

**INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of SULOG TRANSSHIPMENT SERVICES LIMITED**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **SULOG TRANSSHIPMENT SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

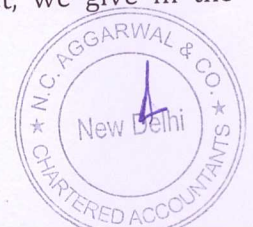
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the



**Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and 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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 'B'**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

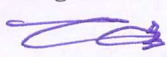
i. The Company does not have any pending litigations as on March 31, 2019;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(h) The managerial remuneration for the year ended 31st March, 2019 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

**For N.C. Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 003273N

  
**G. K. Aggarwal**  
Partner  
M. No. 086622  
Date: 20<sup>th</sup> May, 2019  
Place: New Delhi



**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **SULOG TRANSSHIPMENT SERVICES LIMITED** on the accounts for the year ended 31<sup>st</sup> March, 2019)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programmed of verification once in two years adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.  
  
(c) The Company does not own any immovable property. Hence, para 1(c) of the order for reporting on title deed of immovable property held in name of the Company is not applicable.
2. The company does not have inventory. Accordingly, the provision of clause 3(ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the company and hence not commented upon.
4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. To the best of our knowledge and as explained, the maintenance of cost records as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) Undisputed statutory dues including provident fund, employee' state insurance, income tax, duty of customs, Goods & Services Tax, cess and other statutory dues, as applicable have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there are no material dues in respect of income tax and Goods & Services Tax which have not been deposited with the appropriate authorities on account of any dispute. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. wealth tax, duty of customs as mentioned in para (vii) (b) of the Order.



8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken loans or borrowing from financial institution, bank, government or issued any debentures. Accordingly, the provisions of clause 3(viii) of the order are not applicable to the company.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards. However, the provisions of Section 177 of the companies act are not applicable on the company.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For N.C. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 003273N



G.K. Aggarwal  
Partner  
Membership No. 086622  
Date: 20<sup>th</sup> May, 2019  
Place: New Delhi



**ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

Annexure referred to in our report of even date to the members of **SULOG TRANSSHIPMENT SERVICES LIMITED** on the accounts for the year ended 31<sup>st</sup> March, 2019

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SULOG TRANSSHIPMENT SERVICES LIMITED** ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

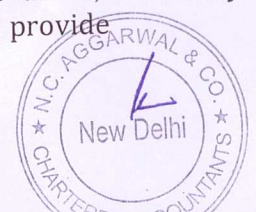
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide



reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

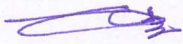
**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For N.C. Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 003273N



**G. K. Aggarwal**

Partner

M. No. 086622

Date: 20<sup>th</sup> May, 2019

Place: New Delhi



**SULOG TRANSSHIPMENT SERVICES LIMITED****Balance Sheet as at 31st March, 2019**

CIN NO.U61200UP2011FLC089538

(Amount in Rs.)

	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I.</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	1	1,28,12,69,102	1,35,67,88,794
	(b) Financial Assets			
	(i) Other Financial Assets	2	1,44,000	1,44,000
			<b>1,28,14,13,102</b>	<b>1,35,69,32,794</b>
(2)	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Trade receivables	3	-	17,30,064
	(ii) Cash and Cash Equivalents	4	59,581	1,25,955
	(b) Other current assets	5	36,09,681	33,24,931
			<b>36,69,262</b>	<b>51,80,950</b>
	<b>TOTAL ASSETS</b>		<b>1,28,50,82,364</b>	<b>1,36,21,13,743</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
(1)	(a) Equity Share capital	6A	26,90,05,710	26,90,05,710
	(b) Other Equity	6B	31,18,38,383	43,03,17,015
			<b>58,08,44,093</b>	<b>69,93,22,725</b>
	<b>LIABILITIES</b>			
(2)	<b>Non-current liabilities</b>			
	(a) Provisions	7	68,979	68,979
			<b>68,979</b>	<b>68,979</b>
(3)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	8	47,54,40,065	44,80,75,618
	(ii) Trade payables	9		
	a) Dues to Micro and Small enterprises		-	-
	b) Dues to other than Micro and Small enterprises		16,08,48,660	15,24,18,321
	(iii) Other financial liabilities	10	6,70,00,000	6,00,00,000
	(b) Other current liabilities	11	8,80,567	22,28,100
			<b>70,41,69,293</b>	<b>66,27,22,040</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,28,50,82,364</b>	<b>1,36,21,13,744</b>

**Significant accounting policies and notes to the**

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As per our report of even date attached

