

NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ABS MARINE SERVICES PRIVATE LIMITED WILL BE HELD ON THURSDAY, 31ST DAY OF DECEMBER 2020 AT 10 A.M AT THE REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and in this regard, pass the following resolutions as **Ordinary Resolutions**:
 - (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
 - (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

By Order of the Board

Sd/-

**P B NARAYANAN
DIN: 00205686**

Sd/-

**SHREELATHA NARAYANAN
DIN: 00337226**

**PLACE : Chennai
DATE : 24.12.2020**

NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. As per Section 105 of the Companies Act, 2013 and Rule 19, Sub-Rule (2) of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

ABS MARINE SERVICES PRIVATE LIMITED

NO. 3, ANUGRAHA FOUNDATION, NO: 15, VALLIAMMAL ROAD, VEPERY, CHENNAI - 600007

CIN: U71120TN1992PTC023705

BOARDS REPORT FOR THE FINANCIAL YEAR 2019-2020

To the Members,

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2020.

1. FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

PARTICULARS	YEAR ENDED 31.03.2020 (INR)	YEAR ENDED 31.03.2019 (INR)
Gross Income	80,62,03,472	81,40,15,366
Total Expense	71,79,69,670	75,34,67,037
Profit Before exceptional and extraordinary items and tax	8,82,33,802	6,05,48,329
Prior Period items	-	-
Profit Before Tax	8,82,33,802	6,05,48,329
Less : Tax Expense		
Current Tax	1,94,23,723	1,68,62,329
Deferred Tax	8,21,964	21,13,449
Profit after Taxation	6,79,88,115	4,15,72,552
Basic and Diluted Earnings Per Share (in Rs.)	6,799	4,157

2. COMPANY'S AFFIARS AND FUTURE OUTLOOK:

During the year under review ended on 31st March, 2020, your Company has earned a profit of Rs. 6,79,88,115/- against the profit of Rs. 4,15,72,552/- for the corresponding period ended 31st March 2019. The Earnings per share (basic) were at Rs. 6,799 against Rs. 4,157 for the previous year.

3. AMOUNT PROPOSED TO BE CARRIED TO RESERVES:

The company has transferred the profit of Rs. 6,79,88,115 towards reserves and surplus. The balance in the reserves and surplus account as on March 31, 2020 is Rs. 85,93,20,417.

4. DIVIDEND:

No Dividend was declared for the current financial year.

5. CHANGES IN SHARE CAPITAL, IF ANY:

During the financial year 2019-20, there was no change in the share capital of the Company.

6. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

No Shares with Differential rights were issued during this financial year.

7. DISCLOSURE REGARDING OF ISSUE OF EMPLOYEE STOCK OPTIONS:

No Employee Stock Options were issued during this financial year.

8. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:

No Sweat Equity Shares were issued in the financial year.

9. EXTRACT OF ANNUAL RETURN (FORM MGT-9):

The extract of Annual Return in Form MGT-9 pursuant to the provisions of Section 92(3) read with Sub-rule (1) of rule 12 of the Companies (Management and administration) Rules, 2014 is maintained by the company.

10. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Company had 5 Board meetings during the financial year under review.

QUARTER	DATE OF THE MEETING
1 st April 2019 to 30 th June 2019	02.05.2019
1 st July 2019 to 30 th September 2019	03.07.2019, 30.09.2019
1 st October 2019 to 31 st December 2019	31.10.2019, 26.12.2019
1 st January 2020 to 31 st March 2020	30.03.2020

Attendance of the Directors at the Board meeting is given below: -

S.No.	Name of Director	Attendance Particulars	
		No. of Meetings during 2019-20	
		Held	Attended
1.	Mr. P.B. Narayanan	5	5
2.	Ms. Shreelatha Narayanan	5	5

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has made investment in its subsidiary company to the amount of Rs. 23,21,75,357.

The company has given Corporate guarantee for loan taken by Epsom Shipping India Pvt Ltd. The amount outstanding in this regard is Rs. 64,20,93,297.

The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Guarantees given and Investments made.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 are enclosed as **Annexure-2** in Form AOC-2.

13. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. The foreign exchange inflow during the year was Rs. 37,23,35,762 and Outflow of Rs. 33,90,63,708 during the year under review.

15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has two wholly owned subsidiaries namely ABS Marine Singapore Pte Ltd and a Subsidiary Company namely EPSOM Shipping India Private Limited. The Company is engaged in Joint Venture with Seachart Shipping Private Limited.

16. PRESCRIBED DETAILS OF DEPOSITS COVERED UNDER CHAPTER V:

The company has not accepted any deposits from the public within the meaning of the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules relating to such provisions.

17. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company is in the process of formulating the Risk Management Policy. The same will be implemented in the next financial year.

18. VIGIL MECHANISM:

The Company has adopted its vigil mechanism/ whistle blower policy to encourage an open communication in all its interaction between its employees, consultants, customers and all the people with whom the company comes into contact. The policy is designed in such a way that it shall help the person making protected disclosure to the Competent Authority or to the Chairman of the Audit Committee in exceptional cases against any instance of wrongdoing and malpractices within the company.

19. DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

There was no change in the Directors and Key Managerial Personnel during the year.

20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the financial year 2019-20 the company has not received any material orders passed by regulatory or courts or tribunal.

21. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically used efficiently and adequately protected.

22. CORPORATE SOCIAL RESPONSIBILITY:

While the provisions of the companies act on CSR do not apply to the company, The Company believes in doing business in a manner that is socially responsible to customers and the society in general.

23. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Your company believes in providing a safe and harassment free workplace for every individual and endeavour to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year under review, your company has not received any complaints pertaining to sexual harassment.

24. STATUTORY AUDITORS:

M/s N C Rajagopal & Co., Chartered Accountants, Chennai (FRN: 003398S) are the statutory Auditors of the company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

25. COST AUDITOR AND COST AUDIT REPORT:

Your company does not come under the ambit of section 148 of the companies act, 2013. Hence the appointment of cost auditor and cost audit report does not apply to the company.

26. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(3) (c) of the Companies Act 2013, the Directors, based on the representations received from the operating management after due inquiry, confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for that period;
- c) The directors had taken proper and sufficient care to the best of their knowledge and ability for the 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 fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. VOLUNTARY REVISION OF FINANCIAL STATEMENTS:

The Company has not revised its financial statements or Board's Report for any of the three preceding financial years.

28. ACKNOWLEDGEMENT:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

By Order of the Board

Sd/-

**P B NARAYANAN
DIN: 00205686**

Sd/-

**SHREELATHA NARAYANAN
DIN: 00337226**

PLACE : Chennai

DATE : 24.12.2020



Partners:

N.C. SUNDARARAJAN, F.C.A.
G.N. GOPALARATHNAM, B.Sc., F.C.A., DISA
V. ANANTHARAMAN, B.Com., F.C.A.
M.V. RENGARAJAN, N.D.COM., F.C.A.

SUMITHRA RAVICHANDRAN, B.Sc., F.C.A.
N.C. VIJAYKUMAR, B.Com., F.C.A., DISA
V. CHANDRASEKARAN, B.Com., F.C.A.
N. SUNDAR, B.Sc., F.C.A., DISA
ARJUN .S, B.Com., F.C.A.

Ref:

Date:

INDEPENDENT AUDITOR'S REPORT

To the Members of ABS Marine Services Private Limited

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the Consolidated Financial Statements of **ABS MARINE SERVICES PRIVATE LIMITED** (hereinafter referred to as the "Holding Company"), and its subsidiaries and Joint Venture Company (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March 2020, and the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement, notes to consolidated Financial Statements 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 Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, and its consolidated cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the 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 Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other 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 for our opinion.

3. Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's



Information but doesn't include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the course of our 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.

4. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 Consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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 Group'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 Consolidated 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 Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

6. Other Matters

- a) We did not audit the financial statements of one Joint Venture Company (Sea Chart Shipping Private Limited), whose financial statements reflect total assets of Rs. 1,90,806 as at 31st March 2020 and NIL total revenue for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Joint Venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Joint Venture, is based solely on the reports of the other auditor.
- b) We did not audit the financial statements one subsidiary [ABS Marine (Singapore) Pte Limited], whose financial statements reflect total assets of Rs. 4,06,00,790 as at 31st March 2020, NIL total revenue for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Joint Venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Joint Venture, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

7. Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.



(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and Joint Venture company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2021 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note no. 24 to the Financial Statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and Joint Venture company incorporated in India.

For N.C. Rajagopal & Co.,
Chartered Accountants,
(Firm Regn No.003398S)

Arjun

Arjun S
Partner

(M No. 230448)

UDIN : 21230448AAAACC8397



Place : Chennai
Date : 24.12.2020

ANNEXURE - A TO THE AUDITORS' 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 ABS Marine Services Private Limited ("the Holding Company") and its subsidiaries and Joint Venture Company as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its Subsidiaries including the Company which is incorporated outside India and Joint Venture Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential 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. 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 Group'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 Group'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 Institute of Chartered Accountants of India. 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 consolidated 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 Group'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

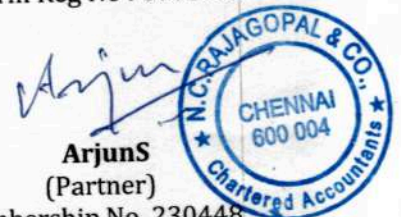
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 Holding Company, its Subsidiaries (one of which is incorporated outside India and is unaudited) and Joint Venture Company have, 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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential 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.

Place: Chennai
Date: 24.12.2020

For N.C. Rajagopal & Co.
Chartered Accountants
Firm Reg No : 003398S



ArjunS
(Partner)

