

NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE SIXTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF EPSOM SHIPING INDIA PRIVATE LIMITED WILL BE HELD ON THURSDAY, 31ST DAY OF DECEMBER 2020 AT 11 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 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."

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.

EPSOM SHIPPING INDIA PRIVATE LIMITED

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

CIN: U35117TN2004PTC071433

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 2019.

1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year under review along is given hereunder:

PARTICULARS	YEAR ENDED 31.03.2020 (INR)	YEAR ENDED 31.03.2019 (INR)
Gross Income	18,46,45,012	8,51,31,012
Total Expense	25,38,84,594	21,48,21,400
Profit Before exceptional and extraordinary items and tax	(6,92,39,582)	(129,690,390)
Prior Period items	-	-
Profit Before Tax	(6,92,39,582)	(129,690,390)
Less: Tax Expense		
Current Tax	-	-
Deferred Tax	(41,96,897)	(33,719,501)
Profit after Taxation	(6,50,42,684)	(95,970,888)
Basic and Diluted Earnings Per Share (in Rs.)	(87.85)	(129.62)

2. COMPANY'S AFFIARS AND FUTURE OUTLOOK:

During the year under review ended on 31st March, 2020, your Company has reported a loss of Rs. 6,50,42,684/- against the loss of Rs. 9,59,70,888/- for the corresponding period ended 31st March 2019. The Earnings per share (basic) were at Rs. (87.85) against Rs. (129.62) for the previous year.

3. DIVIDEND:

No Dividend was declared for the current financial year.

4. CHANGES IN SHARE CAPITAL, IF ANY:

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

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

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

6. DISCLOSURE REGARDING OF ISSUE OF EMPLOYEE STOCK OPTIONS:

No Employee Stock Options were issued during this financial year.

7. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:

No Sweat Equity Shares were issued in the financial year.

8. 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.

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

The Company had 7 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, 03.09.2019
1 st October 2019 to 31 st December 2019	21.12.2019
1 st January 2020 to 31 st March 2020	20.02.2020

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

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

11. 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.

12. 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.

13. 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. 17,86,53,952 and Outflow of Rs. 7,34,79,170 during the year under review.

14. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

M/s. ABS Marine Services Private Limited is the Holding Company with 65.02%. The Company does not have any Subsidiary, joint venture or Associate Companies.

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

The Board is of the opinion that the elements of risk threatening the Company's existence is very minimal and there is no need to form any specific policies therefore; however, the company has, from time to time as per specific requirements, obtained various insurance covers for the risk coverage such as accidental events relating to labours, fire, transit damage etc.

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

No Changes in Directors of the Company during the year.

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.



22, V. KRISHNASWAMY AVENUE,
LUZ CHURCH ROAD, MYLAPORE,
CHENNAI - 600 004.

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
EPSOM SHIPPING INDIA PRIVATE LIMITED

1. Opinion

We have audited the financial statements of **EPSOM SHIPPING INDIA PRIVATE LIMITED** ("the company"), which comprises the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, the Cash flow Statement, notes to 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 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 loss for the period 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 Financial Statements section of our report. We are independent of the Company 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 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, but doesn't include the financial statements and our auditor's report thereon. 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 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. Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

5. Auditor's Responsibility for the Audit of the Financial Statements

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 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 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 auditors' 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.

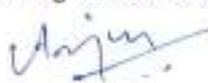
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

6. Report on Other Legal and Regulatory Requirements

- I. 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 Companies Act, 2013, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. 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 and adequate records for the purposes of our audit have been received from the branches not visited by us.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash flow Statement and notes to financial statements dealt with by this Report are in agreement with the books of account and adequate records have received from the branches not visited by us.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 our separate Report in **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 has disclosed the impact of pending litigations on its financial position in its financial statement – Refer Note 20 to the financial statements.
 - 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 required to be transferred to the Investor Education and Protection Fund by the Company.

