation	6,391,470	4,428,138
Current Service Cost	955,334	595,297
Interest Cost	543,915	407,649
Actuarial Losses / (Gain )	(312,808)	1,243,719
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	(610,258)	(283,333)
<b>Closing Defined Benefit Obligation</b>	<b>6,967,653</b>	<b>6,391,470</b>

**Change in Fair Value of Assets**

Particulars	2013-2014 ₹	2012-2013 ₹
Opening Fair Value of Plan Assets	6,125,906	3,256,432
Expected Return on Plan Assets	459,060	260,482
Actuarial Gain / ( Losses )	86,786	(214,031)
Assets Distributed on Settlements	-	-
Contributions by Employer	917,725	3,106,356
Assets Acquired on Acquisition / ( Distributed on Divestiture )	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(610,258)	(283,333)
Amount not recognized as per asset (Limit para 59(b) )	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>6,979,219</b>	<b>6,125,906</b>
Expected Employer's Contribution Next Year	2,000,000	1,000,000

**(e) Actuarial Assumptions at the Valuation date**

Particulars	2013-2014	2012-2013
Discount Rate	8.80% p.a.	7.95% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	5.00% p.a.	7.00% p.a.

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	2013-2014 ₹	2012-2013 ₹
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**(g) Experience Adjustments**

Particulars	2013-2014 ₹	2012-2013 ₹	2011-2012 ₹	2010-2011 ₹
Defined Benefit Obligation	6,967,653	6,391,470	4,428,138	3,093,216
Plan Assets	6,979,219	6,125,906	3,256,432	4,067,834
Surplus / (Deficit)	11,566	(265,564)	(1,171,706)	974,618
Exp. Adj. on Plan Liabilities	573,076	790,237	1,044,504	180,954
Exp. Adj. on Plan Assets	86,786	(214,031)	(1,124,602)	25,880

**(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	2013-2014	2012-2013
Discount Rate	8.80% p.a.	7.95% p.a.
Salary Escalation Rate	5.00% p.a.	7.00% p.a.

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

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	6,718,049	4,300,561
Closing balance of present value of Compensated Absences (Y)		
Current liability	2,182,958	1,410,991
Non-current liability	4,907,686	5,307,058
	7,090,644	6,718,049
Movement in Net Liability (X-Y)	(372,595)	(2,417,488)

**(C) Payments made under defined contribution scheme.**

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
Contribution to Provident Fund	<b>4,049,638</b>	3,175,457

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

Particulars	As at 31 <sup>st</sup> March, 2014 \$	As at 31 <sup>st</sup> March, 2013 \$
a) Receivables	<b>83,527</b>	391,068
b) Payables	<b>216,461</b>	320,858

**b) There are no derivatives as at 31st March, 2014 (31st March, 2013 : NIL)**

**26. Contingent Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
a) On account of disputes in respect to sales tax/VAT	<b>441,889</b>	441,889
b) Estimated amount of contracts on Capital Account not provided for.	<b>NIL</b>	NIL
c) Claims against the Company not acknowledged as debts	<b>1,107,800</b>	NIL

**27. Segment Reporting**

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

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
In India	<b>2,909,753,709</b>	2,586,257,330
In Pakistan	<b>42,335,729</b>	36,162,950
Rest of World	<b>142,228,876</b>	68,521,533
<b>Total Revenue</b>	<b>3,094,318,314</b>	2,690,941,813

**28. Movement in Provision for Doubtful debts**

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
Opening Provision	<b>848,624</b>	599,481
Add: Provision made during the Year	<b>1,482,679</b>	627,200
	<b>2,331,303</b>	1,226,681
Less: Bad Debts	<b>-</b>	378,057
<b>Closing Balance</b>	<b>2,331,303</b>	848,624

## 29 Related Party Transactions (Refer Annexure 1)

### 30. Accounting for Lease

- The Company has taken Containers on Cancellable Operating Lease and the lease rental of ₹ 12,83,31,177/- (2012-13: ₹ 8,07,68,206/-) is charged to the Statement of Profit and Loss.
- The Company has taken Vehicles on Cancellable Operating Lease and the lease rental of ₹ 28,93,710/- (2012-13: ₹ 23,78,194/-) is charged to the Statement of Profit and Loss.
- The Company has taken Offices on cancellable Operating Lease basis as well as non cancellable and the lease rental of ₹ 11,780,205/- (2012-13 ₹ 8,126,874/-) is charged to the Statement of Profit and Loss.

The minimum future lease rentals payable in respect of non-cancellable lease period are as follow :

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
Not later than one year	4,536,220	1,215,000
Later than one year but not later than five years	4,862,215	130,191
Later than five years	Nil	Nil

### 31. Working for Earning for Shares

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
Weighted average number of Equity shares	3,020,548	2,500,000
Nominal value Per Share	₹ 10/-	₹ 10/-
Profit/(Loss) after Tax	32,058,964	33,089,617
Add/(Less) : Preference Dividend (including Dividend Distribution Tax)	(11,114,525)	(11,041,138)
Adjusted Balance for Calculation of EPS	20,944,439	22,048,479
Earnings Per Share (Basic & Diluted)	₹ 6.93	₹ 8.82

### 32. Value of Imports calculated on CIF basis

Particulars	Year ended 31 <sup>st</sup> March 2014 ₹	Year ended 31 <sup>st</sup> March 2013 ₹
Capital Goods	NIL	NIL

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

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Expenditure in foreign currency:		
Others *	<b>254,079,708</b>	114,362,538
Earnings in foreign exchange:		
Export of services	<b>184,564,604</b>	104,684,483

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

**34. Prior Period Comparatives**

Prior years figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

Chartered Accountants  
 Firm Regn. No. 003990S

**S Ramakrishnan**

Partner  
 Membership No. 18967  
 Place : Mumbai  
 Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S Ramakrishnan**

Chairman

**V Ramnarayan**

Executive Director

**Pooja Karia**

Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

**Annexure - I (Reference No. 29)**

(Amount in '000)

