ANNUAL REPORT

2022-23

SEVEN ISLANDS SHIPPING LIMITED

CORPORATE INFORMATION

(As on September 26, 2023)

BOARD OF DIRECTORS

Capt. Thomas W. Pinto, Chairman and Managing Director
Mr. Sujit G. Parsatwar, Director
Mr. Uday M. Gore, Independent Director
Mr. Anil L. Devli, Independent Director
Ms. Sanjeevlata D. Samdani, Independent Director
Mr. Sumit R. Maheshwari, Nominee Director

AUDIT COMMITTEE

Mr. Uday M. Gore, Chairman
Mr. Sujit G. Parsatwar
Ms. Sanjeevlata D. Samdani

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Capt. Thomas W. Pinto, Chairman
Mr. Sujit G. Parsatwar
Mr. Uday M. Gore

NOMINATION & REMUNERATION COMMITTEE

Mr. Uday M. Gore, Chairman
Mr. Sujit G. Parsatwar
Ms. Sanjeevlata D. Samdani

STATUTORY AUDITOR

S R B C & CO LLP
Chartered Accountants

INTERNAL AUDITOR

Shah Shroff & Associates
Chartered Accountants

SECRETARIAL AUDITOR

Jaiprakash R. Singh & Associates
Company Secretary in Practice

KEY MANAGERIAL PERSONNEL

CHIEF EXECUTIVE OFFICER
Mr. Clayton Lawrence Pinto
CHIEF FINANCIAL OFFICER
Mr. Warren Gregory Pinto
COMPANY SERETARY
Mr. Jay Parekh

BANKERS

Canara Bank
Axis Bank Limited
IndusInd Bank
HDFC Bank Limited
Kotak Mahindra Bank Limited
Federal Bank Limited

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park,
L.B.S. Marg, Vikroli (West)
Mumbai- 400 083
Tel : 91-22-4918 6000
Fax: 91-22-4918 6060
Email Id : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

REGISTERED OFFICE

Suite 3A, 3B & 4, Level 8, B Wing, Times Square,
Andheri-Kurla Road, Andheri (East),
Mumbai - 400 059,
Maharashtra, India.
Tel : 91-22-4225 4225
Fax : 91-22-4425 4226
Email Id : sevenislands@sishipping.com
Website : www.sishipping.com

NOT E

2 A G r M

SEVEN ISLANDS SHIPPING LTD.

NOTICE

Notice is hereby given that the **Twenty First Annual General Meeting** of the members of **Seven Islands Shipping Limited** will be held on Friday, October 20, 2023 at 11:00 A.M. (I.S.T.) at the registered office of the Company at Suite 3A, 3B & 4, Level 8, B Wing, Times Square, Andheri-Kurla Road, Andheri (East), Mumbai 400 059 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a) the audited standalone financial statements of the Company for the financial year ended March 31, 2023 including the audited Balance Sheet as at March 31, 2023, the statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the reports of the Board of Directors and the Auditors thereon; and
   b) the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2023 including the audited consolidated Balance Sheet as at March 31, 2023, the consolidated statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the report of the Auditors thereon.

2. To declare dividend of Rs. 18 per Equity Share of face value of Rs. 10 each (180%), of the Company for the financial year ended March 31, 2023.

3. To appoint a Director in place of Capt. Thomas Wilfred Pinto (DIN: 00053721), who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors
Seven Islands Shipping Limited

SEVEN ISLANDS SHIPPING LIMITED ★ MUMBAI ★

Jay Parekh
Company Secretary
Mem. No. A47580

Date: September 26, 2023
Place: Mumbai

Registered Office:
Suite 3A, 3B & 4, Level 8, B Wing, Times Square,
Andheri-Kurla Road, Andheri (East),
Mumbai 400 059,
Maharashtra, India.
CIN: U61100MH2002PLC135732
Tel: +91 22 4225 4225
Fax: +9122 4225 4226
E-mail: sevenislands@sishipping.com
Website: www.sishipping.com

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF SEVEN ISLANDS SHIPPING LIMITED (THE "COMPANY").** A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The instrument of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the Annual General Meeting (AGM). A proxy form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority, as applicable.