**For N.C. AGGARWAL & CO.**

Chartered Accountants

Firm Registration No. 003273N

**G.K. Aggarwal**

Partner

M.No.086622



Place: New Delhi

Dated: 20th May, 2019

**For and on behalf of the Board of Directors of  
SULOG TRANSSHIPMENT SERVICES LIMITED****Sunil Kumar Trehan**

Director

DIN - 00700888

**Manish Mishra**

Director

DIN - 07904746

**Rakesh Kumar Mandora**

Chief Financial Officer

M.No. 502742

**Amit Kumar**

Company Secretary

M. No. 22003

**SULOG TRANSSHIPMENT SERVICES LIMITED****Statement of Profit and Loss for the year ended 31st March, 2019****(Amount in Rs.)**

	Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I	<b>Revenue From Operations</b>			
	Other Income	12	8,24,655	-
	<b>Total Revenue (I)</b>		<b>8,24,655</b>	-
II	<b>EXPENSES</b>			
	Employee benefits expenses	13	12,96,978	15,62,808
	Finance costs	14	58,626	1,35,640
	Depreciation	15	7,55,27,691	7,55,25,205
	Other expenses	16	4,24,19,991	72,62,967
	<b>Total expenses (II)</b>		<b>11,93,03,286</b>	<b>8,44,86,620</b>
III	Profit/(loss) before tax (I-II)		(11,84,78,632)	(8,44,86,620)
IV	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	<b>Total Tax expense(IV)</b>		<b>-</b>	<b>-</b>
V	Profit (Loss) for the year(III-IV)		(11,84,78,632)	(8,44,86,620)
VI	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss			
	Remeasurement gain(losses) on defined benefit plan		-	-
	Income tax effect on above		-	-
	<b>Total Other Comprehensive income</b>		<b>-</b>	<b>-</b>
VII	Total Comprehensive income for the year(V+VI) (Comprising profit and Other Comprehensive Income for the year)		(11,84,78,632)	(8,44,86,620)
VIII	Earnings per equity share of face value of Rs. 10/- each			
	(1)Basic		(4.40)	(3.14)
	(2)Diluted		(4.40)	(3.14)

**Significant accounting policies and notes to the financial statements**

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As per our report of even date attached

**For N.C. AGGARWAL & CO.**

Chartered Accountants

Firm Registration No. 003273N

**G.K. Aggarwal**

Partner

M.No.086622

Place: New Delhi

Dated: 20th May, 2019



For and on behalf of the Board Of Directors of  
SULOG TRANSSHIPMENT SERVICES LIMITED

**Sunil Kumar Trehan**

Director

DIN - 00700888

**Manish Mishra**

Director

DIN - 07904746

**Rakesh Kumar Mandora**

Chief Financial Officer

M.No. 502742

**Amit Kumar**

Company Secretary


M. No. 22003

**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2019**

(Amount in Rs.)

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>A.</b>	<b>Cash flow from operating activities:</b>		
	Net profit before tax, extraordinary items and prior period adjustments	(11,84,78,632)	(8,44,86,620)
	Adjustments for:		
	Depreciation and amortization	7,55,27,691	7,55,25,205
	Interest expenses/Finance cost	58,626	1,35,640
	Tonnage Tax	10,83,260	10,39,130
	Unrealised Foreign Exchange Fluctuation	3,66,46,723	29,92,508
		<b>11,33,16,301</b>	<b>7,96,92,483</b>
	<b>Operating profit before change in working capital</b>	<b>(51,62,330)</b>	<b>(47,94,137)</b>
	<b>Adjustments for:</b>		
	<b>Increase/(decrease) in working capital</b>		
	Trade and other receivables	17,30,064	-
	Loans and advances	(2,84,750)	33,91,474
	Trade and Other payables	48,00,528	21,61,956
		<b>62,45,842</b>	<b>55,53,430</b>
	<b>Cash earned from operations</b>		
	Direct tax paid	(10,83,260)	(10,39,130)
	Net cash from operating activities	251	(2,79,837)
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets	(8,000)	-
	Net cash from investing activities	<b>(8,000)</b>	-
<b>C.</b>	<b>Cash flow from financing activities:</b>		
	Interest payment	(58,626)	(1,35,640)
	Long term loans and advances		
	<b>Net cash from financing activities</b>	<b>(58,626)</b>	<b>(1,35,640)</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(66,375)</b>	<b>(4,15,476)</b>
	<b>Cash &amp; Cash bank balance at the beginning of the year</b>	<b>1,25,955</b>	<b>5,41,431</b>
	<b>Cash &amp; Cash bank balance at the end of the year</b>	<b>59,581</b>	<b>1,25,955</b>

As per our report of even date attached hereto.  
 For N.C. AGGARWAL & CO.  
 Chartered Accountants  
 Firm Registration No. 003273N

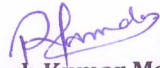
  
**G.K. Aggarwal**  
 Partner  
 M.No.086622

Place: New Delhi  
 Dated: 20th May, 2019

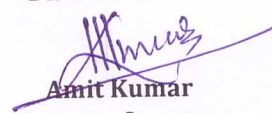


For and on behalf of the Board of Directors of  
 SULOG TRANSSHIPMENT SERVICES LIMITED