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


Arjun S
(Partner)

Membership No. 230448
UDIN: 20230448AADE4295



ANNEXURE - A REFERRED TO PARAGRAPH 6 (I) OF OUR REPORT OF EVEN DATE

- i. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
b) The fixed assets of the Company have been physically verified during the year by the management and no material discrepancies between book records and physical verification have been noticed.
(c) The Company does not own any immoveable properties and hence reporting under Clause (i) (c) of the Companies (Auditors Report) Order, 2016 does not arise.
- ii. As the Company is neither a manufacturing nor a trading company, the question of reporting on physical verification of inventories, procedures of physical verification and maintenance of stock records does not arise.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Hence, reporting under Clauses (iii) (a), (iii) (b) and (iii) (c) of the Companies (Auditors Report) order, 2016 does not arise.
- iv. The Company has not given any loans, guarantees or securities and has not made any investments as per the provisions of Section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, 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 framed thereunder. Therefore, reporting under clause (v) of the Companies (Auditor's Report) Order, 2016 does not arise.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us and as per our verification of the records of the Company, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income tax, Employees' State Insurance, Goods and Services Tax, Customs Duty, Excise Duty and other statutory dues applicable to it and there are no statutory dues except Tax deducted at source and Professional tax outstanding for a period of more than six months amounting to Rs. 63,185 and Rs. 14,600 respectively, from the date they became payable as on the last day of the financial year.

(b) According to the information and explanation given to us, the following is the due of customs duty which has not been deposited on account of a dispute before the forum mentioned there against:

Name of the Statute	Nature of Dues & Related Period	Amount (Rs.)	Forum where dispute is pending
The Customs Act, 1962	Fine and penalty FY: 2008-09	1,15,00,000	Customs, Excise and Service tax Appellate Tribunal

- viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks. The company has not borrowed any funds from financial institutions or Government and through debentures.
- ix. The Company has not raised moneys by way of Initial Public Offer or Further Public Offer. In our opinion, and according to information and explanations given to us, term loans have been applied for the purposes for which they were raised.
- x. During the course of examination of the books and records of the Company, no case of fraud on or by the Company has been noticed or reported during the year under audit.
- xi. The provisions of Section 197 of the Companies Act, 2013 do not apply to the Company since it is a Private Limited Company. Hence, reporting under Clause (xi) of the Companies (Auditor's Report) Order, 2016 does not arise.
- xii. In our opinion, the Company is not a Nidhi Company. Hence, reporting under Clause (xii) of the Companies (Auditor's Report) Order, 2016 does not arise.
- xiii. According to the information and explanations given to us and in our opinion, the transactions with related parties are in compliance with section 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable Accounting Standard. Since the Company is a Private Limited Company, the provisions of section 177 do not apply.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares. Hence, reporting under Clause (xiv) of the Companies (Auditor's Report) Order, 2016 does not arise.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Hence, reporting under Clause (xv) of the Companies (Auditor's Report) Order, 2016 does not arise.
- xvi. According to the information and explanation given to us and in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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


Arjun S
(Partner)

Membership No. 230448
UDIN: 20230448AAADE4295



Place: Chennai
Date: 24/12/2020

ANNEXURE - B REFERRED TO PARAGRAPH 6(II)(I) OF OUR REPORT OF EVEN DATE

We have audited the Internal Financial Controls over financial reporting of EPSOM SHIPPING INDIA PRIVATE LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply the 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 opinion on the Company's internal financial control 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 these 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 directions 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.



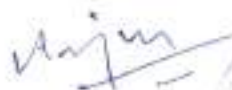
Inherent limitations of Internal Financial Controls over Financial Reporting

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 the financial reporting to future periods are subject to the risk that the internal financial control over the 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 aspects, an adequate internal financial controls system over the financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over the 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 the Financial Reporting issued by the Institute of Chartered Accountants of India.

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg. No. 0033985



Arjun S
(Partner)

Membership No. 230448
UDIN: 20230448AAADE4295



Place: Chennai

Date: 24/12/2020

EPSOM SHIPPING INDIA PRIVATE LIMITED
ANUGRAHA FOUNDATIONS NO:15 VALLIAMMAL ROAD, VEPERY, CHENNAI - 600 007

BALANCE SHEET AS AT 31ST MARCH 2020

(Amount in Rs.)

