



Shreyas Shipping and Logistics LTD

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CIN: L63000MH1988PLC048500

Consolidated Financial Results for the Quarter and Year ended on 31st March, 2014

Part - 1

(₹ in Lacs)

Particulars	Consolidated Results				
	Quarter ended			Year ended	
	(UNAUDITED)			(AUDITED)	
	March-14	Dec-13	March-13	March-14	March-13
1) Income from Operations					
a) Net sales / Income from Operations	12,307.28	11,175.50	9,972.29	44,125.11	36,507.66
b) Other Operating Income	5.87	9.36	12.86	32.25	44.85
c) Duty Credit Entitlement	-	-	359.15	-	359.15
d) Freight forwarding	1,093.34	627.74	765.96	4,573.69	1,977.46
Total	13,406.49	11,812.60	11,110.26	48,731.05	38,889.12
2) Expenditure					
a) Employees benefits expense	907.58	1,003.12	927.93	3,780.20	3,277.35
b) Fuel consumption	3,221.75	3,397.71	2,287.42	11,762.75	9,312.04
c) Port & marine dues	2,438.60	2,165.95	1,688.81	8,432.69	5,919.29
d) Stores & spares	191.06	274.08	173.53	953.54	824.45
e) Dry Dock expenditure	124.35	128.67	62.13	486.43	188.04
f) Ocean freight charges	801.69	783.61	71.75	2,560.48	699.74
g) Transportation expenses	1,459.82	1,809.93	2,522.89	7,153.58	9,060.29
h) Freight forwarding	736.31	535.78	732.07	3,881.29	1,828.11
i) Depreciation	354.75	451.84	443.83	1,805.62	1,645.09
j) Other Expenses	1,654.95	1,214.67	1,153.76	5,149.70	3,613.63
Total	11,890.86	11,765.36	10,064.12	45,966.28	36,368.03
3) Profit from operations before other income, finance costs & exceptional items (1-2)	1,515.63	47.24	1,046.14	2,764.77	2,521.09
4) Other income					
a) Net exchange rate fluctuation - Gain/(Loss)	(25.62)	(31.79)	(3.67)	-	108.44
b) Miscellaneous income	65.16	52.73	(16.92)	162.19	100.72
c) Dividend income from Subsidiary	-	-	-	-	-
Total	39.54	20.94	(20.59)	162.19	209.16
5) Profit from ordinary activities before finance costs & exceptional items (3+4)	1,555.17	68.18	1,025.55	2,926.96	2,730.25
6) Finance costs	274.88	306.90	215.12	1,161.64	950.63
7) Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1,280.29	(238.72)	810.43	1,765.32	1,779.62
8) Exceptional Items	1,909.91	-	-	1,909.91	-
9) Profit/(Loss) from ordinary activities before tax (7-8)	(629.62)	(238.72)	810.43	(144.59)	1,779.62
10) Tax expense	171.64	52.42	82.98	287.03	239.25
11) Net Profit/(Loss) for the period (9-10)	(801.26)	(291.14)	727.45	(431.62)	1,540.37
12) Minority Interest (Refer Note 12)	28.63	-	13.28	28.63	-
13) Net Profit/(Loss) after taxes and minority interest (11-12)	(829.88)	(291.14)	714.17	(460.25)	1,540.37
14) Paid up Share Capital					
- Equity Share Capital (Face value of ₹10/- each)	2,195.75	2,195.75	2,195.75	2,195.75	2,195.75
15) Reserves excluding Revaluation Reserves as per last Audited balance sheet	-	-	-	11,661.90	12,988.22
16) Earnings Per Share (EPS) of ₹ 10/- each (not annualised)					
- Basic (Net of Tax)	(3.91)	(1.46)	2.87	(2.61)	6.51
- Diluted (Net of Tax)	(3.91)	(1.46)	2.87	(2.61)	6.51