  
**Sunil Kumar Trehan**  
 Director  
 DIN - 00700888

  
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 Chief Financial Officer  
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 Company Secretary  
 M. No. 22003

**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**Statement of Changes in Equity for the year ended 31st March, 2019**

		(Amount in Rs.)		(Amount in Rs.)
		Changes in equity share capital during the year	Balance at the end of the 31st March, 2019	
<b>A. Equity Share Capital</b>				
	Balance as at 1st April, 2018	26,90,05,710	-	
<b>B. Other Equity</b>				
Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	Securities Premium	Retained Earnings		
Balance as at April 1, 2017	-	51,48,03,634	-	51,48,03,634
Loss for the year 2017-18	-	(8,44,86,620)	-	(8,44,86,620)
Balance as at March 31, 2018	-	43,03,17,015	-	43,03,17,015
Loss for the year 2018-19	-	(11,84,78,632)	-	(11,84,78,632)
Balance as at 31st Mar- 2019	-	31,18,38,383	-	31,18,38,383

**Significant Accounting Policies and Notes to Financial Statements**

**For N.C. AGGARWAL & CO.**

Chartered Accountants  
 Firm Registration No. 003273N



**G.K. Aggarwal**  
 Partner  
 M.No.086622

Place: New Delhi  
 Dated: 20th May, 2019

For and on behalf of the Board of Directors of  
**SULOG TRANSSHIPMENT SERVICES LIMITED**

**Sunil Kumar Trehan**  
 Director  
 DIN - 00700888

**Manish Mishra**  
 Director  
 DIN - 07904746

**Rakesh Kumar Mandora**  
 Chief Financial Officer  
 M.No. 502742

**Amit Kumar**  
 Company Secretary  
 M. No. 22003

**SULOG TRANSSHIPMENT SERVICES LIMITED**

**Notes forming part of Balance sheet**

**Property, Plant and Equipment (Note-1)**

(Amount in Rs.)

Particulars	Plant and Equipment	Vessels	Vehicle	Office Equipment	Total
<b>Gross Block</b>					
<b>As of April 1, 2017</b>	27,47,367	1,57,78,88,149	6,81,610	-	1,58,13,17,126
Additions	-	-	-	-	-
Disposal/Adjustments	-	-	-	-	-
<b>As of March 31, 2018</b>	27,47,367	1,57,78,88,149	6,81,610	-	1,58,13,17,126
Additions	-	-	-	8,000	8,000
Disposal/Adjustments	-	-	-	-	-
<b>As of March 31, 2019</b>	27,47,367	1,57,78,88,149	6,81,610	8,000	1,58,13,25,126
<b>Accumulated Depreciation</b>					
<b>As of April 1, 2017</b>	8,97,034	14,78,52,092	2,54,001	-	14,90,03,127
Charge for the year	4,48,517	7,49,49,687	1,27,001	-	7,55,25,205
Disposal/Adjustments	-	-	-	-	-
<b>As of March 31, 2018</b>	13,45,551	22,28,01,779	3,81,001	-	22,45,28,332
Charge for the period	4,48,517	7,49,49,687	1,27,001	2,487	7,55,27,692
Disposal/Adjustments	-	-	-	-	-
<b>As of March 31, 2019</b>	17,94,068	29,77,51,466	5,08,002	2,487	30,00,56,024
<b>Net carrying amount</b>					
As of March 31, 2018	14,01,816	1,35,50,86,370	3,00,608	-	1,35,67,88,794
As of March 31, 2019	9,53,299	1,28,01,36,683	1,73,608	5,513	1,28,12,69,102



# **SULOG TRANSSHIPMENT SERVICES LIMITED**

## **Notes forming part of Balance sheet**

(Amount in Rs.)