Transactions	Holding Company	Subsidiary Company	Fellow subsidiary	Other Related Party	Key Management personnel*	Total as 31 <sup>st</sup> March 2014	Total as 31 <sup>st</sup> March 2013
<b>Service / Freight/THC income received (liner income)</b>							
Albatross Shipping Ltd	-	-	-	1,287	-	1,287	1,697
SRS Freight Management Limited	-	3,655	-	-	-	3,655	4,761
Clarion Shipping (Pvt) Ltd , Colombo (as agent)	-	-	-	90,968	-	90,968	-
Others	-	-	5,668	744	-	6,412	167
<b>Agency Fees / Commission &amp; Brokerage</b>							
Transworld Shipping, Trading & Logistics Services LLC (as Agent)	-	-	6,699	-	-	6,699	-
Clarion Shipping (Pvt) Ltd , Colombo (as agent)	-	-	-	1,711	-	1,711	1,444
Relay Shipping Agency Ltd	-	-	-	-	-	-	221
Albatross Shipping Ltd	-	-	-	-	-	-	2
<b>Rent paid</b>							
Sivaswamy Holdings Pvt. Ltd	-	-	-	9,385	-	9,385	5,932
Others	-	-	-	198	-	198	393
<b>Container Onhire Charges Paid</b>							
Transworld GLS SDN BHD, Malaysia	-	-	-	-	-	-	4,727
Shreyas Shipping and Logistics Ltd	-	-	-	-	-	-	1,511
<b>Container Handling / Storage Charges Paid</b>							
Admec Logistics Ltd	-	-	-	5,660	-	5,660	7,568
Transworld Shipping, Trading & Logistics Services LLC (as Agent)	-	-	2,586	-	-	2,586	-
Clarion Shipping (Pvt) Ltd , Colombo (as agent)	-	-	-	9,885	-	9,885	-
Relay Shipping Agency Ltd.	-	-	-	2,529	-	2,529	-
Others	-	644	-	-	-	644	-
<b>Transportation charges paid</b>							
Admec Logistics Ltd	-	-	-	13,920	-	13,920	13,721
Others	-	-	-	164	-	164	-
<b>Slot charges paid</b>							
Shreyas Shipping and Logistics Ltd	1,248,384	-	-	-	-	1,248,384	1,112,376
Others	-	-	100,484	42,968	-	143,452	35,227
<b>Other Income Received</b>							
Albatross Shipping Ltd	-	-	-	1,742	-	1,742	10
SRS Freight Management Limited	-	33,466	-	-	-	33,466	-
Albatross Inland Ports Pvt Ltd	-	-	-	-	-	-	39
Others	1,173	-	1,083	1,279	-	3,535	-
<b>Trailer Income</b>							
SRS Freight Management Ltd	-	-	-	-	-	-	95
Clarion Solutions Pvt Ltd	-	-	-	-	-	-	51
Albatross Shipping Ltd	-	-	-	-	-	-	86
Transworld Shipping and Logistics Ltd	-	-	-	-	-	-	27

**Annexure - I (Reference No. 29)(Contd.)**

(Amount in '000)

Transactions	Holding Company	Subsidiary Company	Fellow subsidiary	Other Related Party	Key Management personnel*	Total as 31 <sup>st</sup> March 2014	Total as 31 <sup>st</sup> March 2013
TLPL Logistics Pvt. Ltd.	-	-	-	-	-	-	85
<b>Equity shares issued</b>							
Shreyas Shipping and Logistics Ltd. (Including Share Premium)	70,000	-	-	-	-	70,000	-
<b>Dividend paid on preference shares</b>							
Crescent Shipping Agency (I) Ltd.	-	-	-	4,750	-	4,750	52
Transworld Shipping & Logistics Ltd.	-	-	-	4,750	-	4,750	52
<b>Interest on unsecured Loan</b>							
Shreyas Shipping and Logistics Ltd.	4,661	-	-	-	-	4,661	1,186
<b>Sale of Fixed Assets</b>							
Sivaswamy Holdings Pvt. Ltd.	-	-	-	70	-	70	-
Albatross Shipping Ltd.	-	-	-	-	-	-	8
Meridian Shipping Agency Pvt. Ltd.	-	-	-	-	-	-	8
Transworld Shipping & Logistics Ltd.	-	-	-	-	-	-	8
<b>Vehicle Lease Rent</b>							
Saraswathi Ramanath	-	-	-	600	-	600	600
<b>Loan Received</b>							
Shreyas Shipping and Logistics Ltd.	-	-	-	-	-	-	70,000
<b>Donation</b>							
Valli & Sivaswamy Memorial Charitable Trust	-	-	-	-	-	-	1,000
<b>S.Varadarajan*</b>							
Salary	-	-	-	-	4,747	4,747	4,590
<b>Total</b>	<b>1,324,218</b>	<b>37,765</b>	<b>116,520</b>	<b>192,610</b>	<b>4,747</b>	<b>1,675,860</b>	<b>1,267,644</b>
* CEO of the Company, Mr. S Vardarajan							
Debit balance due to company	-	20,506	148	10	-	20,664	2,171
Credit balance due from company	156,630	-	12,439	9,755	-	178,824	172,803
Investments made		18,286	-	-	-	18,286	18,286

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

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



**Annexure - I (Reference No. 29)(Contd.)**

3) Managerial remuneration excludes provision for gratuity and compensated absences since these are provided on the basis of actuarial valuation for the company as a whole.

Nature of relationship	Name of the related party
Ultimate Holding Company	Transworld Holdings Ltd.
Holding Company	Shreyas Shipping and Logistics Ltd.
Subsidiary Company	SRS Freight Management Limited
Fellow Subsidiary Company	Transworld Shipping, Trading & Logistics Services LLC Orient Express Lines Ltd.
Key Management Personnel	Mr. S. Ramakrishnan (Chairman) Mr. V. Ramnarayan (Executive Director) Mr. S. Varadarajan (CEO)
Relatives of Key Management Personnel	Mrs. Saraswathi Ramanath
Other related parties	Admec Logistics Ltd. Albatross Inland Ports Pvt Ltd. Albatross Shipping Ltd. Balaji Shipping FZCO Clarion Shipping (Pvt) Ltd. - Colombo Clarion Solutions Pvt. Ltd. Crescent Shipping Agency (India) Ltd. Meridian Shipping Agency Pvt. Ltd. Orient Express Lines Ltd., Mauritius Orient Express Lines Ltd., Singapore Overseas Express Container Lines SDN BHD Overseas Express Container Lines Singapore Relay Shipping Agency Ltd. Sivaswamy Holdings Pvt. Ltd. TLPL Shipping & Logistics Pvt. Ltd. Transworld GLS (India) Pvt. Ltd. Transworld GLS SDN BHD Transworld Shipping & Logistics Ltd. Valli & Sivaswamy Memorial Charitable Trust