Part - II

A. PARTICULARS OF SHAREHOLDING

Particulars	3 months ended on 31.03.2014				
17) Public Shareholding					
- Number of Shares	5,864,438	5,864,438	5,864,438	5,864,438	5,864,438
- Percentage of Shareholding	26.71%	26.71%	26.71%	26.71%	26.71%
A) Promoters and promoter group Shareholding					
1) Pledged/Encumbered					
- Number of Shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
2) Non-encumbered					
- Number of Shares	16,093,095	16,093,095	16,093,095	16,093,095	16,093,095
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	73.29%	73.29%	73.29%	73.29%	73.29%

Particulars	3 months ended on 31.03.2014	
B. INVESTOR COMPLAINTS		
Pending at the beginning of the quarter		Nil
Received during the quarter		6
Disposed during the quarter		6
Remaining unsolved at the end of the quarter		Nil

NOTES :-

- The above results were reviewed by the Audit Committee and approved by the Board at its Meeting held on 26th May, 2014. The financial results for the year have been audited by the Statutory Auditors as required under clause 41 of the Listing Agreement.
- The following companies have been considered for the purpose of preparing Consolidated Financial Statements as per Accounting Standard 21 on Consolidated Financial Statements.

Name of the Company	Equity Ownership %
a) Shreyas Relay Systems Ltd.	100%
b) SRS Freight Management Limited (formerly known as Haytrans (India) Ltd., Subsidiary of Shreyas Relay Systems Ltd.)	51.10%
- The Board of Directors has recommended, subject to approval of shareholders, dividend for financial year ended 31st March, 2014, of ₹ 0.60 per equity share (6%) on 2,19,57,533 Equity Shares of ₹10/- each.
- BSE has vide its letter dated 12th 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 13th 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 11th May, 2014. The company met SEBI officials on 10th April, 2014 and explained its stand clearly to them. Further the company has written on 21st April, 2014 to SEBI, which was also followed up by further letters dated 08th May, 2014 & 09th 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.
- 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 31st March, 2014 (to the extent carried forward), and the entire expenses should have been charged off to statement of Profit and Loss in the respective quarter itself. However, in the opinion of the Board, the Company's accounting treatment reflects the profit for the quarter/year more correctly. Further, the capitalisation of dry-dock expenditure (major inspection / overhaul expenditure) is permitted by the draft new accounting standard on 'tangible fixed asset' under consideration by the ICAI (para 15 of draft AS 10 (revised)).
- The Company has exercised the option provided by the Government notification dated 29th December, 2011, in furtherance to the earlier Government Notification dated 31st March, 2009, under Accounting Standard 11 to capitalise/adjust the foreign exchange differences arising on reporting of long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets. Ministry of Corporate Affairs has clarified that borrowing costs as defined in Para 4(e) of Accounting Standard 16 (borrowing costs) need not be excluded for such capitalisation under Accounting Standard 11 notification w.e.f. 1st April, 2011. This has vindicated the Company's stand on the issue but only from 1st April, 2011. If the capitalisation had been done after adjusting the borrowing cost, depreciation for the quarter would have been less to the extent of ₹2.94 Lacs, ₹3.01 Lacs for previous quarter, ₹11.94 Lacs for the year ended 31st March, 2014, ₹11.94 Lacs for the year ended 31st 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 31st March, 2011). The Company does not agree with this interpretation of ICAI of the notification.
- Segment Reporting (Refer Annexure 1).
- As per the Company's accounting policy, the notional loss amounting to ₹1,157.97 Lacs as on 31st March, 2014, on fair valuation of cross currency swap has been taken to the Hedging Reserve account.

- Exceptional Items for three months period ended on 31st March, 2014 and year ended on 31st March, 2014 include provision for impairment on ship sold subsequently at a loss of ₹1,909.91 Lacs.
- Previous year / period figures have been regrouped / recast, wherever necessary.
- Standalone Results of Shreyas Shipping & Logistics Limited is as under :

Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
	March-14	Dec-13	March-13	March-14	March-13
Net sales / Income from Operations	7,245.89	6,245.45	5,727.63	24,816.26	20,431.97
Profit Before Tax	944.99	(342.21)	701.66	1,195.76	1,327.98
Profit/(Loss) After Tax	(90.86)	(377.59)	652.17	(810.76)	1,262.98