3. In accordance with the Companies Act, 2013, the due date to hold the 21st AGM was originally scheduled for September 30, 2023. However, the Company had sought an extension from the Registrar of Companies, Mumbai by filing Form GNL-1. As per the approval letter dated September 21, 2023, The Registrar of Companies, Mumbai granted an additional three months to hold the AGM of the Company. Consequently, the AGM is slated for October 20, 2023.

4. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue.

5. All documents referred to in the notice and in the accompanying explanatory statement shall be open for inspection without any fee at the registered office of the Company between 11:00 a.m. and 01:00 p.m. on all working days, except Saturdays and holidays, up to the date of the Annual General Meeting.

6. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their members electronically.

7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

8. Corporate Members (i.e., other than individuals, HUF's, NRI's etc) intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a scanned copy (PDF/JPG Format) certified copy of relevant Board or governing body Resolution/Authorization etc together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting. The said Resolution/Authorization shall be sent by email at cs@sishipping.com or by post to the registered office of the Company addressed to the Company Secretary.

SEVEN ISLANDS SHIPPING LIMITED
MUMBAI

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants (DPs).

10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request.

11. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

12. Members desiring any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company well in advance through email on cs@sishipping.com. The same will be replied by the Company Suitably.

13. The route map showing directions to reach the venue of the AGM is annexed and forms part of this Notice.

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

ANNEXURE 1

Details of directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Clause 1.2.5 of Secretarial Standard-2 on General Meetings]

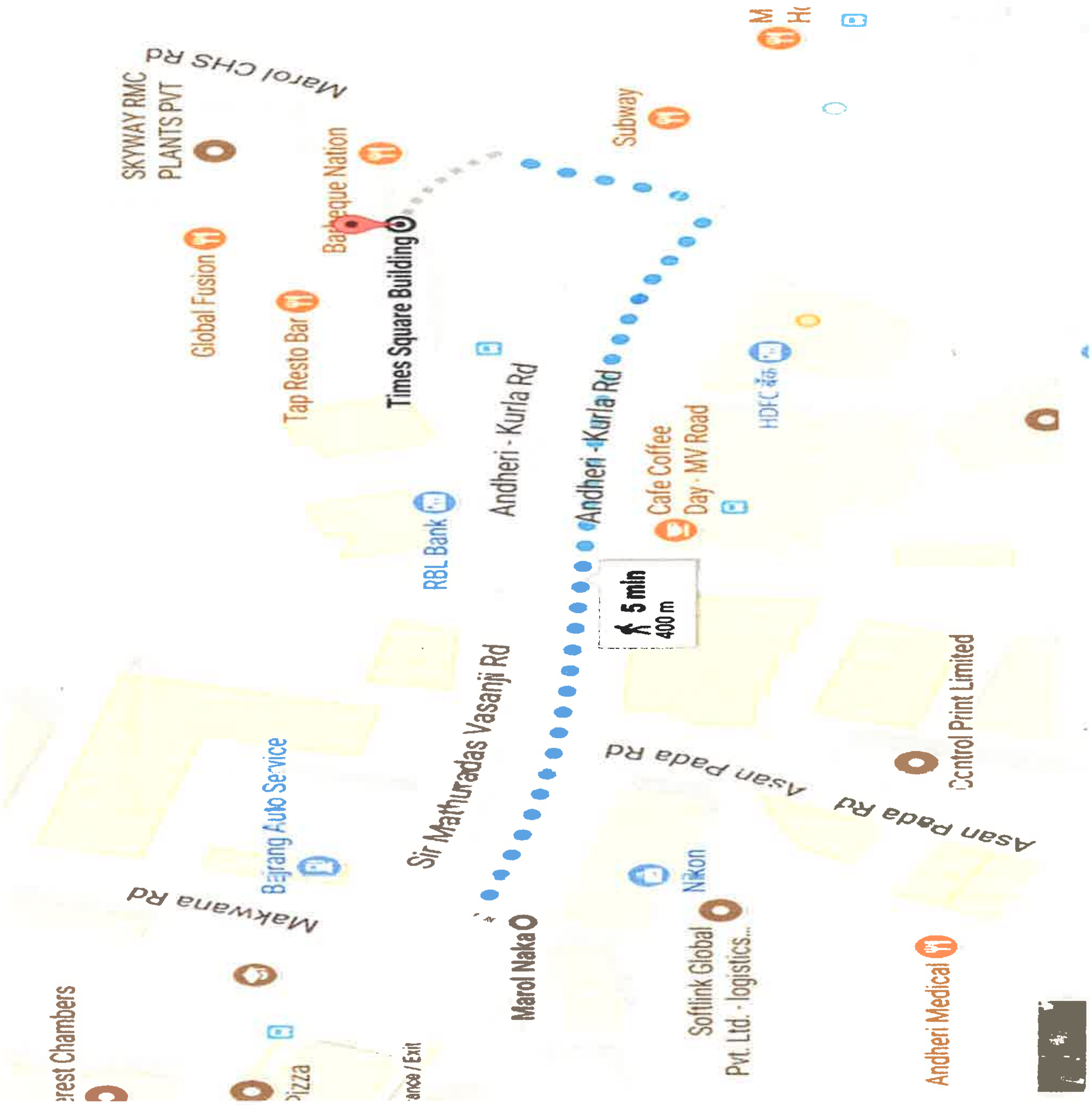
Name of the Director	Capt. Thomas Wilfred Pinto
Director Identification Number	00053721
Designation/category of the Director	Chairman and Managing Director Executive Director
Date of Birth and Age	20/09/1959 64 Years
Date of first appointment on the Board	May 02, 2002
Qualification	Master Mariner
Experience and Expertise	More than 40 Years in shipping industry
Profile of the Director	Capt. Thomas Wilfred Pinto is a master mariner with experience spanning over 40 years in the shipping industry. He has been a master on various Indian and foreign vessels of different types and sizes, and worked for many renowned international shipping companies globally until the year 1998, when he decided to quit sea-life. Thereafter, he took up a shore job as a Marine Superintendent with an Indian shipping owning company, where he helped them substantially expand their shipping business. In 2002, armed with invaluable experience in every aspect of the shipping business, both at sea and on shore, Capt. Pinto decided to found Seven Islands Shipping (SISL) – a company that was to grow rapidly to become India's second largest tanker shipping company in the private sector and redefine the industry standard of operational efficiency. After founding SISL, Capt. Thomas Pinto worked tirelessly with a small team of dedicated employees and insisted on handling all shipping operations in-house rather than outsourcing key activities. This vision of his gave the company a clear view of all overheads and allowed them to turn all the dials on operational efficiency without depending on the judgment of external service providers. As a result, the SISL team grew proficient at managing all areas of the shipping business under Capt. Pinto's leadership. His revered name in shipping circles helps SISL build and maintain excellent relationships with partners, customers and suppliers. Capt. Pinto's close partnership with the operational and financial heads within SISL ensures that he receives daily feedback on the follow through of major activities and processes. He has spearheaded the growth of the company since inception and reviews all major decisions made by the management and board, lending his guidance and concurrence. He meets with senior management on a daily basis and draws from his vast experience and knowledge to provide advice on