Membership No. 230448
UDIN: 21230448AAAACC8397

ABS MARINE SERVICES PRIVATE LIMITED
NO.15,VALLIAMMAL ROAD,VEPERY

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH, 2020


PARTICULARS	NOTE NO	AS AT 31ST MARCH,2020	AS AT 31ST MARCH,2019
EQUITY & LIABILITIES			
Shareholder's Funds			
Share Capital	1	1,00,000	1,00,000
Reserves & Surplus	2	73,61,77,829	73,66,38,051
Minority Interest		6,93,07,401	9,20,59,332
Non-Current Liabilities			
Long Term Borrowings	3	76,47,99,105	72,04,34,714
Deferred Tax liabilities (Net)	4		
Other Long Term Liabilities	5	75,000	75,000
Long term provision	6	56,90,831	47,26,345
Current Liabilities			
Trade Payables	7	11,97,17,559	10,00,01,336
Other Current Liabilities	8	22,79,52,972	17,17,27,924
Short Term Borrowings	9	58,14,084	19,13,655
Short Term Provisions	10	18,18,704	17,43,009
		1,93,14,53,485	1,82,94,19,366
ASSETS			
Property Plant & Equipment	11	1,24,61,95,237	1,12,73,26,105
Intangible Assets	11	4,63,657	2,41,076
Capital work in progress	11	14,520	17,24,200
Goodwill on Consolidation		1,40,250	1,40,250
Deferred Tax Asset (Net)	4	2,67,71,222	2,33,96,289
Long-term loans and advances	12	9,45,14,970	14,50,72,436
Current Assets			
Current Investments	13	2,98,00,000	5,69,00,000
Trade Receivables	14	18,55,54,325	17,47,20,457
Cash and cash equivalents	15	30,80,20,056	23,96,65,918
Short Term Loans and Advances	16	3,98,56,217	5,96,61,224
Other current assets	17	1,23,031	5,71,409
		1,93,14,53,485	1,82,94,19,366
TOTAL		1,93,14,53,485	1,82,94,19,366

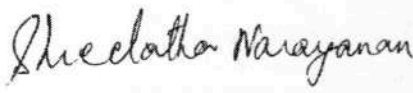
Significant Accounting Policies

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Note Nos. 1-29 form an integral part of the Financial Statements

For and on behalf of the board


Capt. P.B. Narayanan
Director


Shreelatha Narayanan
Director

As per our Report of Even Date
For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Regn No: 003398S


Arjun S
Partner

Membership No. 230448



Place: Chennai
Date: 24.12.2020

ABS MARINE SERVICES PRIVATE LIMITED
NO.15,VALLIAMMAL ROAD,VEPERY

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020


PARTICULARS	NOTE NO	For the year ended 31st March 2020	For the year ended 31st March 2019
INCOME:			
Revenue from Operations	18	91,16,43,624	89,12,22,841
Other Income	19	5,51,18,181	2,57,34,066
Total Revenue		96,67,61,805	91,69,56,907
EXPENSES			
Employee benefits	20	5,54,13,192	5,54,71,890
Finance Cost	21	5,30,87,452	6,15,41,567
Depreciation & Amortization expenses	11	16,65,21,426	17,32,07,392
Other expenses	22	70,12,74,141	69,45,97,565
Total Expenses		97,62,96,211	98,48,18,415
Profit before exceptional and extraordinary items and tax		-95,34,406	-6,78,61,508
Exceptional items and Extraordinary items		-	-
Profit Before Tax		-95,34,406	-6,78,61,508
Tax Expense			
Current Tax		1,94,23,723	1,69,31,864
Deferred Tax		-33,74,933	-3,16,06,052
Tax on earlier years		-	-
Profit after tax for the period		-2,55,83,196	-5,31,87,320
Minority Interest		-2,27,51,931	-3,35,71,664
Share of Profit from associate		-	-
Profit carried to Balance sheet		-28,31,265	-1,96,15,656
Earnings per Equity Share:			
Basic & Diluted	23	-283	-1,962

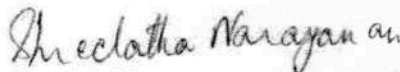
Significant Accounting Policies

A

Note Nos. 1-29 form an integral part of the Financial Statements

For and on behalf of the Board


Capt. P.B. Narayanan
Director


Shreelatha Narayanan
Director

As per our Report of Even Date
For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Regn No: 0033985


Arjun S
Partner
Membership No. 220248



Place: Chennai

Date: 24.12.2020

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note No.	PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019		
1.a	SHAREHOLDERS' FUNDS				
	Share Capital				
	a. Authorised 10,000 Equity Shares of Rs.10/- each (PY: 10,000 Equity Shares of Rs. 10/- each)	1,00,000	1,00,000		
	b. Issued, Subscribed & Paid-Up 10,000 Equity Shares of Rs.10 /- each fully paid up (PY: 10,000 Equity Shares of Rs.10/- each fully paid)	1,00,000	1,00,000		
		1,00,000	1,00,000		
1.b	Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:				
		No.	No.		
	Equity Shares at the beginning of the period	10,000	10,000		
Add: Shares Issued during the period	-	-			
Equity Shares at the end of the period	10,000	10,000			
1.c	Terms/Rights attached to Equity shares				
	The company has only one class of equity share having a par value of Rs.10 per share with voting rights.				
1.d	During the period or five years immediately preceding the reporting date including the current year, there were no shares allotted for consideration other than cash, issue of bonus shares or shares bought back.				
1.e	Details of shareholders holding more than 5% shares in the company				
		AS AT 31ST MARCH 2019		AS AT 31ST MARCH 2019	
		No. of shares		No. of shares	
		% of holding		% of holding	
	Equity Shares of Rs. 10 each	5000	50	5000	50
Capt. P.B.Narayanan	5000	50	5000	50	
Mrs. Shreelatha Narayanan					
	As per the records of the company, including its Register of Shareholders/members, the above shares represents legal and beneficial ownership of shares				
2	Reserves and Surplus				
	General reserve	6,24,91,158	6,24,91,158		
	Surplus in statement of Profit & Loss	64,72,03,604	65,00,34,869		
	Net Surplus in Statement of Profit and Loss				
	Capital reserve on Consolidation	2,19,03,964	2,19,03,964		
	Foreign Currency Translation reserve	45,79,104	22,08,061		
	Total of Reserves & Surplus	73,61,77,829	73,66,38,051		
3	Non - Current Liabilities				
	Long term borrowings				
	Secured				
	From Banks*	93,25,98,937	84,77,10,459		
	Less: Current maturities (Refer Note No: 8)	-16,77,99,832	(12,72,75,745)		
	Total	76,47,99,105	72,04,34,714		
Unsecured					
From Related Parties	-	-			
Total	76,47,99,105	72,04,34,714			
	*Security Details				
	DBS:				
	<u>ABS Marine Services Private Limited</u>				
	Loan outstanding of Rs. 13,83,43,838				
	Primarily secured by the mortgage of the vessel " Anokhi " together with the accompanying Deed of Covenants, Assignment of all earnings, rights and benefits whether current or future in favour of the Bank and joint and several personal guarantee by the Directors				
	Interest rate is 3.5% per annum + 1 month LIBOR				