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

Annexure 1 - Segment Reporting

(₹ in Lacs)

Particulars	Consolidated Results				
	Quarter ended			Year ended	
	(UNAUDITED)			(AUDITED)	
	March-14	Dec-13	March-13	March-14	March-13
a) Segmentwise Revenue and Results					
Revenue by Segment					
Shipping	138.42	353.03	262.83	1,072.93	636.72
Logistics	15,251.81	13,353.98	12,550.51	54,654.26	46,115.96
Freight Forwarding	1,099.80	627.75	765.96	4,580.14	1,977.46
Others	5.87	9.36	372.02	32.25	404.01
Total	16,495.90	14,344.12	13,951.32	60,339.58	49,134.15
Less: Intersegment Revenue	3,089.41	2,531.52	2,841.06	11,608.53	10,245.03
Total Revenue	13,406.49	11,812.60	11,110.26	48,731.05	38,889.12
Segment Results					
Shipping	54.33	10.78	(653.20)	(86.77)	(771.47)
Logistics	1,723.81	(132.57)	1,290.80	2,755.85	2,932.95
Freight Forwarding	(267.71)	170.35	33.88	67.66	(44.27)
Others	5.20	(1.32)	374.66	28.03	403.88
Total	1,515.63	47.24	1,046.14	2,764.77	2,521.09
Add: Other Income	39.54	20.94	(20.59)	162.19	209.16
Less: i) Interest & Finance Charges	274.88	306.90	215.12	1,161.64	950.63
ii) Unallocated Expenditure	-	-	-	-	-
Profit before Tax, Prior Period, Exceptional & Extra Ordinary Items	1,280.29	(238.72)	810.43	1,765.32	1,779.62
Depreciation					
Shipping	(16.93)	90.79	125.89	307.30	213.27
Logistics	366.58	355.81	309.56	1,478.12	1,415.59
Freight Forwarding	1.28	1.25	(0.88)	4.37	3.14
Unallocated	3.82	3.99	9.26	15.83	13.09
Total	354.75	451.84	443.83	1,805.62	1,645.09
b) Geographical Segment (based on location of customers)					
	March-14	Dec-13	March-13	March-14	March-13
In India	10,797.70	8,745.09	6,528.18	38,188.80	31,699.03
In Pakistan	192.89	79.01	194.05	460.26	407.56
Rest of the World	2,415.90	2,988.50	4,388.03	10,081.99	6,782.53
Total	13,406.49	11,812.60	11,110.26	48,731.05	38,889.12

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

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

Consolidated Statement of Assets and Liabilities

(₹ in Lacs)

Particulars	As at 31.03.2014 Audited	As at 31.03.2013 Audited
I. EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	2,195.75	2,195.75
Reserves & Surplus	11,661.90	12,988.22
Minority Interest	1,038.92	1,024.40
Non-Current Liabilities		
Long-term borrowings	6,826.21	8,803.28
Deferred tax liabilities (Net)	204.73	196.77
Long-term provisions	1,251.53	641.02
Current Liabilities		
Short-term borrowings	2,923.47	2,482.28
Trade payables	3,233.34	2,891.69
Other current liabilities	3,541.51	2,603.17
Short-term provisions	302.14	290.60
Total	33,179.50	34,117.18
II ASSETS		
Non-Current Assets		
Fixed Assets		
(i) Tangible Assets	20,776.70	23,882.23
(ii) Intangible Assets	0.28	0.47
Non-Current Investments	1.50	1.50
Other non-current assets	1,879.96	1,312.67
Current Assets		
Current investments	258.19	7.13
Inventories	847.08	775.45
Trade receivables	5,438.49	5,079.10
Cash and cash equivalents	1,775.01	925.08
Short-term loans and advances	233.09	556.69
Other current assets	1,969.20	1,576.86
Total	33,179.50	34,117.18

For Shreyas Shipping and Logistics Limited

S. Ramkrishnan
Chairman & Managing Director

Place: Mumbai
Date: 26th May, 2014