PARTICULARS	Note No	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
I. EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	74,04,000	74,04,000
(b) Reserves & Surplus	2	14,35,87,130	20,86,29,814
(2) Non- Current Liabilities			
(a) Long Term Borrowings	3	56,51,99,679	59,36,36,527
(b) Long Term provisions	4	4,69,794	3,29,954
(3) Current Liabilities			
(a) Trade Payables	5	8,89,15,036	2,57,15,289
(b) Other Current Liabilities	6	8,38,82,060	7,90,36,958
TOTAL		88,94,57,699	91,47,52,542
II. ASSETS			
(1) Non-Current Assets			
(a) Property Plant & Equipment - Tangible Assets	7	73,03,01,145	78,59,48,173
(b) Deferred Tax assets (net)	8	5,57,70,518	5,15,73,621
(c) Long Term Loans & Advances	9	77,64,319	1,49,24,300
(2) Current Assets			
(a) Trade Receivables	10	1,65,46,903	-
(b) Cash and Bank Balances	11	6,49,78,893	3,32,15,210
(c) Short Term Loans and Advances	12	1,39,72,890	2,90,44,361
(d) Other Current Assets	13	1,23,031	46,877
TOTAL		88,94,57,699	91,47,52,542

Significant Accounting Policies A
 Note Nos. 1 to 25 form an integral part of the Financial Statements

For and on behalf of the board

As per our report of even date
 For N.C.Rajagopal & Co.,
 Chartered Accountants
 Firm Regn No: 003398S


 Capt. P.B. Narayanan
 Director




 Shreelatha Narayanan
 Director


 Arjun S
 (Partner)
 Membership No. 230448

Place: Chennai
 Date: 24-12-2020

EPSOM SHIPPING INDIA PRIVATE LIMITED
ANUGRAHA FOUNDATIONS NO:15 VALLIAMMAL ROAD, VEPERY, CHENNAI - 600 007

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

(Amount in Rs.)

PARTICULARS	Note No.	FOR THE YEAR ENDED 31ST MARCH 2020	FOR THE YEAR ENDED 31ST MARCH 2019
INCOME			
I. Revenue from Operations	14	17,86,53,952	7,81,97,981
II. Other Income	15	59,91,072	69,33,031
III. Total Revenue		18,46,45,024	8,51,31,012
EXPENSES			
Finance Costs	16	3,86,22,530	4,23,38,919
Employee Benefit Expenses	17	69,76,965	60,97,264
Depreciation & Amortization expenses	18	11,09,51,729	11,97,77,249
Other Expenses	19	9,73,33,381	4,66,07,969
IV. Total Expenses		25,38,84,605	21,48,21,400
V. Profit before Exceptional and extraordinary items and tax		(6,92,39,581)	(12,96,90,388)
VI. Exceptional and extraordinary items		-	-
VII. Profit before tax		(6,92,39,581)	(12,96,90,388)
Tax Expense			
Current Tax		-	-
Deferred Tax		(41,96,897)	(3,37,19,501)
Profit/(Loss) for the period		(6,50,42,684)	(9,59,70,887)
Earnings per Equity Share:			
Basic and Diluted	22	(87.85)	(129.62)

Significant Accounting Policies

A

Note Nos. 1 to 25 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



EPSOM SHIPPING INDIA PRIVATE LIMITED
ANUGRAHA FOUNDATIONS NO:15 VALLIAMMAL ROAD, VEPERY, CHENNAI - 600 007

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	[Amount in Rs]	[Amount in Rs]
	2019-20	2018-19
A. Cash flow from Operating Activities		
Net Profit Before Tax	(6,92,39,581)	(12,96,90,388)
Adjusted for:		
Depreciation and withdrawal from revaluation reserve	11,09,51,729	7,57,15,878
Interest Income	(21,27,762)	(31,62,961)
Dividend Income	(14,054)	(9,39,490)
Interest	3,86,22,530	4,23,38,919
Operating Profit Before Working Capital Changes	7,81,92,862	-1,57,38,042
Adjusted for:		
Trade and other Receivables	(15,51,586)	1,83,47,741
Trade and other payables	6,81,84,689	3,83,58,276
Cash Generated from Operations	14,48,25,965	4,09,67,975
(Taxes Paid - Advance Tax and TDS Receivable)/ Refund Received	71,59,981	(24,75,469)
Net Cash from / (Used in) Operating Activities [A]	15,19,85,946	3,84,92,506
B. Cash Flow from Investing activities		
Purchase of Fixed Assets / CWIP	(5,53,04,700)	(17,24,200)
Sale of Investments	-	1,50,00,000
Dividend Income	14,054	9,39,490
Interest Income (Gross)	21,27,762	31,62,961
Net Cash from / (Used in) Investing Activities [B]	(5,31,62,884)	1,73,78,251
C. Cash flow from Financial Activities		
Increase/ (Decrease) in borrowings	(2,84,36,849)	(2,67,16,308)
Interest	(3,86,22,530)	(4,23,38,919)
Net Cash flow from/(Used in) Financing Activities [C]	(6,70,59,379)	(6,90,55,228)
Net Cash Flows during the year (A+B+C)	3,17,63,683	(1,31,84,471)
Cash & Cash Equivalents(Opening Balance)	3,32,15,210	4,63,99,681
Cash & Cash Equivalents (Closing Balance)	6,49,78,893	3,32,15,210
Increase / (Decrease) in Cash & Cash equivalents	3,17,63,683	(1,31,84,471)