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

	best practices in a variety of situations. His visionary leadership and tendency to work with the grassroots has spurred the company to its current position of strength. Under Capt. Pinto's leadership, his company has achieved many distinctions, one of which is being profitable in every year of its existence – a rare feat in the shipping business. Capt. Thomas Pinto continues to demonstrate his commitment to the environment and the shipping fraternity by serving on the boards of the Indian National Shipowners Association (INSA) & International Tanker Owners' Pollution Federation (ITOPF). He has routinely used his success in the nautical profession to lend humanitarian support in times of crises, most recently, when he ordered one his ships to divert from its business route to rescue Iranian fishermen who had been abandoned at sea. The fishermen were carried to safety and repatriated later by authorities.
Number of Meetings of the Board attended during the year.	7 out of 7
Directorships held in other companies including equity listed companies and excluding foreign companies as of the date of this Notice.	**Private Companies:** 1. Seven Islands Logistics Private Limited 2. Lavails Agriculture and Properties Private Limited
List of Membership / Chairmanship of Committees of other Board.	Nil
Shareholding in Seven Islands Shipping Limited.	2,91,90,750 Equity Shares
Relationship with other directors, manager and other Key Managerial Personnel of the Company.	Father of Mr. Clayton Lawrence Pinto (Chief Executive Officer)
Justification for choosing the appointees for appointment as Independent Directors.	Not Applicable