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note No.	PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	<p>Defaults - NIL</p> <p><u>Epsom Shipping India Private Limited</u> Loan Outstanding of Rs. 64,20,93,297 Primarily secured by the mortgage of the "Celestial" vessel together with the accompanying deed of covenants Assignment of all earnings, rights and benefits whether current or future in favour of the bank Joint and several personal guarantee by all Directors, shareholders & a third party Corporate Guarantee has been provided by ABS Marine Services Private Limited for the entire amount of loan borrowed. Interest rate is 3.5% + 1 month LIBOR Defaults - NIL (PY - NIL)</p> <p><u>Indus Ind:</u> Loan Outstanding of Rs. 15,21,61,802 Primarily secured by the mortgage of the vessel "Amelia", together with the accompanying Deed of Covenants, Assignment of all earnings, rights and benefits whether current or future in favour of the Bank and Personal guarantee by Director Interest rate is 12.5% per annum Defaults - NIL</p>		
4	<p>Deferred Tax Assets/(Liabilities) (net)</p> <p>On account of depreciation</p> <p>On account of disallowances under Income Tax Act</p> <p>Net Deferred Tax (Liability)/ Asset</p>	<p>2,49,64,265</p> <p>18,06,957</p> <p>2,67,71,222</p>	<p>2,33,96,289</p> <p>-</p> <p>2,33,96,289</p>
5	<p>Other long term liabilities</p> <p>Others</p> <p>Rental Deposit</p>	<p>75,000</p> <p>75,000</p>	<p>75,000</p> <p>75,000</p>
6	<p>Long Term Provisions</p> <p>Provision for Employee Benefits</p> <p>TOTAL</p>	<p>56,90,831</p> <p>56,90,831</p>	<p>47,26,345</p> <p>47,26,345</p>
7	<p>CURRENT LIABILITIES</p> <p>Trade Payables</p> <p>Micro, Small and Medium Enterprises</p> <p>Others</p> <p>Total</p> <p>As per the information available with the company, there are no outstanding dues that are required to be furnished under section 22 of Micro, Small and Medium Enterprise Development Act, 2006.</p>	<p>-</p> <p>11,97,17,559</p> <p>11,97,17,559</p>	<p>-</p> <p>10,00,01,336</p> <p>10,00,01,336</p>
8	<p>Other Current Liabilities</p> <p>Current Maturities of Long-term Debt (Note No. 3)</p> <p>Other Payables</p> <p>Statutory Dues payable*</p> <p>Dues To Related Parties</p> <p>Payable for expenses</p> <p>Interest Accrued but not due on Borrowings</p> <p>Total</p> <p>* Represents TDS, GST, PF, Gratuity & Professional Tax</p>	<p>16,77,99,832</p> <p>62,554</p> <p>2,62,95,436</p> <p>-</p> <p>3,14,06,173</p> <p>23,88,977</p> <p>22,79,52,972</p>	<p>12,72,75,745</p> <p>-</p> <p>1,47,03,073</p> <p>5,14,484</p> <p>2,88,43,750</p> <p>3,90,871</p> <p>17,17,27,924</p>
9	<p>Short Term Borrowings</p> <p>From banks:</p> <p>(a) Loans, cash credit, overdrafts accounts*</p> <p>TOTAL</p> <p>* Against Fixed Deposit</p>	<p>58,14,084</p> <p>58,14,084</p>	<p>19,13,655</p> <p>19,13,655</p>
10	<p>Short-term Provisions</p> <p>Provision for Employee Benefits</p> <p>Provision for taxation</p> <p>Total</p>	<p>18,18,704</p> <p>-</p> <p>18,18,704</p>	<p>17,43,009</p> <p>-</p> <p>17,43,009</p>
12	<p>Long-term Loans and Advances (Unsecured, considered good)</p>		