For & on behalf of the Board

As per our report of even date
For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S


Capt. P.B. Narayanan
Director


Shreelatha Narayanan
Director


Arjun S
(Partner)
Membership No. 230448

Place: Chennai

Date: 24-12-2019



EPSOM SHIPPING INDIA PRIVATE LIMITED
Anugraha Foundations No:15 Valliammal Road, Vepery, Chennai - 600 007

Notes forming part of Financial Statement

Note No	Particulars	As at 31st March 2020 Amount in Rs.	As at 31st March 2019 Amount in Rs.
1	Share Capital		
	Authorised Shares	2,00,00,000	2,00,00,000
	20,00,000 equity shares of Rs.10/- each (PY 20,00,000 equity shares of Rs.10/- each)		
	Issued,Subscribed and fully paid up shares		
	7,40,400 equity shares of Rs.10/- each fully paid up with voting rights (PY 7,40,400 equity shares of Rs.10/- each)	74,04,000	74,04,000
	Total	74,04,000	74,04,000
1.1	Terms/Rights attaching to equity shares The Company has only one class of equity shares having a par value of Rs. 10 per share with voting rights.		
1.2	Reconciliation of number of shares outstanding as at the beginning and as at the end of the year		
		AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	Particulars	No. of shares	Amt in Rs.
	Equity Shares at the beginning of the year	7,40,400	74,04,000
	Equity Shares at the end of the year	7,40,400	74,04,000
1.3	For the period of five years immediately preceding the date as at which the Balance Sheet is prepared: The company has not any shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash The company has not allotted any shares by way of Bonus issue. The company has not bought back any class of share.		
1.4	Details of Shareholders holding more than 5% shares in the Company		
		AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	Particulars	No. of shares	% of holding
	Equity Shares of Rs. 10 each		
	(1) Capt. P. B Narayanan	2,30,000	31.06%
	(2) M/s ABS Marine Services Pvt Ltd	4,81,400	65.02%
	As per the records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.		
2	Reserves & surplus		
	Capital Reserve		
	As per last Balance Sheet	24,26,98,341	24,26,98,341
	Transfer from Revaluation Reserve		
	As on 31st March, 2020	24,26,98,341	24,26,98,341
	Capital Redemption Reserve		
	As per last Balance Sheet	21,04,000	21,04,000
	As on 31st March, 2020	21,04,000	21,04,000
	General Reserve		
	As per last Balance Sheet	8,53,61,076	8,53,61,076
	Add: Transferred from Revaluation Reserve		
	Add :Transferred from Statement of Profit and loss		
	As on 31st March, 2020	8,53,61,076	8,53,61,076
	Profit & Loss A/c		
	As per last Balance Sheet	(12,19,43,537)	(2,59,72,650)
	Add: Profit/(Loss) for the year	(6,50,42,684)	(9,59,70,887)
	Transfer from Tonnage Tax Reserve		



EPSOM SHIPPING INDIA PRIVATE LIMITED
Anugraha Foundations No:15 Valliammal Road, Vepery, Chennai - 600 007