## Statement Pursuant to Section 212 of the Companies Act, 1956

SR. NO.	PARTICULARS	SRF FREIGHT MANAGEMENT LTD. (Formerly Known As HAYTRANS (INDIA) LTD.)
1	The relevant Financial Year of the Subsidiary ends on	31 <sup>st</sup> March, 2014
2	No. of shares held as on 31 <sup>st</sup> March, 2014	10,450 Equity shares of ₹ 100 each fully paid-up
3	Extent of holding as on 31 <sup>st</sup> March, 2014	51.10%
4	The Net aggregate of Profit / (Loss) of subsidiary so far as they concern the members of the Co.	
	(A) Dealt with in the accounts of company for the year ended 31 <sup>st</sup> March, 2014	-
	(B) Not dealt with in the accounts of company for the year ended 31 <sup>st</sup> March, 2014	5,854,897
5	The Net aggregate of Profit / (Loss) of previous financial year of the subsidiary, since it became subsidiary so far as they concern members of the Co.	
	(A) Dealt with in the accounts of company	-
	(B) Not dealt with in the accounts of company	(5,350,713)

As per our report of even date

**FOR PKF SRIDHAR & SANTHANAM**

Chartered Accountants  
Firm Regn. No. 003990S

**S Ramakrishnan**

Partner  
Membership No. 18967  
Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S Ramakrishnan**

Chairman

**V Ramnarayan**

Executive Director

**Pooja Karia**

Company Secretary

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

# Directors' Report

Your Directors are pleased to present the 34<sup>th</sup> Annual Report and the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March 2014.

## FINANCIAL PERFORMANCE

	(Amount in ₹)	
	Current Year ended 31.03.2014	Previous Year ended 31.03.2013
Income	460,056,527	179,579,024
Expenditure	454,201,630	184,929,737
Profit Before Tax	58,54,897	(53,50,713)
Less: Earlier year Expenses/Exceptional Item	--	--
Less: Provision for Taxation	--	---
Profit After Tax	58,54,897	(53,50,713)

## DIVIDEND

Your Directors do not recommend any Dividend for the financial year 2013-14.

## REVIEW OF OPERATIONS

Your company, Subsidiary of Shreyas Shipping and Logistics Limited and Shreyas Relay Systems Limited - is engaged in the field of Freight Forwarding. The main segments handled by Company are:

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

In the field of 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 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

Your Company continues to be subsidiary of Shreyas Relay Systems Limited as defined under Section 2(87) of the

Companies Act, 2013.

Your Company continues to be subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 2 (87) of the Companies Act, 2013 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. V. Ramnarayan, 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, 2014 and of the profit of the Company for the year ended on 31st March, 2014;

- 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 the Companies Act, 2013.

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

Under Notification Number GSR 1029, dated 31<sup>st</sup> 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:

Sr. No	Particulars	(2013-14) ₹
(i)	Foreign exchange earnings (on accrual basis)	114,13,019
(ii)	Foreign exchange outgo including operating and other expenditure, purchase of containers in foreign currency (on accrual basis).	103,58,246

#### PERSONNEL

For the financial year 2013-14, 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: 26<sup>th</sup> May, 2014

**V. Ramnarayan**  
 Director

# Independent Auditor's Report

To,  
**The Members of SRS FREIGHT MANAGEMENT LIMITED**  
**(Formerly Known as HAYTRANS INDIA LIMITED)**

## Report on the Financial Statements

We have audited the accompanying financial statements of SRS FREIGHT MANAGEMENT LIMITED (Formerly Known as HAYTRANS INDIA LIMITED) ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- (b) in the case of the Statement of Profit and Loss, Profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) 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.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches, not visited by us.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

**K. Uma Murty**  
 Proprietor  
 Membership Number: 016634

Dated: 26.05.2014  
 3/7/14-A, Navjivan Commercial Society,  
 Dr. Dadasaheb Bhadkamkar Marg,  
 Mumbai- 400 008.

## Annexure

- 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 an 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 an 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 31,2014 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 loss at end of the year and the accumulated loss at the end of the year is not less than fifty percent of its networth. The company has not incurred any cash loss during the financial year covered by audit, but has incurred cash loss 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. During the year, the company has not issued any Preference shares.
- 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  
Membership Number: 016634

Dated: 26.05.2014  
3/7/14-A, Navjivan Commercial Society,  
Dr. Dadasaheb Bhadkamkar Marg,  
Mumbai- 400 008.

## Balance Sheet as at 31<sup>st</sup> March, 2014

Particulars	Notes	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>I. Equity &amp; Liabilities</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	7,045,000	7,045,000
(b) Reserves and Surplus	3	219,462	(5,635,435)
<b>(2) Share Application Money</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long term provisions	4	782,906	720,290
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	5	29,395,859	3,597,692
(b) Trade payables	6	35,523,465	45,809,933
(c) Other current liabilities	7	1,415,776	2,875,930
<b>Total</b>		<b>74,382,468</b>	<b>54,413,411</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
Tangible assets	8	1,013,951	841,936
(ii) Intangible assets			
(iii) Capital work-in-progress			
(b) Non-current investments	9	-	-
(c) Other non-current assets	10	13,589,691	10,393,078
<b>(2) Current assets</b>			
(a) Trade receivables	11	56,221,078	39,792,928
(b) Cash and cash equivalents	12	518,898	687,043
(c) Other Current Assets	13	3,038,850	2,698,427
(d) Other current assets	14		
<b>Total</b>		<b>74,382,468</b>	<b>54,413,411</b>
Summary of significant accounting policies	1		
The accompanying notes form an integral part of the financial statement			

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 : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
 Director

**V. Ramnarayan**  
 Director



## Statement of Profit And Loss for the Year ended 31<sup>st</sup> March, 2014

Particulars	Notes	Year ended	Year ended
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		₹	₹
<b>III. INCOME</b>			
I. Income from Operations	14	<b>458,013,802</b>	179,275,954
II. Other Income	15	<b>2,042,726</b>	303,070
		<b>460,056,527</b>	179,579,024
<b>IV. Expenses</b>			
Operation Cost	16	<b>425,250,207</b>	165,661,239
Employee benefit expense	17	<b>16,879,369</b>	10,722,027
Financial costs	18	<b>2,853,122</b>	983,464
Depreciation and amortization expense	8	<b>436,560</b>	314,212
Other expenses	19	<b>8,782,374</b>	7,248,795
		<b>454,201,630</b>	184,929,737
V. Profit before exceptional and extraordinary items and tax	(III - IV)	<b>5,854,897</b>	(5,350,713)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax	(V - VI)	<b>5,854,897</b>	(5,350,713)
VIII. Extraordinary Items			
IX. Profit before tax	(VII - VIII)	<b>5,854,897</b>	(5,350,713)
<b>X. Tax expense</b>			
(1) Current tax		<b>224,068</b>	-
(2) Deferred tax		-	-
(3) Prior Year tax		-	-
(4) Minimum Alternate Tax Credit utilised / (availed)		<b>(224,068)</b>	-
XI. Profit/(Loss) from the period from continuing operations	(IX - X)	<b>5,854,897</b>	(5,350,713)
<b>XII. Earning per equity share: (Face value of ₹ 10 each)</b>			
- Basic & Diluted		<b>286.30</b>	(261.65)
<b>Summary of significant accounting policies</b>			
The accompanying notes form an integral part of the financial statement			