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

Route map to reach the venue (From Marol Naka Metro Station):



SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

SEVEN ISLANDS SHIPPING LIMITED
CIN: U61100MH2002PLC135732
Suite 3A, 3B & 4, Level 8, B Wing, Times Square, Andheri-Kurla Road, Andheri (East),
Mumbai – 400059, Maharashtra, India.
Tel : +91-22-4225 4225, Fax : +91-22-4425 4226, Email : sevenislands@sishipping.com
Website : www.sishipping.com

Proxy Form (MGT-11)
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): ____________________

Registered address : ____________________
____

E-mail ID: ____________________

Folio No./Client ID No.* : ____________________ DP ID No.* : ____________________
* Applicable for investors holding shares in electronic form.

I/We, being the member(s) holding ____________________ Equity Shares of Seven Islands Shipping Limited, hereby appoint:

1) Name : ____________________
Address : ____________________
____
Email ID : ____________________

Signature of first proxy holder: ____________________, or failing him/her

2) Name : ____________________
Address : ____________________
____
Email ID : ____________________

Signature of second proxy holder: ____________________, or failing him/her

3) Name : ____________________
Address : ____________________
____
Email ID : ____________________

Signature of third proxy holder: ____________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Friday, October 20, 2023, at 11:00 A.M. at Suite 3A, 3B & 4, Level 8, B Wing, Times Square, Andheri-Kurla Road, Andheri (East), Mumbai – 400059, Maharashtra, India and at any adjournment thereof, in respect of such resolutions as are indicated hereinafter:

Resolution No.	Description of Resolution	Type of Resolution	For	Against
1.	To receive, consider and adopt: a) the audited standalone financial statements of the Company for the financial year ended March 31, 2023 including the audited Balance Sheet as at March 31, 2023, the statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the reports of the Board of Directors and the Auditors thereon; and b) the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2023 including the audited consolidated Balance Sheet as at March 31, 2023, the consolidated statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the report of the Auditors thereon.	Ordinary		
2.	To declare dividend of Rs. 18 per Equity Share of face value of Rs. 10 each (180%), of the Company for the financial year ended March 31, 2023.	Ordinary		
3.	To appoint a Director in place of Capt. Thomas Wilfred Pinto (DIN: 00053721), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary		

Signed this __________ day of ____________________, 2023

Affix Revenue Stamp

Signature of Shareholder ____________________________

Signature of first proxy holder ____________________________

Signature of second proxy holder ____________________________

Signature of third proxy holder ____________________________

Notes:

1) A Member may vote 'for' or 'against' each resolution. Please put a '✓' in the Box in the appropriate column either 'for' or 'against' the respective resolutions. If you leave the 'For' or 'Against' column blank in respect of any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

2) A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

3) This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Suite 3A, 3B & 4, Level 8, B Wing, Times Square, Andheri-Kurla Road, Andheri (East), Mumbai-400059, Maharashtra, India not less than 48 hours before the commencement of the Meeting.

4) Those Members who have multiple folios with different joint holders may use copies of this Proxy Form.

5) Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.

6) In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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CIN: U61100MH2002PLC135732
Suite 3A, 3B & 4, Level 8, B Wing, Times Square, Andheri-Kurla Road, Andheri (East),
Mumbai – 400059, Maharashtra, India
Tel : +91-22-4225 4225, Fax : +91-22-4425 4226 Email : sevenislands@sishipping.com
Website : www.sishipping.com

Attendance Slip

I certify that I am a member/proxy/authorized representative for the member of the Company.

I hereby record my presence at the 21st Annual General Meeting of the Company at Suite 3A, 3B & 4, Level 8, B Wing, Times Square, Andheri-Kurla Road, Andheri (East), Mumbai 400059, Maharashtra, India on Friday, October 20, 2023 at 11:00 A.M.

Folio No. :____________

No. of shares held :____________

DP ID No.* :____________

Client ID No.* :____________

*Applicable for member holding shares in electronic form

Name of the Member : ______________________________ Signature : ________________

Name of the Proxyholder: ______________________________ Signature : ________________

Notes:
1) Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.
2) Only Member/Proxyholder can attend the Meeting.
3) Member/Proxyholder should bring his/her copy of the Notice for reference at the Meeting.
4) Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip.