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note No.	PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	Security Deposit	8,93,205	17,15,250
	Other loans and advances	48,420	51,000
	Prepaid Expenses	-	-
	Loans to Staff	-	-
	Less: Disclosed under the head "Short-term Loans and Advances" - Recoverable within 12 months (Note 15)	-	-
	Advance tax/ Tax deducted at source (Net of Provision)	9,35,73,345	14,33,06,186
	Total	9,45,14,970	14,50,72,436
13	CURRENT ASSETS		
	Current Investments		
	Unquoted		
	Investments in Mutual Funds	-	-
	DSP Small Cap Fund (23094.534 Units of NAV 39.068)	12,00,000	6,00,000
	ICICI Pru Value Discovery Fund (8926.536 Units of NAV 105.72)	23,75,000	15,00,000
	IDFC Premier Equity Fund (13708.941 Units of NAV 71.87)	12,00,000	6,00,000
	Nippon India Small cap Fund (60760.461 Units of NAV 202.4629)	14,75,000	-
	SBI Pharma Fund (7136.822 Units of NAV 113.6681)	8,00,000	6,00,000
	Sundaram Select Midcap Fund (2850.531 Units of NAV 328.9959)	12,50,000	6,50,000
	SUNDARAM LOW DURATION FUND REGULAR	-	50,00,000
	Reliance Ultra Short Duration Fund	10,00,000	73,50,000
	ICICI Prudential Small Cap Fund (102741.518 Units of NAV 17.86)	16,00,000	50,00,000
	IDFC Money Manager	-	50,00,000
	Tata Liquid Fund	-	2,35,00,000
	Tata Ultra Short Term Fund	25,00,000	71,00,000
	ABSL balanced advantage fund (45429.766 Units of 45.63)	25,00,000	-
	HDFC Balanced Advantage Fund (12564.203 Units of NAV 150.241)	-	-
	ICICI Banking & Financial Plan - Growth (25392.084 Units of NAV 40.58)	17,00,000	-
	ICICI MNC Fund Growth (233796.091 Units of NAV 8.14)	17,00,000	-
	ICICI Pru Balanced Advantage Fund (80021.339 Units of NAV 30.57)	30,00,000	-
	IDFC Sterling Val Fund Gr (32175.032 Units of NAV 29.95)	15,00,000	-
	Invesco India Dynamic Equity fund (83111.702 Units of NAV 24.83)	25,00,000	-
	Nippon India Banking Fund (5350.081 Units of NAV 162.892)	15,00,000	-
	Sundaram Small Cap Fund (13135.167 Units of NAV 52.5203)	10,00,000	-
	Tata Small Cap Fund (95274.39 Units of NAV 7.7522)	10,00,000	-
	Total	2,98,00,000	5,69,00,000
	Aggregate amount of unquoted Investments		
14	Trade Receivables (Unsecured, considered good)	-	-
	(a) Outstanding for a period exceeding six months from the date they are due for payment	3,10,82,579	5,31,00,796



ABS MARINE SERVICES PRIVATE LIMITED
Note: 11 - Property Plant & Equipment Schedule for the year ended 31st March 2020

Description of the Assets	Gross Block				Depreciation		Net Block	
	As at 1st April, 2019	Additions	Deletions/ Adjustments	As at 31st March, 2020	For the year	Deletions/ Adjustments	As at 31st March, 2020	As at 31st March 2019
Tangible assets								
Office Equipments	18,96,035	98,072	-	19,94,107	1,18,791		4,89,758	5,10,477
Computers	22,53,074	55,000	-	23,08,074	46,797		1,16,250	1,98,047
Buildings	3,87,16,840	-	-	3,87,16,840	18,09,683		2,28,27,424	1,58,89,416
Vehicles	2,12,72,989	17,32,411	40,44,527	1,89,60,873	12,79,847	37,69,414	39,35,139	1,76,99,059
Ships	1,95,86,16,764	28,36,28,896	-	2,24,22,45,660	16,31,94,590		1,01,66,24,037	37,57,688
Electrical Equipments	-	76,035	-	76,035	14,021	-	62,014	1,10,51,87,317
Furniture	11,06,435	25,839	-	11,32,274	8,277		81,037	63,475
	2,02,38,62,137	28,56,16,253	40,44,527	2,30,54,33,863	16,64,72,006	37,69,414	1,24,61,95,237	1,12,73,26,105
Intangible assets								
Software	24,68,056	2,72,000	-	27,40,056	49,420		22,76,400	2,41,076
	24,68,056	2,72,000	-	27,40,056	49,420		22,76,400	2,41,076
Capital Work in Progress	17,24,200	14,520	17,24,200	14,520	-	-	14,520	17,24,200
TOTAL	2,02,80,54,393	28,59,02,773	57,68,727	2,30,81,88,439	16,65,21,426	37,69,414	1,24,66,73,414	1,12,92,91,381
Previous Year	1,96,76,80,984	6,03,73,409	-	2,02,80,54,393	17,32,07,392	-	89,87,63,013	1,12,92,91,381
								1,24,21,25,363