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 : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
 Director

**V. Ramnarayan**  
 Director

## Cash Flow for the year ended 31<sup>st</sup> March, 2014

Particulars	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
<b>A Cash flow from operating activities</b>		
<b>Net Profit/ ( Loss) before tax</b>	<b>5,854,897</b>	(5,350,713)
<b>Adjusted for:</b>		
Depreciation	436,560	314212
Profit on Sale of Assets	(24,600)	-
Bad & D/Debts W/off - (Net of Reversal of Provisions)	2,164,811	-
Excess Provision no longer required - W/back	(1,941,211)	-
Interest Expenses	2,853,122	983464
Exchange Gain on Current Assets & Liabilities	-	(271,748)
<b>Operating Profit Before Working Capital changes (A)</b>	<b>9,343,579</b>	(4,324,785)
<b>Adjustments for in Working Capital</b>		
Increase / (Decrease) in in Current Assets		
Trade Receivables	18,592,961	20,718,813
Other Current assets (Current & Non Current)	3,537,035	5,029,757
	<b>22,129,997</b>	25,748,570
Less: Increase/(Decrease ) in Current Liabilities & Provisions	(9,742,797)	33,428,774
<b>Net increase/(Decrease) in working Capital (B)</b>	<b>(31,872,793)</b>	7,680,204
<b>Cash Generated from Operations (A) - (B) = (C)</b>	<b>(22,529,214)</b>	3,355,419
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(22,529,214)</b>	3,355,419
<b>B Cash flow from investing activities</b>		
Addition to Fixed Assets including capital advances	(608,575)	(703,842)
Sale of Asset	24,600	-
Sale of Investment	-	185,435
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(583,975)</b>	(518,407)
<b>C Cash Flow from Financing Activities</b>		
Proceeds / (Repayment) of Borrowings (Net)	25,798,166	(2,065,169)
Interest Expenses	(2,853,122)	(983,464)
Exchange Gain/(Loss) on current Assets & Liabilities	-	271,748
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>22,945,044</b>	(2,776,884)
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENT (A + B + C)</b>	<b>(168,145)</b>	60,128
CASH & CASH EQUIVALENTS - OPENING BALANCE	687,043	626,915
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(168,145)	60,128
<b>CASH &amp; CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>518,898</b>	687,043
<b>CLOSING CASH &amp; CASH EQUIVALENTS CONSIST (REFER SCHEDULE F)</b>		
CASH ON HAND	21,121	77,470
BALANCE WITH SCHEDULE BANK IN CURRENT ACCOUNT	497,777	609,573
<b>TOTAL</b>	<b>518,898</b>	687,043

Notes:

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

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 : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**  
 Director

**V. Ramnarayan**  
 Director

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2014

### 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 & 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) RECONGNITION 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.

#### H) PROVISIONS & 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.

## 2. SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> Mar, 2014 ₹	As at 31 <sup>st</sup> Dec, 2013 ₹	As at 31 <sup>st</sup> Sep, 2013 ₹	As at 31 <sup>st</sup> Jun, 2013 ₹	As at 31 <sup>st</sup> Mar, 2013 ₹
<b>AUTHORISED SHARE CAPITAL</b>					
25000 Equity shares of ₹100/- each	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
50,000 Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
<b>Total</b>	<b>7,500,000</b>	<b>7,500,000</b>	<b>7,500,000</b>	<b>7,500,000</b>	<b>7,500,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
<b>Equity Shares</b>					
20,450 Equity shares of ₹100/- each Fully Paid-up in Cash.	<b>2,045,000</b>	2,045,000	2,045,000	2,045,000	2,045,000
50,000 Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid up.	<b>5,000,000</b>	5,000,000	5,000,000	5,000,000	5,000,000
<b>TOTAL</b>	<b>7,045,000</b>	<b>7,045,000</b>	<b>7,045,000</b>	<b>7,045,000</b>	<b>7,045,000</b>

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

Particulars	31-Mar-14 Nos.	31-Mar-13 Nos.
At the beginning of the year	50,000	50,000
(+) Issued during the year		
(-) Redeemed during the year	-	-
<b>Outstanding at the end of the period</b>	<b>50,000</b>	<b>50,000</b>

### 2 b. Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹100/- 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.

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.

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

Particulars	31-Mar-14		31-Mar-13
	% of Holding	Nos.	Nos.
<b>Preference Shares :-</b>			
Shreyas Relay Systems Limited	25,600	51.20%	25,600
Sivaswamy Holdings P. Ltd	15,500	31.00%	15,500
Mahesh Sivaswamy	3,782	7.56%	3,782
Ramakrishnan Sivaswamy	3,168	6.34%	3,168
<b>Equity Shares :-</b>			
Shreyas Relay Systems Ltd.	10,450	51.10%	10,450
Ramakrishnan Sivaswamy	1,300	6.36%	1,300
Ramnarayan Varadharajan	1,350	6.60%	1,350
Mahesh Sivaswamy	1,550	7.58%	1,550
Sivaswamy Holdings P. Ltd	5,000	24.45%	5,000

### 3. RESERVES AND SURPLUS

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
<b>Surplus / (Deficit) in Profit and Loss Statement</b>		
As per last Balance Sheet	(26,574,274)	(21,223,562)
Add : Profit /loss for the year	5,854,897	(5,350,713)
	(20,719,377)	(26,574,274)
<b>Net surplus/ (Deficit) in the statement of profit and loss</b>	(20,719,377)	(26,574,274)
Securities Premium	8,338,840	20,938,840
Reserved for Premium Payable on Redemption of Preference Share	12,600,000	-
<b>TOTAL</b>	<b>219,462</b>	<b>(5,635,435)</b>

### 4. LONG TERM PROVISIONS

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Provision for Employee Benefits :-		
Provision for Compensated Absence & Gratuity	782,906	720,290
<b>TOTAL</b>	<b>782,906</b>	<b>720,290</b>

### 5. SHORT TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Secured :-		
Working Capital Loan repayable on demand from banks (14% p.a. Working Capital loan from Standard Chartered Bank Ltd)	29,395,859	3,597,692
<b>TOTAL</b>	<b>29,395,859</b>	<b>3,597,692</b>