DESCRIPTION	As at 31st March, 2019	As at 31st March, 2018
<b>2 <u>Other Non Current Financial Assets</u></b>		
Unsecured, Considered good		
Security Deposits	1,44,000	1,44,000
<b>Total Other Non Current Financial Assets</b>	<b>1,44,000</b>	<b>1,44,000</b>
<b>3 <u>Trade Receivables</u></b>		
Secured, Considered good	-	-
Unsecured, Considered good	-	17,30,064
Trade Receivables which have significant increase in Credit Risk	17,30,064	-
Trade Receivables - Credit impaired	(17,30,064)	-
<b>Total Trade Receivables</b>	<b>-</b>	<b>17,30,064</b>
<b>4 <u>Cash and Cash Equivalents</u></b>		
<b>Balances with Banks</b>		
In Current Accounts	57,214	1,22,066
<b>Cash on Hand</b>	<b>2,367</b>	<b>3,889</b>
<b>Total Cash and Cash Equivalents</b>	<b>59,581</b>	<b>1,25,955</b>
<b>5 <u>Other Current Assets</u></b>		
Other Receivable	28,95,171	24,30,132
Prepaid Expenses	2,41,194	-
Advance to vendors	-	-
Tonnage Taxation (Net)	4,73,316	8,94,799
<b>Total Other Current Assets</b>	<b>36,09,681</b>	<b>33,24,931</b>
<b>6A <u>SHARE CAPITAL</u></b>		
(a) <b><u>AUTHORISED SHARE CAPITAL</u></b>		
27,000,000 Equity Shares of 10/-each	27,00,00,000	27,00,00,000
	<b>27,00,00,000</b>	<b>27,00,00,000</b>
(b) <b><u>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</u></b>		
<b>Equity shares (fully paid up)</b>		
26,900,571 (Previous year 26,900,571) Equity Shares of 10/-each fully paid up	26,90,05,710	26,90,05,710
	<b>26,90,05,710</b>	<b>26,90,05,710</b>
(c) <b><u>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR</u></b>		
<b>Equity Shares</b>		
Shares outstanding at the beginning of the year	2,69,00,571	2,69,00,571
<b>Shares outstanding at the end of the year</b>	<b>2,69,00,571</b>	<b>2,69,00,571</b>
(d) <b><u>SHARE OF THE COMPANY HELD BY HOLDING COMPANY:-</u></b>		
Jindal ITF Limited*	2,69,00,571	2,69,00,571
* - Including 6 shares held by persons as nominee of Jindal ITF Limited		
(e) <b><u>SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:</u></b>		
<b>Name of the Shareholder</b>	<b>No. of Shares Held</b>	
Jindal ITF Limited	2,69,00,571	2,69,00,571
% of Holding	100%	100%



**SULOG TRANSSHIPMENT SERVICES LIMITED****Notes forming part of Balance sheet**

(Amount in Rs.)

DESCRIPTION	As at 31st March, 2019	As at 31st March, 2018
(f) <b>Terms/Rights attached to Equity Shares</b>		
The Company has only one class of equity shares having a par value of Rs.10/- per equity share. Each equity shareholder is entitled to one vote per share.		
<b>6B OTHER EQUITY</b>		
<b>Retained earnings</b>		
Opening Balance	43,03,17,015	51,48,03,634
Add: Net profit/(loss) during the year	(11,84,78,632)	(8,44,86,620)
<b>Closing Balance</b>	<b>31,18,38,383</b>	<b>43,03,17,015</b>
<b>Total Other Equity</b>	<b>31,18,38,383</b>	<b>43,03,17,015</b>
<b>7 NON CURRENT PROVISIONS</b>		
For Employee Benefits		
Gratuity	16,979	16,979
Leave Encashment	52,000	52,000
<b>Total Non current Provisions</b>	<b>68,979</b>	<b>68,979</b>
<b>8 CURRENT BORROWINGS</b>		
<b>Loan repayable on Demand</b>		
<b>Unsecured</b>		
Mariac Leasing Services B.V	47,54,40,065	44,80,75,618
<b>Total Current Borrowings</b>	<b>47,54,40,065</b>	<b>44,80,75,618</b>
<b>Total Short Term Borrowings</b>	<b>47,54,40,065</b>	<b>44,80,75,618</b>
<b>Note 1</b>		
The company is availing secured seller's credit facility from foreign supplier i.e. Mariac Leasing Services B.V for purchase of vessel M.V Vighnharta ("the Vessel")		
<b>9 Trade Payables</b>		
Dues to Micro and Small enterprises*	-	-
Dues to other than Micro and Small enterprises	16,08,48,660	15,24,18,321
<b>Total Trade Payables</b>	<b>16,08,48,660</b>	<b>15,24,18,321</b>
*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March 2019. This information as required to be disclosed under 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 available with the Company.		
<b>10 Other Current Financial Liabilities</b>		
Security deposits*	6,70,00,000	6,00,00,000
<b>Total other current Financial Liabilities</b>	<b>6,70,00,000</b>	<b>6,00,00,000</b>
*From related party (refer note no 10 of notes to accounts)		
<b>11 OTHER CURRENT LIABILITIES</b>		
Advance from customer	3,00,000	3,00,000
Other payable	5,56,973	18,97,458
Statutory Dues	23,594	30,642
<b>Total Other Current Liabilities</b>	<b>8,80,567</b>	<b>22,28,100</b>



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**Notes forming part of Statement of Profit and Loss**