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note No.	PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	(b) Others	15,44,71,746	12,16,19,661
	Total	18,55,54,325	17,47,20,457
15	Cash and Bank Balances		
	Cash and Cash Equivalents		
	Balances with Banks - in current account	10,29,95,112	8,26,82,328
	Cash on Hand	21,13,311	72,657
	Other Bank Balances		
	Fixed Deposits with less than 12 months maturity*	20,29,11,633	15,69,10,933
	Total	30,80,20,056	23,96,65,918
	* Held as Margin Money towards Bank Guarantee		
16	Short-term Loans and Advances (Unsecured, considered good)		
	Loans and Advances to related party	-	8,49,360
	Security Deposits	55,58,762	6,19,357
	Others	-	-
	Prepaid Expenses	44,53,166	43,81,185
	Balance with statutory authorities	30,04,450	1,76,59,237
	Loans to Employee (Refer Note No. 11)	9,76,877	7,19,015
	Advance to Suppliers	1,86,05,224	3,34,69,400
	Advance to Masters	3,47,774	4,13,784
	Reimbursement receivable	15,42,133	15,42,133
	Other Short term loans & advances	53,67,832	7,753
	Total	3,98,56,217	5,96,61,224
17	Other Current Assets		
	Interest Accrued on Fixed Deposits	1,23,031	3,86,393
	Claims recoverable from others	-	1,85,016
	Total	1,23,031	5,71,409
18	INCOME		
	Revenue from Operations		
	Sale of Services		
	Charter Hire Charges Received		
	Domestic	52,81,22,889	52,43,62,196
	Export	-	-
	Sub-Total (A)	52,81,22,889	52,43,62,196
	Ship Management Fees		
	Domestic	38,35,20,735	36,68,60,645
	Export	-	-
	Sub-Total (B)	38,35,20,735	36,68,60,645
	Total (A+B)	91,16,43,624	89,12,22,841
19	Other Income		
	Dividend Income	11,92,499	-
	Profit on sale of Investments	1,40,827	11,06,421
	Interest Income	99,88,593	1,32,46,498
	Profit on Sale of Fixed Assets	9,989	-
	Rent Received	3,64,644	10,67,293
	Insurance claim	-	-
	Foreign Exchange Fluctuation (Net)	33,49,391	-
	Miscellaneous Income	4,00,72,239	1,03,13,854
	Total	5,51,18,181	2,57,34,066
20	EXPENSES		
	Employee Benefits		
	Salaries and Wages*	5,28,94,877	4,89,60,467
	Contribution to Provident and Other Funds	4,67,268	3,20,184
	Staff Welfare Expense	11,50,706	15,00,704
	Gratuity	9,00,341	46,90,535
	Total	5,54,13,192	5,54,71,890



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note No.	PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	* Includes Directors' Remuneration of Rs.1,98,17,319 /- (PY: 1,80,69,660/	-	-
21	Finance Cost	-	-
	Interest Expense	5,30,87,452	6,15,41,567
	Other Borrowing Costs		
	Bank Charges		
	Total	5,30,87,452	6,15,41,567
22	Other Expenses		
	I. Direct Expenses		
	Travelling and Conveyance	84,69,847	1,05,28,267
	Charter Hire Charges	12,55,53,003	20,08,84,373
	Crew Welfare Expenses	7,40,855	6,28,079
	Insurance	96,62,685	66,63,114
	Labour Charges	3,56,18,826	2,37,80,118
	Ship Crew Officers Remuneration	31,06,42,463	33,10,14,788
	Seaman's Provident Fund	88,08,273	75,85,511
	Ship Running and Maintenance	11,70,50,546	3,86,92,763
	Stores and Spare Parts	61,05,275	1,36,00,847
	Victualling Expenses	3,16,35,082	3,08,04,458
	Sign On/Off Expenses	98,404	18,50,411
	Total	65,43,85,260	66,60,32,729
	II. Administration expenses		
	Bank Charges	24,23,088	14,73,652
	Communication Expenses	7,05,259	24,15,797
	Computer & Vehicle Maintenance	11,26,396	12,87,427
	Power and Fuel	5,61,713	28,30,941
	Printing and Stationery	7,03,234	6,93,123
	Rent	6,74,328	13,06,656
	Repairs & Maintenance	12,57,426	13,51,177
	Insurance	40,84,003	36,60,413
	Rates and Taxes	21,93,238	31,61,142
	Boarding, Lodging and Travelling Expenses	56,22,029	47,85,492
	Donation	41,162	1,65,069
	Audit Fees	-	3,50,000
	- Statutory Audit	7,09,027	6,05,365
	- Tax Audit	1,00,000	31,62,209
	Professional charges	1,00,11,031	1,60,780
	Bad Debts Written Off	1,55,25,938	8,78,368
	Miscellaneous Expenses	6,56,635	1,04,962
	Foreign Exchange Fluctuation (Net)	-	-
	Business Promotion Exp	4,94,373	92,664
	Interest on Delayed Statutory payment	-	79,599
	Total	4,68,88,881	2,85,64,836
	Total	70,12,74,141	69,45,97,565
23	Earnings per Share		
	Net Profit attributable to equity shareholders	-28,31,265	-1,96,15,656
	Weighted Average number of shares	10,000	10,000
	Basic & Diluted Earnings per Share	-283	-1,962
	Face Value per share	10	10
24	Contingent Liabilities		
	Customs duty that is disputed by the Company	1,15,00,000	1,45,52,680
25	Segment Reporting		
	The company is engaged only in shipping business and there are no separate reportable segments		