#### 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).

### 6. TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Sundry Creditors for Trade :-		
Due to Micro and Small Enterprises (excluding Interest)	-	-
Due to Others	35,523,465	45,809,933
<b>TOTAL</b>	<b>35,523,465</b>	<b>45,809,933</b>

**7 : OTHER CURRENT LIABILITIES**

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Other Liabilities		
- Statutory Liabilities	1,415,776	2,875,930
<b>TOTAL</b>	<b>1,415,776</b>	<b>2,875,930</b>

**8. FIXED ASSETS**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2013	ADDITIONS	DEDUCTION/ ADJUSTMENTS	COST AS AT 31.03.2014	AS AT 01.04.2013	FOR THE YEAR	DEDUCTION/ ADJUSTMENTS	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Furniture & Fixtures	184,308	2,200	11,335	175,173	150,107	14,733	11,335	153,505	21,668	34,201
Office Equipments	2,664,253	606,375	10,000	3,260,628	1,856,518	421,827	10,000	2,268,345	992,283	807,735
<b>TANGIBLE ASSET (A)</b>	<b>2,848,561</b>	<b>608,575</b>	<b>21,335</b>	<b>3,435,801</b>	<b>2,006,625</b>	<b>436,560</b>	<b>21,335</b>	<b>2,421,850</b>	<b>1,013,951</b>	<b>841,936</b>
SOFTWARE	-	-	-	-	-	-	-	-	-	-
<b>INTANGIBLE ASSET (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A+B) AS ON 31.03.2014</b>	<b>2,848,561</b>	<b>608,575</b>	<b>21,335</b>	<b>3,435,801</b>	<b>2,006,625</b>	<b>436,560</b>	<b>21,335</b>	<b>2,421,850</b>	<b>1,013,951</b>	<b>841,936</b>
Total as on 31.03.2013	2,144,719	703,842	-	2,848,561	1,692,413	314,212	-	2,006,625		841,936

**9. NON-CURRENT INVESTMENTS**

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Investments	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**10. OTHER NON CURRENT ASSETS**

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Deposits	1,233,095	1,406,311
Advance Income Tax	11,829,669	8,070,208
Other Advances*	526,926	916,559
<b>TOTAL</b>	<b>13,589,691</b>	<b>10,393,078</b>

\* Other Advances include, advance given to Staff , Income accrued but not due etc

**11. TRADE RECEIVABLES**

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	3,457,623	1,247,198
Considered doubtful	-	1,405,694
Others		
Considered Good	52,763,455	38,545,729
Considered doubtful	-	-
	56,221,078	41,198,622
Less: Provision for doubtful debts	-	1,405,694
<b>TOTAL</b>	<b>56,221,078</b>	<b>39,792,928</b>

**12. CASH & BANK BALANCES**

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Balances with Banks		
- Current Accounts	497,777	609,573
Cash on Hand	21,121	77,470
<b>TOTAL</b>	<b>518,898</b>	<b>687,043</b>

**13. OTHER CURRENT ASSETS**

Particulars	As at	As at
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
Unfinished Job Expenses	3,038,850	2,698,427
<b>TOTAL</b>	<b>3,038,850</b>	<b>2,698,427</b>

**14. REVENUE FROM OPERATIONS**

Particulars	Year ended	Year ended
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	₹	₹
<b>Sales Of Services</b>		
Freight Forwarding / clearing Income	458,013,802	179,275,954
<b>TOTAL</b>	<b>458,013,802</b>	<b>179,275,954</b>

**15. OTHER INCOME**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Other Income	-	31,322
Sundry Creditors Bal Written Back	1,941,211	-
Sale of Assets	24,600	-
Gains on exchange Rate Variation (Net)	76,915	271,748
<b>TOTAL</b>	<b>2,042,726</b>	<b>303,070</b>

**16. OPERATION COST**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Freight Forwarding / Clearing Expenses	425,250,207	165,661,239
<b>TOTAL</b>	<b>425,250,207</b>	<b>165,661,239</b>

**17. EMPLOYEE BENEFIT EXPENSES**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Salaries and Bonus	15,932,971	9,949,404
Contribution to Provident Fund and other fund	893,017	590,570
Staff Welfare	53,381	182,053
<b>TOTAL</b>	<b>16,879,369</b>	<b>10,722,027</b>

**18. FINANCE COSTS**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Interest on loan from banks		
Working Capital & Overdraft	2,853,122	983,464
<b>TOTAL</b>	<b>2,853,122</b>	<b>983,464</b>

**19. OTHER EXPENSES**

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Bad debts W/off	3,570,505	-
Less: Provision for earlier year no longer required written back	1,405,694	-
	2,164,811	-
Auditors Remuneration	235,956	143,030
Professional & Consultancy Fees	2,320,155	1,071,695
Rent, Rates & Taxes	715,933	630,993
Travelling and Conveyance	1,376,015	1,090,091
Repairs and Maintenance	357,064	122,026
Communication Expenses	294,133	254,859
Printing & Stationery	221,567	153,359
Vehicle Lease Rent	180,000	382,792



Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
Electricity Expenses	95,667	198,259
Insurance Expenses	-	158,463
Loss on exchange Rate Variation (Net)	-	-
Provision for Doubtful Debts	-	1,405,694
Miscellaneous Expenses	821,073	1,637,535
<b>TOTAL</b>	<b>8,782,374</b>	<b>7,248,795</b>

20. 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.

#### 21. Payment to auditors

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
i) Audit Fees	187,750	102,296
ii) Tax audit fees	22,250	25,000
iii) Out of pockets	-	-
iv) Service Tax	25,956	15,734
<b>TOTAL</b>	<b>235,956</b>	<b>143,030</b>

#### 22. Information pursuant to Paras 3 & 4 of schedule VI to the Companies Act 1956

Particulars	Year ended 31 <sup>st</sup> March, 2014 ₹	Year ended 31 <sup>st</sup> March, 2013 ₹
i) Earning in foreign currency	11,413,019	12,034,718
ii) Expenditure in Foreign Currency	10,358,246	50,605,450

#### 23. 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:

Particulars	2013-2014 ₹
Present Value of Funded Obligations	664,758
Fair Value of Plan Assets	(657,283)
Amount not Recognized as an Asset (limit in Para 59(b))	-
Net Liability / (Asset) recognized in the Balance Sheet	7,475

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**

Particulars	2013-2014 ₹
Current Service Cost	-
Interest on Defined Benefit Obligation	-
Expected Return on Plan Assets	-
Net Actuarial Losses/ (Gains) Recognized in the year	-
Past Service Cost	-
Losses/ (Gains) on "Curtailements & Settlements"	-
Effect of the limit in Para 59(b)	-
<b>TOTAL</b>	<b>-</b>

\*The Actual Return on Plan Assets is ₹ 0.00/- (Previous Year ₹ 0.00/-).