DESCRIPTION	(Amount in Rs.)	
	For the Year ended 31st March 2019	For the Year ended 31st March 2018
<b>12 Other Income</b>		
Liability no Longer Required	5,80,828	-
Interest on Income Tax Refunds	1,30,928	-
Excess Provision Written Back	1,12,899	-
<b>Total Operational Expenses</b>	<b>8,24,655</b>	<b>-</b>
<b>13 Employee Benefits Expense</b>		
Salaries and Wages	12,25,940	14,13,021
Contribution to provident and other funds	66,644	1,21,859
Staff Welfare Expenses	4,394	27,928
<b>Total Employee Benefits Expense</b>	<b>12,96,978</b>	<b>15,62,808</b>
<b>14 Finance Costs</b>		
Bank Charges	1,263	6,568
Other Interest	57,363	1,29,072
<b>Total Finance Costs</b>	<b>58,626</b>	<b>1,35,640</b>
<b>15 Depreciation</b>		
Depreciation	7,55,27,691	7,55,25,205
<b>Total Depreciation</b>	<b>7,55,27,691</b>	<b>7,55,25,205</b>
<b>16 Other Expenses</b>		
Communication Expenses	15,506	29,998
Conveyance and Travelling	96,971	1,77,168
Directors Meeting Fee	-	60,600
Insurance Expenses	26,28,581	1,43,853
Legal and professional Expenses	40,750	48,067
Payment to Auditors	1,00,000	1,00,000
Printing and Stationery	-	3,908
Postage and Courier	670	1,530
Rates and Taxes	77,466	20,245
Tonnage Tax	10,83,260	10,39,130
Sundry Balances Written Off	-	26,45,961
Provision for Doubtful debtors	17,30,064	-
Net foreign currency (gain)/ Loss- Operating expenses	3,66,46,723	29,92,508
<b>Total Other Expenses</b>	<b>4,24,19,991</b>	<b>72,62,967</b>



## **1. Corporate and General Information**

Sulog Transshipment Services Limited is a Company incorporated on 10<sup>th</sup> June, 2011 with the main object to carry on the business of international surface and sea transport agents and cargo booking agents, third party logistics and to facilitate and provide transportation of cargo whether in India or abroad and to act as shippers, shipbrokers, agents, loading breakers and to provide consultancy and infrastructure for port and marine including coastal, ocean going and coastal transport.

To provide transport management logistics and solutions for marine and non-marine segments of transport companies.

To carry on the business as a ship owner and ship management including ship crewing, commercial ship management, technical management, chartering, sale and purchase of ships and offshore vessels, inspections and marine consultancy.

## **2. Basis of preparation**

The financial statements provide comparative information in respect to the previous year. In addition, the company presents additional statement of Balance Sheet as at the beginning of the previous year, which is the transition date to IND AS.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 4 on critical accounting estimates, assumptions and judgements).

## **3.0 Significant Accounting Policies**

### **3.1 Basis of Measurement**

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except borrowings carried at amortised cost,

### **3.2 Property, Plant and Equipment**

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates which is different from one specified in Schedule II to the Companies Act, 2013. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life. Changes in the expected useful life of assets are treated as change in accounting estimates. Freehold land is not depreciated. Estimated useful lives of the assets are as follows:

Category of Assets	Years
- Vessel	20
- Plant and Machinery	15
- Vehicles	8 - 10

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

### 3.3 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### 3.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents include, outstanding bank overdrafts shown within the borrowings in current liabilities in the Balance Sheet and which are considered integral part of the Company's cash management.

### 3.5 Inventories

Inventories of fuel oil and stores and spares are carried at cost or net realisable value whichever is lower. Cost is determined on first in first out basis.



## SULOG TRANSSHIPMENT SERVICES LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)

#### 3.6 Employee benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

The Company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by a trust. The trust has taken policies from an insurance company. These benefits are partially funded.

#### 3.7 Foreign currency reinstatement and translation

(a) *Functional and presentation currency*

These financial statements have been presented in Indian Rupees which is the Company's functional and presentation currency.

(b) *Transactions and balances*

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

#### 3.8 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



**a. Financial Assets**

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

**Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

**Investment in equity shares**

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

**a) Financial Liabilities**

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is depended on initial categorisation. These categories and their classification are as below:

**i. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.



**ii. Financial liabilities measured at amortized cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

*Trade and other payables*

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**3.9 Equity share capital**

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

**3.10 Taxation**

The Company has opted to pay direct taxes as per Tonnage Tax Scheme.

There is no timing difference and therefore no Deferred Tax Asset/Liability is created.

**3.11 Revenue recognition and other operating income**

***Sale of goods***

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty and excise duty is presented separately to present revenue net of excise duty.

Freight and demurrage earnings are recognized on completed voyage basis/ upon loading/unloading of the Vessel depending upon the risk and rewards transferred. Time Charter earning are recognized on accrual basis except where the charter party agreements have not been renewed/ finalized, in which case it is recognized on provisional bases.



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

**Other Income**

**Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**3.12 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

**3.13 Provisions and contingencies**

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

**i). Gratuity and leave encashment provision**

Refer Note no 3.6 for provision relating to gratuity and leave encashment.