RE TOR REPORT

DIRECTORS' REPORT

To,
The Members,
Seven Islands Shipping Limited

Your directors are pleased to present, the report on business and operations of Seven Islands Shipping Limited ("Company" or "SISL") and its Audited Financial Statements of Accounts (Standalone as well as Consolidated) for the financial year ended March 31, 2023, together with the Auditors' Report. The detailed financial and operational performance of your Company is produced below.

RESULTS OF THE OPERATIONS

The key highlights of the financial performance of your company during financial year 2022-23 along with the corresponding performance in financial year 2021-22 are mentioned below (rounded to nearest rupees/crore):

(Rs. in Crores, except earnings per share)

Particulars	Standalone		Consolidated	
	Financial Year 2022-23	Financial Year 2021-22	Financial Year 2022-23	Financial Year 2021-22
Total Revenue	1,228.21	784.05	1,225.26	783.14
Total Expenses	919.97	695.92	921.76	695.96
Profit before finance costs and tax	398.41	156.20	393.73	155.26
Finance costs	90.17	68.07	90.23	68.07
Profit before tax (PBT)	308.24	88.13	303.50	87.18
Tax expense	5.53	4.83	5.53	4.83
Profit for the year	302.72	83.30	297.98	82.35
Opening Balance of Retained Earnings	679.67	590.35	678.72	590.35
Closing Balance of Retained Earnings	938.38	679.67	933.18	678.72
Earnings per share:				
Basic	52.90	14.56	52.07	14.39
Diluted	52.90	14.56	52.07	14.39

Previous year figures have been regrouped where necessary and have been re-stated as per IndAS.

This discussion on the financial condition and results of operations of your Company for the financial year ended March 31, 2023, which are summarised above, should be read in conjunction with its audited standalone and the consolidated financial statements containing financials and notes thereto of SISL and its subsidiary, namely Seven Islands Maritime Training Foundation.

The financial statements (standalone and consolidated) have been prepared in accordance with the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

FINANCIAL HIGHLIGHTS

During the financial year 2022-2023, your Company added 3 (three) vessels to its fleet and sold 1 (one) vessel. After a consolidation period in financial year 2021-22, your Company took the opportunities amid significantly high asset prices in a bid to renew and expand its fleet.

Your Company's performance saw a significant jump, boosted by global tanker shortage resulting from very low yard manufacturing and the Russia-Ukraine war. The vessels performing voyage charters saw very high freight earnings throughout the year. Similarly, vessels being placed on fresh time charter contract during the period, saw significantly higher charter rates being locked in. Your Company's agility in balancing the deployment of it vessels between time and voyage charters allowed it to substantially capitalize on the very good charter market.

Your Company recorded operating turnover of Rs. 1,152.48 crores compared to Rs. 724.26 crores in the previous year. This represents a rise of 59.1% over the previous year. The total revenue of your Company for the financial year 2022-23 was Rs. 1,228.21 crores as compared to Rs. 784.05 crores last year, a rise of 56.7%. The revenue from other sources has increased to Rs. 75.73 crores during the financial year 2022-23 as compared to Rs 59.79 crores during the financial year 2021-22. Simultaneously, the expenditure incurred on operation of shipping activities has increased from Rs. 288.82 crores in the financial year 2021-22 to Rs. 380.63 crores in financial year 2022-23.

Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") increased from Rs. 383.23 crores in financial year 2021-22 to Rs. 696.05 crores in financial year 2022-23. There is an increase of 81.9% in EBITDA as compared to previous year. This rise was caused by a significant increase in global spot and time charter rates for oil and gas tankers. Your company's net worth rose to Rs. 1,300.01 crores at the end of financial year 2022-23 as against Rs. 997.22 crores at the end of the previous year, an increase of 30.4%. Accordingly, the Book Value per Share was Rs. 227.17 for the financial year 2022-23, as against Rs. 174.25 the previous year, an increase of 30.4% contributed to primarily by addition of net income during the year under review.

The Profit after Tax in the financial year 2022 23 was Rs. 302.72 crores as against Rs. 83.30 crores in the previous financial year 2021 22 a rise of 263.4%. Accordingly, the Basic Earnings per Share were Rs. 52.90 in financial year 2022-23 as against Rs. 14.56 in the previous year 2021-22 – a rise of 263.4%.