**(d) Reconciliation of Benefit Obligation & Plan assets for the Period**
**Change in Defined Benefit Obligation**

Particulars	2013-2014 ₹
Opening Defined Benefit Obligation	-
Current Service Cost	-
Interest Cost	-
Actuarial Losses / (Gain )	-
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	-
<b>Closing Defined Benefit Obligation</b>	<b>664,758</b>

**Change in Fair Value of Assets**

Particulars	2013-2014 ₹
Opening Fair Value of Plan Assets	-
Expected Return on Plan Assets	-
Actuarial Gain / ( Losses )	-
Assets Distributed on Settlements	-
Contributions by Employer	-
Assets Acquired on Acquisition / ( Distributed on Divestiture	-
Exchange Difference on Foreign Plans	-
Benefits Paid	-
Sub Total	-
Amount no recognized as per asset (Limit para 59(b)	-
<b>Closing Fair Value of Plan Assets</b>	<b>657,283</b>
Expected Employer's Contribution Next Year	<b>300,000</b>

**(e) Actuarial Assumptions at the Valuation date**

Particulars	2013-2014
Discount Rate	8.80% p.a.
Expected Rate of Return on Plan Assets*	8.00% p.a.
Salary Escalation Rate	8.00% p.a.

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**

Particulars	2013-2014
Government of India Securities	0%
Corporate Bonds	0%
Special Deposit Scheme	0%
Insurer Managed Funds	100%
Others	0%
<b>Total</b>	<b>100%</b>

**(g) Experience Adjustments**

Particulars	2013-2014
	₹
Defined Benefit Obligation	664,758
Plan Assets	657,283
Surplus / (Deficit)	(7,475)
Exp. Adj. on Plan Liabilities	-
Exp. Adj. on Plan Assets	-

**(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	2013-2014
Discount Rate	8.80% p.a.
Salary Escalation Rate	8.00% p.a.

- (b) The break up of the Defined Benefit Obligation which equal to net liability assuming this liability is not externally funded between current and non- current is as follows:**

Particulars	2013-2014
	₹
Current liability	262,806
Non-current liability	782,906
<b>Total</b>	<b>1,045,712</b>

**24. Segment Reporting**

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	₹	₹
<b>Revenue by Segment</b>		
- Sea Division	414,858,175	114,079,557
- Air Division	43,155,626	65,196,398
	<b>458,013,802</b>	<b>179,275,954</b>

Particulars	As at 31 <sup>st</sup> March, 2014 ₹	As at 31 <sup>st</sup> March, 2013 ₹
Segment Results : Gross Profit		
- Sea Division	27,004,386	6,179,164
- Air Division	5,759,209	7,435,552
	<b>32,763,595</b>	13,614,715
Add: Other Income	2,042,726	303,070
Less: Administrative Expns	25,661,742	17,970,822
Less: Finance Cost	2,853,122	983,464
Less: Depreciation	436,560	314,212
Profit Before Exceptional Item and Taxation	<b>5,854,897</b>	(5,350,712)

## 25. Related Party Transactions (Refer Annexure 1)

## 26. Deferred Taxes

Particulars	2013-14	2012-13
Deferred Tax Asset on Unabsorbed P & L	-	-
Deferred Tax Asset for Difference in WDV of Assets	-	-
Deferred Tax Asset on Leave Salary	-	-
Recognised during the current year	-	-

27. 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.

## 28. Contingent Liabilities

Particulars	2013-2014 ₹
a) Claims against the Company not acknowledged as debts	1,452,667
b) Estimated amount against the Security Premium	12,600,000
c) Arrear of Preference Share Dividend For the period ( Oct'12 to March'14):	600,000

## 29. Prior Period Comparatives

Prior years figures have been reclassified /regrouped wherever necessary to confirm to the current year's

30. Figures have been rounded off to nearest rupees.

31. Notes 1 to 31 form an integral part of accounts and have been duly authenticated.

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 : 26<sup>th</sup> May, 2014

For and On behalf of the Board

**S. Ramakrishnan**      **V. Ramnarayan**  
Director                      Director

**RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR 2013-14**
**Annexure - I**

Particulars	Holding Company*	Other Related Party	Total as at 31.03.2014	Total as at 31.03.2013
<b>FORWARDING INCOME</b>				
Transworld Free Zone	-	12,024	12,024	-
Transworld Logistics Pvt Ltd	-		-	204,628
Transworld Shipping & Logistics Ltd	-	1,075,978	1,075,978	5,611,679
Transworld GLS (India) Pvt LTD	-	5,512,610	5,512,610	4,531,201
Albatrosss Shipping Limited	-	1,276,094	1,276,094	34,647
Transworld Logistics & Shipping Services INC	-	898,142	898,142	588,798
Shreyas Relay Systems LTD.	644,370	-	644,370	-
TLPL Shipping and Logistics Pvt Ltd.	-	-	-	79,462
Transworld Shipping Trading & Logistics	-	3,852,581	3,852,581	3,712,972
Transworld Shipping GMBH	-	6,108	6,108	-
Transworld Shipping Trading & Logistics	-	650,022	650,022	-
Transworld Shipping USA INC	-	1,714,458	1,714,458	-
Orient Express Ship Management Ltd	-	23,813	23,813	-
Transworld Shipping Trading And Logistics services LLC ( OMAN)	-	-	-	-
<b>FORWARDING EXPENSES</b>				
Transworld Shipping & Logistics Ltd	-	3,207,474	3,207,474	2,318,201
Albatrosss Shipping Limited	-	344,321	344,321	10,131
Shreyas Relay Systems Ltd.	37,121,050	-	37,121,050	5,701,850
Transworld GLS (India) Pvt Ltd	-	1,434,090	1,434,090	1,422,691
Transworld Shipping USA INC	-	4,160,919	4,160,919	-
TLPL Shipping and Logistics Pvt Ltd.	-	-	-	240,273
Transworld Saudia Arabia	-	-	-	56,914
Transworld Logistics & Shipping Services	-	58,887,460	58,887,460	46,693,218
<b>Rent paid</b>				
Sivaswamy Holdings Pvt. Ltd	-	49,260	49,260	242,847
<b>Others</b>				
Transworld Management Consultancy P.Ltd	-	59,959	59,959	63,432
Orient Express Ship Management Ltd	-	5,684	5,684	-
<b>Sale of Fixed assets</b>				
Shreyas Relay Systems Ltd.	193,546	-	193,546	-
<b>Share Application Money Received</b>	-	-	-	-
<b>Share Application Money Returnback</b>	-	-	-	-
<b>Redeemable Pref. shares allotted</b>	-	-	-	-
<b>Redeemable Pref. shares purchased</b>	-	-	-	-
<b>Preference dividend paid</b>	-	-	-	-
<b>Donation given</b>	-	-	-	-
<b>Outstanding Balance of Related Parties</b>	-	-	-	-
<b>Debit Balnce Due to Company</b>	-	-	-	-

**RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR 2013-14 (Contd.)**

Particulars	Holding Company*	Other Related Party	Total as at 31.03.2014	Total as at 31.03.2013
Transworld Shipping	-	21,990	21,990	-
Trident Trading P Ltd	-	5,000	5,000	-
Transworld Logistics & shipping Services	-	3,311,664	3,311,664	(27,381,899)
Transworld GLS India Limited	-	139,208	139,208	540,932
Transworld shipping GMBH	-	6,108	6,108	-
Transworld Shipping Trading & Logistics Services LLC	-	933,938	933,938	-
Orient express Line	-	19,674	19,674	-
<b>Credit Balance due from Company</b>			-	
Albatross Shipping Limited	-	20,169	20,169	-
Clarion Solution Ltd	-	991,906	991,906	-
Crescent Shipping Agency (I) Ltd.	-	812,749	812,749	-
Meridian Shipping Lines Pvt Ltd.	-	318,770	318,770	-
Transworld GLS (India) Pvt LTD	-	27,964	27,964	-
Orient Express Ship Management Limited	-	5,684	5,684	-
Relay Shipping Agency Ltd.	-	51,066	51,066	-
Sivaswamy Holdings Pvt Ltd	-	1,852,434	1,852,434	65
Shreyas Relay Systems LTD.	20,505,776	-	20,505,776	1,850,366
TLPL Shipping and Logistics Pvt Ltd.	-	12,478	12,478	-
Transworld Free Zone	-	9,231	9,231	9,232
Transworld Logistics INC	-	93,471	93,471	-
Transworld Logistics Limited	-	16,792	16,792	16,792
Transworld Management Cnsultancy Pvt Ltd	-	728,112	728,112	-
Transworld Shipping & Logistics	-	2,064,748	2,064,748	(340,757)
Transworld Shipping USA	-	2,446,461	2,446,461	-
TWSS - LUDHIANA	-	9,967	9,967	-

\* Names of related parties

Nature of relationship	Name of the related party
Holding company	Shreyas Shipping & Logistics Ltd
	(Till 30th September 2011)
	Shreyas Relay Systems Ltd.
Other related parties	(From 30th September 2011)
	Albatross shipping Ltd
	Meridian Shipping & Trdg LLC
	Relay Shipping Agency Ltd.
	Sivaswamy Holdings Pvt. Ltd
	Transworld Logistics Ltd
	Transworld Management Consultancy P.Ltd
	Transworld Shipping & Logistics Ltd
Transworld Shipping Trading & Logistics	







## SHREYAS SHIPPING AND LOGISTICS LIMITED

Corporate Identification No. (CIN)- L63000MH1988PLC048500  
 Registered Office: 4<sup>th</sup> Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai-400088  
 Phone: 00 91 22 6622 0300 Fax: 00 91 22 6622 0444  
 Webiste: www.transworld.com/shreyas Email: info@shreyas.co.in

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)  
 of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): .....

Registered address: .....

E-mail Id: .....

Folio No. / Client ID No.: ..... DP ID No. ....

I/We, being the member(s) of the .....Shares of Shreyas Shipping and Logistics Limited, hereby appoint

1. Name:.....Email-Id: .....

Address: .....  
 ..... Signature: .....or failing him

2. Name:.....Email-Id: .....

Address: .....  
 ..... Signature: .....or failing him

3. Name:.....Email-Id: .....

Address: .....  
 ..... Signature: .....or failing him

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26<sup>th</sup> Annual General meeting of the Company to be held at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R. C. Marg, Opp. Vijaya Bank, Chembur, Murnbai — 400 071 at 11.00 a.m on Tuesday, 12<sup>th</sup> August, 2014 and at any adjournment thereof in respect of such resolution as are indicated below:

I/ We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Sr. No	Particulars of Resolution	For	Against
1.	Adoption of Financial Statements and Reports thereon for the Year Ended 31 <sup>st</sup> March, 2014		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Mr. Sivaswamy Mahesh who retires by rotation		
4.	Re-appointment of Mr. Leonard Basil Culas who retires by rotation		
5.	Re-appointment of Mr. Ritesh S. Ramakrishnan who retires by rotation		
6.	Appointment of M/s. PKF Sridhar & Santhanam, Chartered Accountants, as the Statutory Auditors of the Company and fix their remuneration		
7.	Appointment of Capt. Man Mohan Saggi as Independent Director		
8.	Appointment of Mr. Sethumadhava Ragothaman as Independent Director		

Sr. No	Particulars of Resolution	For	Against
9.	Appointment of Mr. Daniel Trevelyn Joseph as Independent Director		
10.	Appointment of Mr. Amitabha Ghosh as Independent Director		
11.	Appointment of Mr. Mannil Venugopalan as Independent Director		
12.	Re-appointment of Mr. S. Ramakrishnan as Chairman & Managing Director of the Company for a period of five years		
13.	Re-appointment of Mr. V. Ramnarayan as Chairman & Managing Director of the Company for a period of five years		
14.	Approval of changes in the Articles of Association of the Company.		
15.	Appointment of Ms. Maya Sinha as Independent Director.		

Please  
Affix ₹ 1/-  
Revenue  
Stamp

Signed this ..... day of ..... 2014

Signature of Shareholder ..... Signature of Proxyholder(s) .....

- Notes:
1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai 400 088, not less than 48 (forty eight) hours before the commencement of the Meeting.
  2. A proxy need not be a member of the Company.