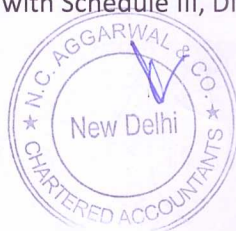
**Contingencies**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**3.14 Current versus non-current classification**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **3.15 Recent accounting pronouncements**

Standards issued but not yet effective

#### **Ind AS 116 – Leases**

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased term) and a financial liability to pay rentals for virtually all leases contracts. An optional exemption exists for short-term and low-value assets.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **4. Critical accounting estimates, assumptions and judgements**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

*(a) Property, plant and equipment*

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

On transition to IND AS, the Company has adopted exception for fair valuation of property, plant and equipment, impact of fair valuation is provided in Note no 12, subsequent to fair valuation depreciation has been charged on fair valued amount less estimated salvage value. On transition to IND AS, the Company has revisited useful life of various categories of assets, impact of revision in estimate of useful life of various assets is provided in Note no 1. Property, plant and equipment also represent a significant proportion of the asset base of the Company. Therefore, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

*(b) Income taxes*

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

*(c) Contingencies*

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

*(d) Allowance for uncollected accounts receivable and advances*

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

*(e) Insurance claims*

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

**5. Financial risk management**

**5.1 Financial risk factors**

The Company's principal financial liabilities, comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash that arise directly from its operations. The Company's activities expose it to a variety of financial risks:



i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and other price risks such as commodity risk. Financial instruments affected by market risk include loans and borrowings and investments. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 2019 and March 31, 2018.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

**Market Risk**

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks.

**(a) Foreign exchange risk and sensitivity**

The Company transacts business primarily in Indian Rupee .However, certain expenditures are incurred in foreign currency. The Company has foreign currency trade payables and is therefore, exposed to foreign exchange risk.

The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities is given below:



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

(Amount in Rs.)

Particulars	As at March 31, 2019
	USD
<b>Financial liabilities</b>	
Borrowings	47,54,40,064
Trade payables	16,12,73,721
<b>Net exposure to foreign currency risk</b>	<b>(63,67,13,785)</b>

Particulars	As at March 31, 2018
	USD
<b>Financial liabilities</b>	
Borrowings	44,80,75,618
Trade payables	15,19,91,444
<b>Net exposure to foreign currency risk</b>	<b>(60,00,67,063)</b>

Particulars	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	Effect on profit/(loss) before tax (Amount in Rs.)
<b>For the year ended March 31, 2019</b>	USD (92,07,719)	+ 5%	(3,18,35,689)
		- 5%	3,18,35,689
<b>For the year ended March 31, 2018</b>	USD (92,07,719)	+ 5%	(3,00,03,353)
		- 5%	3,00,03,353

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Currency Fluctuations</b>		
Net foreign exchange (gain)/loss shown as other expenses	3,66,46,723	29,92,508
<b>Total</b>	<b>3,66,46,723</b>	<b>29,92,508</b>



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

**(a) Interest rate risk and sensitivity**

The company has not any floating rate borrowing. Therefore there is no interest rate sensitivity.

**Credit risk**

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, and other financial instruments.

- Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers & distributors, which mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

**As at 31st March, 2019**

(Amount in Rs.)

Particulars	Not due	Due Ageing			Total
		<6 months	6-12 months	1 years & Above	
<b>Trade receivable</b>					
-Secured, Considered good	-	-	-	-	-
-Unsecured, Considered good	-	-	-	-	-
-Trade Receivables which have significant increase in Credit Risk	-	-	-	17,30,064	17,30,064
-Trade Receivables - Credit impaired	-	-	-	(17,30,064)	(17,30,064)
<b>Total</b>	-	-	-	-	-

**As at 31st March, 2018**

(Amount in Rs.)

Particulars	Not due	Due Ageing			Total
		<6 months	6-12 months	1 years & Above	
<b>Trade receivable</b>					
-Secured, Considered good	-	-	-	-	-
-Unsecured, Considered good	-	-	-	17,30,064	17,30,064
-Trade Receivables which have significant increase in Credit Risk	-	-	-	-	-
-Trade Receivables - Credit impaired	-	-	-	-	-
<b>Total</b>	-	-	-	17,30,064	17,30,064



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

**Liquidity risk**

The Company's objective is to; at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in Rs.)

Particulars	As at March 31, 2019				
	Carrying Amount	On demand /Overdue	< 6 months	6-12 months	> 1 years
Interest bearing Borrowings	47,54,40,065	-	47,54,40,065	-	-
Other financial liabilities	6,70,00,000	-	6,70,00,000	-	-
Trade payble	16,08,48,660	-	16,08,48,660	-	-
<b>Total</b>	<b>70,32,88,726</b>	<b>-</b>	<b>70,32,88,726</b>	<b>-</b>	<b>-</b>

(Amount in Rs.)