A glimpse of the financial position of your Company for financial year 2022-23 vis-à-vis financial year 2021-22 is reproduced hereunder:

(Rs. in Crores, except No. of Equity Shares)

Particulars	Standalone		Consolidated	
	Financial Year 2022-23	Financial Year 2021-22	Financial Year 2022-23	Financial Year 2021-22
Cash and cash equivalents	401.45	213.02	403.25	214.67
Current investments	25.04	100.26	25.04	100.26
Net current assets	110.75	74.17	108.23	75.23
Property, plant and equipment (including capital work-in-progress)	1,806.21	1,744.96	1,883.81	1,756.36
Right-of-use assets	10.48	15.32	18.46	22.73
Other intangible assets	0.93	0.84	0.93	0.84

Other non-current assets	162.10	62.26	81.04	48.70
Total Assets	2,565.87	2,275.22	2,574.21	2,282.11
Non-current lease liabilities	4.88	8.60	12.58	15.56
Other non-current liabilities	785.58	891.73	785.58	892.02
Retained earnings	938.38	679.67	933.18	678.72
Equity share capital	57.23	57.23	57.23	57.23
Other reserves and surplus (excluding retained earnings)	304.44	260.32	303.90	260.32
Total equity	1,300.01	997.22	1,294.31	996.27
No. of equity shares	5,72,27,550	5,72,27,550	5,72,27,550	5,72,27,550

OPERATIONAL HIGHLIGHTS

1) Fleet Acquisitions/Sales

During the financial year 2022-23, your company acquired 3 (three) tankers. Out of these, 2 (two) were Medium Range Tankers – M.T. Regency and M.T. Bourbon and 1 (one) was Handy-sized Tanker – M.T. Falcons. Your Company also sold 1 (one) older tanker, namely M.T. Abalone.

At the end of the financial year 2022-23, your Company owned 24 (twenty four) ships in total - 19 (nineteen) product tankers, 2 (two) LPG carriers and 3 (three) crude oil tankers, as against 22 (twenty two) ships at the end of the financial year 2021-22. The deadweight capacity of the fleet rose to 1,322,228 MT at the end of financial year 2022-23 as compared to 1,258,679 MT at the end of financial year 2021-22.

2) Clientele

Our client base for our vessels includes, but is not limited to, Indian Oil Corporation Ltd (IOCL), Hindustan Petroleum Corporation Ltd (HPCL), Bharat Petroleum Corporation Ltd (BPCL), Oil and Natural Gas Corporation (ONGC), Reliance Industries Limited (RIL) and Nayara Energy Limited (NEL). The other large corporations that your company transports liquid cargoes for are Bharat Oman Refineries Ltd (BORL), ONGC Petro Additions Limited (OPAL) and Chennai Petroleum Corporation Limited (CPCL). Your company has also transported liquid products for large foreign companies like Bin Hilal (An ADNOC company), Emirates National Oil Corporation (ENOC) and Aramco Trading.

IOCL accounted for 27.4% of your company's revenue, lower than the 40.1% in financial year 2021-22. Its net revenue contribution, however, increased from Rs. 290.29 crores to Rs. 315.66 crores. BPCL accounted for 15.5% of revenues, as against 22.4% last year. Its net revenue contribution in financial year 2022-23 was Rs. 178.37 crores as against Rs. 162.51 crores in financial year 2021-22. HPCL accounted for 9.3% of revenues, a decrease from 15.0% last year. Its net revenue contribution, however, remained roughly constant at Rs. 107.38 crores in financial year 2022-23 as against Rs. 108.78 crores in financial year 2021-22 in absolute terms. Two of the three newly acquired tankers had been placed on time charter contracts, while on M.T. Falcons has been placed on back-to-back voyage charters.

The charter deployment mix saw a wider balance of time and voyage charters this past year. Time charters accounted for about Rs. 895.55 crores or 77.7% of operating revenue. Voyage charters accounted for Rs. 256.93 crores or 22.3% of operating revenue.

3) **Liquidity**

Your Company's principal sources of liquidity are cash and cash equivalents, investments and the cash flow that it generates from its operations. Your Company continues to maintain sufficient cash to meet its strategic and operational requirements. SISL understands that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business requirements.

Liquidity enables your Company to be agile and ready for meeting unforeseen strategic and business needs.