NOTE NO.26: EMPLOYEE BENEFITS		
METHOD : Projected unit credit method		
TYPE OF PLAN	GRATUITY	GRATUITY
PERIOD OF DISCLOSURE	2019-20	2018-19
I. PRINCIPAL ACTUARIAL ASSUMPTIONS		
(Expressed as weighted averages)		
Salary escalation rate as on	7.00%	7.00%
Discount rate as on	6.86%	7.76%
II. CHANGES IN THE PRESENT VALUE OF		
PVO as at the beginning of the period	93,08,617.00	53,58,873
Interest Cost	7,21,027.00	3,91,003
Current service cost	8,48,214.00	8,14,230
Benefits paid	-34,062.00	(5,93,481)
Actuarial loss/(gain) on obligation (balancing figure)	-10,79,763.00	33,37,992
PVO as at the end of the period	97,64,033.00	93,08,617
PLAN ASSETS		
Fair value of plan assets as at the beginning of the period	31,69,217.00	35,57,623
Expected return on plan assets	2,44,610.00	2,52,066
Contributions		
Benefits paid	-34,062.00	(5,93,481)
Actuarial gain/(loss) on plan assets (balancing figure)	-6,55,473.00	-46,991
Fair value of plan assets as at the end of the period	27,24,292.00	31,69,217
IV. FAIR VALUE OF PLAN ASSETS		
Fair value of plan assets as at the beginning of the period	31,69,217.00	35,57,623
Actual return on plan assets	-4,10,863.00	2,05,075
Contributions	-	-
Benefits paid	-34,062.00	(5,93,481)
Fair value of plan assets as at the end of the period	27,24,292.00	31,69,217
Funded Status Surplus/(Deficit)	-70,39,741.00	-61,39,400
Excess of Actual over estimated return on Plan Assets	6,55,473	46,991
(Actual rate of return = Estimated rate of return as ARD falls on 31 st March)		
V. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS ACCOUNT		
Present value of the obligation as at end of the Year	9764033	93,08,617
Fair value of plan assets as at end of the Year	2724292	31,69,218
Funded Status Surplus/(Deficit)	-7039741	(61,39,399)
Net Asset/(Liability) recognized in the balance sheet	-7039741	(61,39,399)
VII. EXPENSES RECOGNISED IN THE		
Total service cost	8,48,214	8,14,230
Interest Cost	7,21,027	3,91,303
Expected return on plan assets	-2,44,610	-2,52,066
Net actuarial (gain)/loss recognized in the year	-4,24,291	33,84,683
Expenses recognized in the statement of profit and loss	9,00,341	43,38,150
VIII. MOVEMENTS IN THE LIABILITY		
Opening net (Liability)/ Asset	-61,39,399	(18,01,250)
Add: Expenses as above	-9,00,341	-43,38,150
Less: Contribution paid	-	-
Closing net (Liability)/Asset	(70,39,740)	(61,39,400)



27 Related Party Transaction carried out during the year ended 31.03.2020

A. List of Related Parties

I. Subsidiary Companies

- ABS Marine Singapore Pte Ltd - Wholly owned subsidiary
- Epsom Shipping India Private Limited

II. Joint Venture

- i. Seachart Shipping Pvt Ltd

II. Others

a. Key Management Personnel

- i. Capt. P.B. Narayanan - Director
- ii. Mrs. Shreedatha Narayanan - Director

b. Enterprises in which Key Management Personnel exercises significant influence

- Aqua Omega Services Pvt Ltd

Amount (Rs.)

S.N	Name of the Party	Nature of Relationship	Investment in subsidiaries	Reimbursement of Expenses	Office Facilitation charges	Rent Received	Rent Paid	Charter Hire charges/Sale of Lubes	Managerial Remuneration	Advance Received	Advance Repaid	Amount due from/(due to)
1	P.B. Narayanan Previous Year 2018-19	Director	-	-	-	-	1,80,000	-	72,92,000	-	-	30,362
2	Shreedatha Narayanan Previous Year 2018-19	Director	-	-	-	-	1,80,000	-	77,48,000	-	-	5,14,484
3	Aqua Omega Services Pvt Ltd Previous Year 2018-19	Enterprise in which KMP having significant influence	-	18,420	3,60,000	-	1,80,000	54,542	56,30,000	1,40,00,000	1,00,00,000	(32,50,798)
												6,94,660



28 Foreign Exchange Earnings and outgo	Amount (Rs)	
	As at 31st March 2020	As at 31st March 2019
Total Foreign exchange earned and used		
Total Foreign exchange earned	55,09,89,714	45,43,22,395
Total Foreign exchange used		
- Interest Repayment of DBS ECB Loan	4,77,95,101	5,51,30,150
- Charter Hire Charges	10,95,08,638	10,78,56,062
- Insurance	94,54,093	99,20,487
- Telephone	59,00,297	34,38,600
- Stores, Spares & services	28,37,392	14,34,847
- Ship Purchase	20,51,47,969	-
- Agency Services	1,41,957	-
- Ship repairs and maintenance	3,13,52,161	-
- Advance to suppliers	-	1,93,08,485
- Others	4,05,270	54,62,429



29 Previous Year Figures

The previous year's figures have been recast/reclassified where ever necessary.