Particulars	As at March 31, 2018				
	Carrying Amount	On demand /Overdue	< 6 months	6-12 months	> 1 years
Interest bearing Borrowings	44,80,75,618	-	44,80,75,618	-	-
Other financial liabilities	6,00,00,000	-	6,00,00,000	-	-
Trade payble	15,24,18,321	-	15,24,18,321	-	-
<b>Total</b>	<b>66,04,93,939</b>	<b>-</b>	<b>66,04,93,939</b>	<b>-</b>	<b>-</b>

**Interest rate & currency of borrowings**

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in Rs.)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	47,54,40,065		47,54,40,065
<b>Total as at March 31, 2019</b>	<b>47,54,40,065</b>	<b>-</b>	<b>47,54,40,065</b>
INR	44,80,75,618		44,80,75,618
<b>Total as at March 31, 2018</b>	<b>44,80,75,618</b>	<b>-</b>	<b>44,80,75,618</b>

**Capital risk management**

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

The Gearing ratio for FY 2018-19 and 2017-18 is an under:

Particulars	(Amount in Rs.)	
	As of March 31, 2019	As of March 31, 2018
Loans and borrowings	47,54,40,065.24	44,80,75,618.00
Less: cash and cash equivalents	59,581	1,25,955
Net debt	47,53,80,484	44,79,49,663
<b>Total capital</b>	<b>58,08,44,093</b>	<b>69,93,22,725</b>
Capital and net debt	1,05,62,24,577	1,14,72,72,388
<b>Gearing ratio</b>	<b>45.01%</b>	<b>39.04%</b>

**6. Fair value of financial assets and liabilities**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	(Amount in Rs.)			
	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>				
Fixed deposits with banks	-	-	-	-
Cash and bank balances	59,581	59,581	1,25,955	1,25,955
Trade and other receivables	-	-	14,30,064	14,30,064
Other financial assets	1,44,000	1,44,000	1,44,000	1,44,000
	<b>2,03,581</b>	<b>2,03,581</b>	<b>17,00,019</b>	<b>17,00,019</b>
<b>Financial liabilities designated at amortised cost</b>				
Borrowings- fixed rate	47,54,40,065	47,54,40,065	44,80,75,618	44,80,75,618
Trade & other payables	16,08,48,660	16,08,48,660	15,24,18,321	15,24,18,321
Other financial liabilities	6,70,00,000	6,70,00,000	6,00,00,000	6,00,00,000
	<b>70,32,88,725</b>	<b>70,32,88,725</b>	<b>66,04,93,939</b>	<b>66,04,93,939</b>

**Fair Valuation techniques**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings is not material different from carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

The fair value of fixed interest bearing loans, borrowings and deposits is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.

**Fair Value hierarchy**

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published mutual fund operators at the balance sheet date.

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable. Derivatives included interest rate swaps and foreign currency forwards.

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Fair value hierarchy**

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

**Assets / Liabilities for which fair value is disclosed**

Particulars	(Amount in Rs.)		
	As at March 31, 2019		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		47,54,40,065	
Other financial liabilities		6,70,00,000	

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
	<b>Financial liabilities</b>		
Borrowings- fixed rate		44,80,75,618	
Other financial liabilities		6,00,00,000	

During the year ended March 31, 2019 and March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

Following table describes the valuation techniques used and key inputs to valuation within level 2 and 3, and quantitative information about significant unobservable inputs for fair value measurements within Level 3 of the fair value hierarchy as of

March 31, 2019 and March 31, 2018, respectively:

a) **Assets / Liabilities for which fair value is disclosed**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial liabilities</b>			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

**7. Income tax expense**

Provision for current income tax is made on the basis of special provisions relating to income of shipping companies as contained in chapter XII-G of the Income tax Act-1961 and provisions for current income tax on income other than covered above are made as per the normal provisions of the income tax act, 1961. For the year ended March 31, 2019 and March 31, 2018 there is tonnage tax liability which has been disclosed as tonnage tax in other expenditure schedule.

**8. Retirement Benefit obligations**

**1. Current and non-current provision for Gratuity and leave encashment**

**For the year ended March 31, 2019**

Particulars	Gratuity	Leave Encashment
Curret provision	-	
Non current provision	16,979	52,0
<b>Total Provision</b>	<b>16,979</b>	<b>52,0</b>

**For the year ended March 31, 2018**

Particulars	Gratuity	Leave Encashment
Curret provision	-	
Non current provision	16,979	52,0
<b>Total Provision</b>	<b>16,979</b>	<b>52,0</b>



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

**2. Employee benefit expenses**

Employee benefit expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and Wages	12,25,940	14,13,0
Costs-defined benefit plan		
Costs-defined contribution plan	66,644	1,21,8
Welfare expenses	4,394	27,9
<b>Total</b>	<b>12,96,978</b>	<b>15,62,8</b>

( Figures in rupees )

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Average no of people employed	1	