As on March 31, 2023, cash and investments stand at Rs. 426.48 Crores on a standalone basis and Rs. 428.29 Crores on a consolidated basis, as against Rs. 313.29 Crores on a standalone basis and Rs. 314.94 Crores on a consolidated basis as on March 31, 2022.

Consolidated cash and investments, on both standalone and consolidated basis, include deposits with banks. As a result, liquidity risk of cash and cash equivalents is limited.

The details of these investments are disclosed under the 'non-current and current investments' section in the Standalone and Consolidated financial statements.

4) **Capital expenditure on tangible assets – standalone**

This year, on a standalone basis, additions to tangible assets was Rs. 405.84 Crores. This comprises Rs. 401.89 Crores in vessels, Rs. 0.13 Crore in infrastructure, Rs. 0.15 Crores for investment in computer equipment and software and Rs. 3.67 Crores in vehicles.

In the previous year, your Company's additions to tangible assets was Rs. 787.06 crores. This comprised Rs. 786.07 Crores in vessels, Rs. 0.12 Crore in infrastructure, Rs. 0.52 Crores for investment in computer equipment and software and Rs. 0.35 Crores in vehicles.

5) **Capital expenditure on tangible assets – consolidated**

This year, on a standalone basis, additions to tangible assets was Rs. 405.88 Crores. This comprises Rs. 401.89 Crores in vessels, Rs. 0.13 Crore in infrastructure, Rs. 0.15 Crores for investment in computer equipment and software and Rs. 3.72 Crores in vehicles.

In the previous year, we had additions to tangible assets was Rs. 787.28 crores. This comprised Rs. 786.07 Crores in vessels, Rs. 0.30 Crore in infrastructure, Rs. 0.57 Crores for investment in computer equipment and software and Rs. 0.35 Crores in vehicles.

MARKET ANALYSIS

Crude Tanker Market

Crude tanker earnings were around operating expense (opex) levels for about one and a half years prior to the start of financial year 2022-23 as COVID-19 took a toll on oil demand. Earnings surged in financial year 2023 to levels not seen since financial year 2009, mainly due to trade disruptions caused by the Russia-Ukraine war.

Following the start of the Russia-Ukraine conflict, many participants in the oil and tanker markets began to self-sanction even before European Union's official ban on Russian crude imports took full effect on December 05, 2022, reshaping both Russia's exports and European Union's imports during Financial Year 2023. As a result, Russia's oil exports have seen longer voyages, particularly flowing to India and China. The European Union has increased imports from farther sources like Middle East and the Atlantic region. This has benefited Suezmax and Aframax tanker segments, driving higher ton miles and consequently higher freight rates.

Overall seaborne crude trade grew by approx. 10% year on year during financial year 2023, recovering to pre-Covid levels. Apart from the trade flow disruption caused by the conflict, the following factors were also influential in creating a strong tanker market during the year:

1) Recovering oil products demand, historically low product inventories and elevated product cracks enabled steady crude intake into refineries during financial year 2022-23. However, refinery runs were still below pre-pandemic levels.

2) Crude production increased sharply in financial year 2022-23 led by both OPEC and non-OPEC with production levels in Q4 of financial year 2022-23 nearing pre-pandemic levels. OPEC+ stuck to its planned addition of approx. 400 thousand barrels per day each month but announced cuts of 2.0 Million Barrels Per Day from November, which in real terms appears to be a cut of closer to 1.0 Million Barrels Per Day once underproduction is accounted for.

3) In an attempt to cap prices, the US also released a record approx. 200 million barrels of oil of crude from its Strategic Petroleum Reserves. This resulted in higher than normal crude exports from the country, generating a significant amount of tanker demand.

4) On the other side, crude tanker supply was constrained as global fleet grew by 3.0% during the year. Consequently, crude tankers witnessed record high freight rates for most of Financial Year 2023.

Product Tanker Market

As in the case of crude, product tanker earnings also boomed during financial year 2022-23, and reached the highest annual earnings. Global products trade also saw healthy growth in financial year 2022-23 (+5% year on year) and recovered to pre-pandemic levels. Seaborne products trade flow was marked by incremental growth from East-of-Suez to West-of-Suez thereby aiding ton-mile growth.