For and on behalf of the board



Capt. P.B. Narayanan
Director



Shreelatha Narayanan
Director

As per our Report of Even Date
For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Regn No: 0033985


Arjun S
Partner

Membership No. 230448



Place: Chennai

Date: 24.12.2020

A. Significant Accounting Policies**1. BACKGROUND AND PRINCIPAL ACTIVITIES**

ABS Marine Services Private Limited (the Company) is a private limited company incorporated in India on 27th October 1992. The company is engaged in ship owning and chartering operations.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to comply with all material aspects in the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the accounting principles generally accepted in India ("Indian GAAP"). The Financial Statements have been consistently applied by the company and are consistent with those used in the previous year.

The company is not a Small and Medium sized company (SMC) as defined in the General instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. Accordingly, the company no longer qualifies for the relevant exemption or relaxation in the current accounting period. The relevant Accounting Standards or requirements has been duly complied with.

3. BASIS FOR CONSOLIDATION

The Consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 - "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006."
- The company has one foreign subsidiaries as mentioned below.
- The difference between the cost of investment in the subsidiaries, and the Group's share of net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as applicable
- Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.
- Minority interest in the net assets of consolidated subsidiaries consists of:



- o The amount of equity attributable to minority at the date on which investment in a subsidiary was made; and
 - o The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- Minority's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the Profit After Tax of the Group.
 - The company has invested in one joint venture company with and has adopted the proportional consolidation method, wherein the assets and liabilities of the joint venture are recognized in proportion to the participation of the company in the venture.
 - The financial statements of the subsidiaries and joint venture used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2020.
 - The list of Subsidiary and Joint Venture Companies which are included in the Consolidation and the Group's Holding therein are as under:

Name of the Enterprise	Nature of Relationship and % of holding	Country of Incorporation
ABS Marine Singapore Pte Limited	Subsidiary - 100%	Singapore
Epsom Shipping India Private Limited	Subsidiary - 65.02%	India
SeaChart Shipping Private Limited	Joint Venture - 51%	India

4. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses for the year presented. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised. Any revision in the accounting estimate is recognised prospectively in the current and future periods.

5. CASH FLOW STATEMENT

Cash flows arising from operating, investing and financing activities are reported on net basis. Cash and cash equivalents comprise of cash on hand, balances with bank and deposits with bank. All highly liquid investments with a remaining maturity of three months or less at the



date of purchase and those that are readily convertible to known amounts of cash are considered to be cash equivalents.

6. REVENUE RECOGNITION

Revenue is primarily derived from Ship Operation and Chartering services.

- a) Time charter earnings are recognised on accrual basis.
- b) Accommodation charges are recognised on accrual basis.
- c) Claims receivable on account of Insurance are accounted for to the extent the company is reasonably certain of its ultimate collection.
- d) Interest on Income tax refund is recognised on receipt of refund order.

7. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Property, Plant and Equipment are stated at cost of acquisition or construction or such other cost as may be added on account of revaluation, less accumulated depreciation and impairment. The cost of acquisition or construction includes any attributable cost that is required to bring the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

8. DEPRECIATION / AMORTISATION

Depreciation on Property, Plant and Equipment is provided at written down value method at the rates prescribed in Schedule II of the Companies Act, 2013. Where during any financial year, any addition has been made to any assets or where any asset has been sold, discarded, demolished or destroyed, the depreciation on such asset is calculated on a pro rata basis from the date of such addition or up to the date on which such asset has been sold, discarded, demolished or destroyed. Any additional depreciation arising out of revaluation of assets shall be charged to the statement of Profit & Loss Account in line with the "Application guide on provisions of Schedule II to the Companies Act, 2013" issued by the ICAI.

Individual low cost assets (acquired for less than Rs. 5,000) are depreciated in the year of acquisition.

Intangible assets are amortised over a period of 5 years on a straight line basis, from the date such asset is put into use.

9. FOREIGN EXCHANGE FLUCTUATIONS

Transactions in foreign currency are recorded at the rates prevailing the date of transaction. Foreign currency monetary items are reported using the closing rates, i.e. exchange rate at the Balance Sheet date. Any income or expense on account of exchange difference either on translation or on settlement, are recognized as income or expenses in the period in which they are arise. Exchange differences arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period



relate to the acquisition of a depreciable capital asset, has been added to the cost of the asset and shall be depreciated over the balance useful life of the asset.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

10. EMPLOYEE BENEFITS

Short term employee benefits are recognised as expense at the amount in the Statement of Profit and Loss for the year in which the related service is rendered.

Post-Employment Long term Benefits:

Long term benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered the service. The expenses are recognised in the books as per the provisions of The Payment of Gratuity Act, 1972

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

11. BORROWING COST

Interest and other borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset up to the date on which the asset is ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Other interest and borrowing cost are debited to the Statement of Profit and Loss.

12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

13. TAXES ON INCOME

Tax expense comprises current and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement for Minimum Alternative Tax (MAT).

Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses. Other deferred tax assets are recognised if there is reasonable certainty that there will be sufficient future taxable income to realize such assets.



Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Minimum Alternative Tax Credit is recognised as an asset only to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

14. IMPAIRMENT OF ASSETS

The company assesses at each balance sheet date where there is any indication that an asset maybe impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and it is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

15. CONTINGENT LIABILITIES AND PROVISIONS

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable there will be an outflow of resources. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate. Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