Notes forming part of Financial Statement

Note No	Particulars	As at 31st March 2020 Amount in Rs.	As at 31st March 2019 Amount in Rs.
	As on 31st March, 2020	(18,69,86,221)	(12,19,43,537)
	Tonnage Tax Reserve		
	As per last Balance Sheet	4,09,934	4,09,934
	Less: Amount Transferred to Profit & Loss A/c	-	-
	Add: Amount Transferred from Profit & Loss A/c	-	-
	As on 31st March, 2020	4,09,934	4,09,934
	Total	14,35,87,130	20,86,29,814
3	Non Current Liabilities		
	Long Term Borrowings		
	Secured		
	From Banks*	64,20,93,297	66,41,91,253
	Less: Current Maturities (Refer Note: 6)	(7,68,93,618)	(7,05,54,726)
	Total	56,51,99,679	59,36,36,527
	Unsecured		
	From Directors	-	-
	Total	56,51,99,679	59,36,36,527
	*Security Details		
	Primarily secured by the mortgage of the vessel together with the Assignment of all earnings, rights and benefits whether current or future in joint and several personal guarantee by all Directors, shareholders & a third Corporate Guarantee has been provided by ABS Marine Services Private Interest rate is 3.5% + 1 month LIBOR Defaults - NIL (PY - NIL)		
4	Long Term Provisions		
	Provision for Employee Benefits		
	- Provision for gratuity	4,69,794	3,29,954
	Total	4,69,794	3,29,954
5	Trade Payables		
	(a) Micro, Small and Medium Enterprises	-	-
	(b) Others	8,89,15,036	2,57,15,289
	Total	8,89,15,036	2,57,15,289
6	Other Current Liabilities		
	Other Payables		
	Current Maturities	7,68,93,618	7,05,54,726
	Statutory dues Payable*	14,59,425	16,62,458
	Expenses Payable	33,53,844	39,40,158
	Interest Accrued but not due on borrowings	21,75,173	28,79,616
	Total	8,38,82,060	7,90,36,958
	* Includes PF, Gratuity, TDS and Professional Tax		
8	Deferred Tax Assets (Net)		
	(a) On account of depreciation	5,57,35,323	5,15,73,621
	(b) On account of disallowances as per the Income Tax Act, 1961	35,195	-
	Total	5,57,70,518	5,15,73,621
9	Non- Current Assets		
	Long Term Loans & Advances		
	(unsecured, considered good)		
(i)	Advance Income Tax / Tax Deducted at Source	77,64,319	1,49,24,300
	Total	77,64,319	1,49,24,300
10	Trade receivables		

EPSOM SHIPPING INDIA PRIVATE LIMITED
Anugraha Foundations No:15 Valliammal Road, Vepery, Chennai - 600 007

Notes forming part of Financial Statement

Note No	Particulars	As at 31st March 2020 Amount in Rs.	As at 31st March 2019 Amount in Rs.
	(Unsecured, considered good) Outstanding for a period exceeding six months from the date they become due or payable Others	1,65,46,903	-
	Total	1,65,46,903	-
11	Cash and Bank Balances		
(i)	Cash and Cash Equivalents		
	i.Balances with Banks - In Current Accounts	1,62,66,001	29,17,659
	ii.Cash on hand	4,21,100	8,050
(ii)	Other Bank Balances*		
	In Fixed Deposit Account with less than 12 month maturity	4,82,91,792	3,02,89,501
	In Fixed Deposit Account with more than 12 month maturity		
	Total	6,49,78,893	3,32,15,210
	*Held as margin money for Bank Guarantee		
12	Short Term Loans & Advances		
	(unsecured, considered good)		
(i)	Advance paid to Suppliers	41,50,326	2,72,27,579
(ii)	Prepaid expenses	14,58,035	17,61,707
(iii)	Balances with Statutory Authorities	30,04,450	55,075
(iv)	Others	53,60,079	-
	Total	1,39,72,890	2,90,44,361
13	Other Current Assets		
(i)	Interest accrued on Fixed Deposits	1,23,031	46,877
	Total	1,23,031	46,877
14	Revenue from Operations		
	Charter Hire Charges		
	Export	-	-
	Inland	17,86,53,952	7,81,97,981
	Total	17,86,53,952	7,81,97,981
15	Other Income		
(i)	Interest Income on		
	(a) Fixed Deposit with Banks	17,59,027	24,69,983
	(b) Income Tax Refund	3,68,735	6,92,978
	(c) Profit on sale of Mutual Funds	14,054	9,39,490
(ii)	Foreign Exchange Fluctuation	38,49,256	28,30,581
	Total	59,91,072	69,33,031
16	Finance Costs		
	Interest expenses	3,86,22,530	4,23,38,919
	Total	3,86,22,530	4,23,38,919
17	Employee Benefit Expense		
(i)	Salaries, wages and bonus*	69,76,965	60,97,264
	Total	69,76,965	60,97,264
* Includes Remuneration paid to directors Rs. 43,00,000 (PY-Rs. 42,00,000)			
18	Depreciation & Amortization expenses		
	Depreciation for the year	11,09,51,729	11,97,77,249
	Total	11,09,51,729	11,97,77,249
19	Other Expenses		
	Direct Expenses		
(i)	Consumption of stores and spare parts	13,92,787	9,83,753
(ii)	Power and Fuel	8,77,404	21,70,670
(iii)	Repairs & Maintenance for Ships	79,29,391	77,27,677
(iv)	Launch Hire Charges	-	-