## FINANCIAL HIGHLIGHTS

(₹ in Lacs except where stated otherwise)

	2004-05*	2005-06*	2006-07*	2007-08*	2008-09*	2009-10*	2010-11*	2011-12*	2012-13*	2013-14*
Operating Earnings	9,683.74	14,136.35	17,911.46	29,011.57	28,730.67	15,398.73	19,038.73	27,077.51	38,889.12	48,731.06
Other Income	82.22	373.29	571.12	741.23	3,082.71	-394.06	256.92	153.26	209.16	162.19
Total Income	9,765.96	14,509.64	18,482.58	29,752.80	31,813.38	15,004.67	19,295.65	27,230.77	39,098.28	48,893.25
Operating Expenses	5,772.37	9,285.73	13,187.27	24,363.80	26,279.80	13,789.23	14,928.72	23,051.71	32,432.87	41,442.33
Administration & Other Expenses	462.22	527.06	838.16	1,766.84	2,234.65	1,018.21	1,066.41	1,605.51	2,290.07	2,718.35
PBIDT	3,567.37	4,696.85	4,457.15	3,621.99	3,298.93	197.23	3,300.52	2,573.55	4,375.34	4,732.57
Interest	85.44	193.12	485.81	1,335.53	1,028.60	459.51	675.39	547.51	950.63	1,161.64
PBDT	3,481.93	4,503.73	3,971.34	2,286.46	2,270.33	(262.28)	2,625.13	2,026.04	3,424.71	3,570.93
Depreciation	756.70	865.60	963.23	1,399.03	1,445.31	1,248.40	1,149.24	1,350.39	1,645.09	1,805.62
PBT	2,725.23	3,638.13	3,008.11	887.43	825.02	(1,510.68)	1,475.89	675.65	1,779.62	1,765.31
Tax	29.77	115.50	296.77	69.99	262.83	59.82	198.20	112.81	239.25	287.03
PAT (including prior year item)	3,573.68	3,522.63	3,119.15	645.52	558.61	(1,570.50)	1,277.69	562.84	1,540.37	1,478.29
Share Capital	3,282.42	3,495.75	3,495.75	3,495.75	3,105.75	2,995.75	2,995.75	2,195.75	2,195.75	2,195.75
Minority Interest		-	-	-	-	-	-	1,000.00	1,024.40	1,038.91
Reserves & Surplus	5,503.25	11,563.46	12,864.30	11,806.04	12,627.88	10,938.76	11,828.84	12,157.86	12,988.21	11,661.89
Net Worth	8,785.67	15,059.21	16,360.05	15,301.79	15,733.63	13,934.51	14,824.59	14,353.61	15,183.96	13,857.64
Non Current Laibilities	2,624.74	2,647.36	15,893.08	23,125.08	10,202.01	8,489.27	6,120.64	8,440.74	13,286.61	8,282.48
Fixed Assets (Net) (including Capital work-in-progress)	10,121.12	11,343.24	26,866.11	37,068.49	21,780.25	18,616.58	17,920.31	18,587.56	23,882.71	20,776.98
Other Non Current Assets	3.11	4,322.41	2,097.14	444.32	1,889.99	1,456.89	509.89	1,119.50	8.63	1,881.46
Net Current Assets	1,286.18	2,040.92	3,289.87	914.06	2,265.40	2,350.31	2,515.03	4,087.29	5,603.63	520.60
EPS (Annualised) (₹) (excluding exceptional items)	12.87	16.92	11.69	3.10	2.05	(7.69)	5.33	2.08	6.51	6.22
Debt Equity Ratio	0.30	0.18	0.97	1.51	0.65	0.61	0.41	0.59	0.88	0.87
Dividend Per Equity Share (₹)	2.00	2.20	2.20	2.00	-	-	1.10	0.50	0.60	0.60
Book Value per share (₹)	32.88	62.29	60.10	54.18	71.65	59.78	63.87	65.37	69.15	63.11
* Consolidated figures have been presented	11,410.41	17,706.57	32,253.13	38,426.87	25,935.64	22,423.78	20,945.23	23,794.35	29,494.97	23,179.03



# Shreyas

Shipping and Logistics LTD

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

## SHREYAS SHIPPING AND LOGISTICS LIMITED

Corporate Identification No. (CIN)- L63000MH1988PLC048500

Registered Office: 4<sup>th</sup> Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai-400 088

Phone: 00 91 22 6622 0300 Fax: 00 91 22 6622 0444

Website: www.transworld.com/shreyas Email: info@shreyas.co.in

### ANNEXURE TO NOTICE

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

“RESOLVED that pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013, Ms. Maya Swaminathan Sinha (DIN 03056226) who was appointed by the Board of Directors as an Additional Director under the provisions of Section 161 of the Companies Act, 2013 with effect from 3<sup>rd</sup> July, 2014 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 160 of the Companies Act, 2013, in writing, proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Ms. Maya Swaminathan Sinha was appointed as a Non- Executive Director of the Company with effect from 3<sup>rd</sup> July, 2014 by the Board of Directors. In accordance with the provisions of Section 161 of the Companies Act, 2013 (corresponding Section 160 of the Companies Act, 1956), an Additional Director holds office upto the date of the Annual General Meeting. The Company has received notice under section 160 of the Companies Act, 2013 from a member signifying the intention to propose the appointment of Ms. Maya Swaminathan Sinha as an Independent Director of the Company.

Ms. Maya Swaminathan Sinha age 54 years is Masters from Delhi School of Economics, Delhi University where she has specialized in Econometrics, Monetary finance, Public Economics from 1978-1980 and further from 1975-1978, she has done BA (Honours) in Economics and Mathematics from Lady Shri Ram College, Delhi University. From 1981-2003, she was a member of Indian Revenue Services (IRS-Income Tax) has worked in various capacities such as Assistant Commissioner, deputy Commissioner, Joint Commissioner, Additional Commissioner and Commissioner in metro cities of New Delhi, Mumbai and Chennai as well as non-metros like Nagpur. She had opportunity to function in New Delhi as well as Mumbai in prestigious investigation Directorate of Income Tax Department, involving conducting searches and in depth investigation in large tax evasion. From 2003-2006, she was a Financial Advisor and Commissioner of Khadi and Village Industries Commission (KVIC). From 2006-2010, she was Deputy Chairman of Jawaharlal Nehru Port Trust (JNPT), the largest container Port of India. Presently from 200 she is a Executive Director of Core Education and Technologies Ltd. (CETL).

In the opinion of the Board, Ms. Sinha fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for her appointment as an Independent Director of the Company and is independent of the Management.

Accordingly, the Board recommends the resolution in relation to the appointment of Ms. Sinha as an Independent Director for the approval of the Shareholders.

Except Ms. Sinha, being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution.

Details of Board and Committee memberships of Ms. Sinha required under Clause 49 of the Listing Agreement with the Stock Exchange are as follows:

Name of the companies/firm	Nature of Interest
Clear Maze Consulting Pvt. Ltd.	Director
Core Education and Technologies Ltd.	Executive Director

#### Committee Memberships:

Name of companies/firm	Name of Committee	Committee Position
NIL		

**By Order of the Board of Directors**

**Namrata Malushte**  
Company Secretary

Date: 3<sup>rd</sup> July, 2014