**Presentation in Statement of Profit & Loss and Balance Sheet**

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

**9. Other disclosures**

**a) Auditors Remuneration**

Particulars	(Amount in Rs.)	
	For year ended March 31, 2019	For year ended March 31, 2018
<b>Statutory Auditors</b>		
a) Audit Fees	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>

**b) Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.**



**SULOG TRANSSHIPMENT SERVICES LIMITED****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)****10. Related party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where contracts exist and with whom transactions have taken place during reported periods, are:

Related party name and relationship

**1. Key Management personnel**

- a) Mr. Nitish Kumar (CS & CFO) till 31.07.2018
- b) Mr. Puran Singh Bisht (Manager)

**2. Related parties****Holding Company**

- a) Jindal ITF Limited
- b) Jindal Saw Limited (Ultimate Holding Company)

**Fellow Subsidiaries:**

S. No.	Name of the Entity
1	IUP Jindal Metals & Alloys Limited
2	S.V. Trading Limited
3	Quality Iron and Steel Limited
4	Ralael Holdings Limited
5	Jindal Saw Holdings FZE
6	Greenray Holdings Limited
7	Jindal Tubular (India) Ltd.
8	Jindal Quality Tubular Limited
9	Jindal Saw USA, LLC
10	Jindal Saw Italia S.P.A.
11	Jindal Saw Middle East FZC
12	Derwent Sand SARL
13	Jindal Saw Gulf L.L.C.
14	Jindal International FZE
15	Jindal Intellicom Limited
16	JITF Shipyards Limited
17	Icom analytics Limited
18	JITF Shipping & Logistics (Singapore) Pte. Limited
19	Jindal Tubular U.S.A. LLC
20	World Transload & Logistics LLC
21	5101 Boone LLP
22	Tube Technologies INC
23	Helical Anchors INC
24	Boone Real Property Holding LLC
25	Drill Pipe International LLC



**SULOG TRANSSHIPMENT SERVICES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)**

**Related Party Transactions**

(Amount in Rs.)

Particulars	Holding Company	
	Current year	Previous year
<b>Security deposits Received</b>		
Jindal ITF Limited	70,00,000	25,00,000

**Related party Balances**

(Amount in Rs.)

Particulars	Holding Company	
	Current year	Previous year
<b>Share Capital including Share Premium</b>		
Jindal ITF Limited	26,90,05,710	26,90,05,710
<b>Amount Payable to</b>		
Jindal ITF Limited	4,28,801	17,45,759
<b>Security Deposit Payable:</b>		
Jindal ITF Limited	6,70,00,000	6,00,00,000

**Key Management Remuneration (KMP)**

(Amount in Rs.)

Particulars	Year Ended	Year Ended
	March 31, 2019	March 31, 2018
Short-Term employee benefits*	12,25,940	14,13,021
Post-Employment benefits		
- Defined contribution plan\$	66,644	1,21,859
- Defined benefit plan#		
- Defined benefit plan#		
<b>Total</b>	<b>12,92,584</b>	<b>15,34,880</b>

\* including bonus, sitting fee, commission on accrual basis and value of perquisites

# including leave encashment, gratuity and any other benefits

\$ including PF and any other benefits

**11. Earnings per share**

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Number of shares)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Issued equity shares	2,69,00,571	2,69,00,571
Weighted average shares outstanding - Basic and Diluted - A	2,69,00,571	2,69,00,571

(Amount in Rs.)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
<b>Profit and loss after tax - B</b>	<b>(11,84,78,632)</b>	<b>(8,44,86,620)</b>
Basic Earnings per share (B/A)	(4.40)	(3.14)
Diluted Earnings per share (B/A)	(4.40)	(3.14)



## SULOG TRANSSHIPMENT SERVICES LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS (Note no: 17)

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

12. The memorandum of understanding (MOU) between the Holding company & business partner acknowledged the existence of certain liability to group entity of business partner. The inter se, MOU between the two parties agreed to discharge these liabilities to group entity once the company starts generating sufficient cash flow to discharge its obligations. Based on understanding, the company has not discharged the liability nor provided any interest on such liabilities for the year ended 31st March 2019.
13. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
14. Notes 1 to 13 are annexed and form integral part of Financial Statements.

**For N.C. AGGARWAL & CO.**

Chartered Accountants

Firm Registration No. 003273N

  
**G.K. Aggarwal**  
Partner  
M.No.086622


Place: New Delhi

Dated: 20th May, 2019.



**For and on behalf of the Board of Directors of  
SULOG TRANSSHIPMENT SERVICES LIMITED**

  
**Sunil Kumar Trehan**  
Director  
DIN - 00700888

  
**Rakesh Kumar Mandora**  
Chief Financial Officer  
M.No. 502742

  
**Manish Mishra**  
Director  
DIN - 07904746

  
**Amit Kumar**  
Company Secretary  
M. No. 22003