EPSOM SHIPPING INDIA PRIVATE LIMITED
Anugraha Foundations No:15 Valliammal Road, Vepery, Chennai - 600 007

Notes forming part of Financial Statement

Note No	Particulars	As at 31st March 2020 Amount in Rs.	As at 31st March 2019 Amount in Rs.
(v)	Manning And Technical Charges	2,51,10,362	2,43,91,519
(vi)	Agency Fees	7,96,078	18,88,287
(vii)	Victualling Expenses	24,45,339	19,32,800
(viii)	Survey Charges	19,69,450	6,45,961
(ix)	Communication charges - ship	11,43,210	14,22,654
(x)	Port Charges	-	-
(xi)	Customs Duty	-	17,073
(xii)	Dry Dock Expenses	4,99,25,114	-
	Administrative Expenses		
(i)	Rent	7,20,000	7,20,000
(ii)	Insurance	33,31,404	29,25,892
(iii)	Commission	-	-
(iv)	Rates and Taxes	2,22,617	4,42,023
(v)	Travel Expenses	4,72,879	3,18,959
(vi)	Audit Fees	4,00,000	4,00,000
(vii)	Bank Charges	1,08,734	1,34,540
(viii)	Bank Guarantee Charges	3,31,710	1,71,542
(ix)	Loss on Foreign Exchange Fluctuations (Net)	-	-
(x)	Professional Charges	1,36,220	1,60,780
(xi)	Legal Charges	-	-
(xii)	Transportation charges	-	20,210
(xiii)	Miscellaneous Expenses	20,682	1,23,628
(xiv)	Round Off	-	1
	Total	9,73,33,381	4,66,07,969
20	Contingent Liabilities and Commitments		
(i)	Claims against the company not acknowledged as debts Customs duty disputed by the company	1,15,00,000	1,15,00,000
	Total	1,15,00,000	1,15,00,000



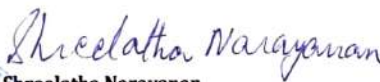
EPSOM SHIPPING (INDIA) PRIVATE LIMITED
Note: 7- Property Plant & Equipement Schedule for the year ended 31st March 2020

Description of the Assets	Cost					Depreciation				Net Block	
	As at 31st March 2019	Additions	Deletions	Option exercised as per Para 46A of AS 11	As at 31st March 2020	As at 31st March 2019	For the year	Deletions/ Adjustments	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
OTHERS											
(i) Ships											
Celestial	1,41,80,30,979	19,95,000	-	5,50,07,400	1,47,50,33,379	63,38,10,179	11,09,38,553	-	74,47,48,731	73,02,84,648	78,42,20,800
(ii) Computer	35,650	26,500	-		62,150	32,476	13,176		45,652	16,498	3,173
Capital WIP	17,24,200	-	17,24,200	-	-	-	-	-	-	-	17,24,200
Total	1,41,97,90,829	20,21,500	17,24,200	5,50,07,400	1,47,50,95,529	63,38,42,655	11,09,51,729	-	74,47,94,384	73,03,01,145	78,59,48,173
Previous Year	1,37,57,29,458	-	-	4,40,61,371	1,41,97,90,829	51,40,65,406	11,97,77,249	-	63,38,42,655	78,59,48,173	85,99,39,852



21	Related Party Transaction carried out during the year ended 31.03.2020 A. Key Managerial Personnel i. Capt.P.B.Narayanan - Director ii. Shreelatha Narayanan - Director B. Holding Company i. ABS Marine Services Private Limited C. Entities under Common Control i. ABS Marine Singapore Pte. Limited							
S.No	Name of the Party	Nature of Relationship	Technical Consultancy Fee	Income from Chartering of Vessel	Reimbursement of Expenses	Rent Paid	Managerial Remuneration	Amount due from/(due to)
			-	-	-	-	-	-
1	P.B.Narayanan	Key Managerial Personnel	-	-	-	-	-	-
	Previous Year 2018-19		-	-	-	-	43,00,000	-
2	Shreelatha Narayanan	Key Managerial Personnel	-	-	-	-	42,00,000	-
	Previous Year 2018-19		-	-	-	-	-	-
3	ABS Marine Services Private Limited	Holding Company	-	-	5,85,84,624	7,20,000	-	(8,31,97,218)
	Previous Year 2018-19		-	7,83,37,240	43,89,260	7,20,000	-	(2,38,92,594)
4	ABS Marine Singapore Pte. Limited	Entities under Common Control	2,28,66,025	-	-	-	-	-
	Previous Year 2018-19		-	-	-	-	-	-
Note: Corporate Guarantee is given by M/S.ABS Marine Services Pvt Ltd for the entire amount of loan taken (Ship - Celestial) Amount Outstanding = 64,20,93,297/-								



		Amount in Rs.	
	Particulars	As at 31st March 2020	As at 31st March 2019
22	EARNINGS PER SHARE Basic and Diluted Net Profit after tax as per Statement of Profit & Loss attributable to Equity Weighted Average Number of Equity Shares Basic & Diluted Earnings per Share	 (6,50,42,684) 7,40,400 (87.85)	 (9,59,70,887) 7,40,400 (129.62)
23	Foreign Exchange Earnings and Outgo		
	Total Foreign exchange earned and used	As at 31st March 2020	As at 31st March 2019
a	Earnings in Foreign Exchange Charter Hire Income	17,86,53,952	7,81,97,981
b	Expenditure in Foreign Currency Purchase of Stores	-	-
	Repair and Maintenance for Ship	3,13,52,161	-
	Agency Services	-	-
	Insurance	21,92,780	23,39,602
	Interest on Loan	3,86,22,530	4,23,38,919
	Communication Exp - Ship	13,11,699	17,66,161
	Advance towards Supplier	-	1,93,08,485
24	During the year, the company had availed the option under Para 46A under Accounting Standard 11 to add or deduct exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded in previous years in so far as they relate to acquisition of capital depreciable asset and shall be depreciated over the balance useful life of the asset and in other cases to accumulate the same in "Foreign currency monetary item translation difference account" and amortise the same over the balance period of such long term asset/liability. Accordingly the company has added Rs.5,50,07,400/- to the cost of Celestial under the above mentioned option. Further the Company has charged higher depreciation to the extent of Rs. 25,947/- pertaining to the above amount which is included in the total depreciation in the Profit and Loss account.		
25	Previous year figures The previous year's figures have been regrouped & reclassified wherever necessary to confirm with current year presentation.		
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			

A. Significant Accounting Policies

1. BACKGROUND AND PRINCIPAL ACTIVITIES

Epsom Shipping India Private Limited ('the Company') is a private limited company incorporated in India on 3rd February 2004. 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. 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.

4. 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.



5. 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.

6. TANGIBLE ASSETS 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.

7. 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 within a 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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.

13. IMPAIRMENT OF ASSETS

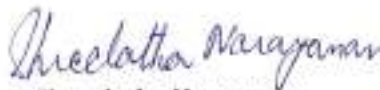
The company assesses at each balance sheet date where there is any indication that an asset maybe impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the 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.

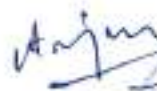
14. CONTINGENT LIABILITIES AND PROVISIONS

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.

As per our report of even date
For N.C.Rajagopal & Co,
Chartered Accountants
FRN : 003398S


Capt P.B. Narayanan
Director


Shreelatha Narayanan
Director


Arjun S
Partner
M.No.230448


Place: Chennai
Date: 24-12-2020