While European Union's ban on Russian product imports officially began from February 05, 2023, the shift in trade patterns began to appear as early as August/September with the European Union increasing its sourcing from Asia and Middle East. Russian products on the other hand are now making their way to newer destinations in Asia, Middle East, Africa and South America.

Chinese product exports were an additional catalyst to products trade as they jumped sharply in second half of financial year 2022-23, led by liberal export quotas and commissioning of two large new refineries. Middle East also saw refinery capacity increases in Saudi Arabia and Kuwait, enabling higher exports from the region.

Product tanker fleet supply grew by 1.9% in nominal terms. However, supply tightness in crude markets relative to products prompted many Long Range 2 owners to switch their vessels from clean trade to dirty trade, which further curtailed product fleet growth.

LPG Carrier Market

The VLGC freight market, which was reasonably strong in financial year 2021-22, strengthened further during financial year 2022-23. The main factors driving the VLGC market during financial year 2022-23 were:

1) Global VLGC trade demand increased approx. 11% year on year driven by increase in LPG exports from both Middle East & North America.
2) The change in the reservation rules for the Neo – Panamax locks at the Panama Canal altered trade patterns during the year.
3) The share of US – Asia VLGC trade through the Panama Canal declined on a Year on Year basis and more volumes had to take the longer route to Asia via the Cape of Good Hope (CoGH).
4) Additionally, at the end of the year, a higher proportion of ships ballasting towards US had to come via CoGH in wake of these new reservation rules.
5) On the supply side, the in-water VLGC fleet grew by approx. 6% year on year during financial year 2022-23.

FUTURE OUTLOOK

The fiscal year 2022-23 saw an impact of the lack of tanker orders at shipyards, which resulted in a global shortage of tankers. This shortage was accentuated by the Russia-Ukraine war which consumed some tankers in the global east that engaged in Russian oil trade after the start of the war. This caused a shortage of tankers for regular trade, sending tanker charter rates soaring.

This rise in charter rates continues to this day. Looking beyond the ongoing war in Ukraine, the sanctions likely to stay imposed on Russia, might continue to keep tanker charter rates high over the medium term and most likely during all of financial year 2023-24.

Your Company remains watchful of the situation while focusing on driving volume-led competitive growth.

Even though conditions will remain unpredictable because of global geopolitics for some time, the management remains confident of the medium to long-term growth prospects of the shipping sector. The employees have shown their resilience and commitment to rise in the most difficult circumstances. With our fleet of vessels, industry leading capabilities, resilient workforce and strong relationships, SISL is well placed to deliver consistent, competitive, profitable, and responsible growth.

RESERVES

During the year, Rs. 17.63 crores were transferred from Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 to General Reserve. The reserves and surplus of your company increased from Rs. 939.99 Crores to Rs. 1242.78 Crores in the financial year 2022-23.

For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2023, please refer to the 'Statement of Changes in Equity' included in the Standalone and Consolidated financial statements.

DIVIDEND

Based on the profitability and key financial metrics, capital position & requirements and the regulations pertaining to the payment of dividend, the Board of Directors in its meeting held on September 26, 2023, recommended a final dividend of Rs. 18/- (Rupees Eighteen Only) per equity share of Rs. 10/- (Rupees Ten) each for the financial year ended March 31, 2023. The aggregate outflow on account of the equity dividend for the year will be approx. Rs. 103 crores. The payment of dividend is subject to the approval of shareholders at the 21st Annual General Meeting.

In view of the applicable provisions of Income Tax Act, 1961, dividend paid or distributed by your Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly make the payment of the final dividend after deduction of tax at source (TDS).

KEY FINANCIAL RATIOS

Conventional return ratios are not appropriate to assess the performance or condition of your Company, for the following reasons:

1) A very significant part of the return in shipping comes from the appreciation in the value of the asset itself. This does not enter the Profit and Loss account except at the time of sale.
2) In recent years, due to the change in accounting standards, your Company's profits have been affected very significantly by the movement in exchange rates. This has generally had the effect of increasing your Company's profits when the rupee appreciates against the US Dollar, and of reducing its profits when the rupee depreciates against the US Dollar. In reality, the depreciation of the rupee against the US Dollar improves the profitability of your Company.

Considering the cyclical and highly volatile nature of the shipping industry, the ability to survive weak markets, and if possible, even take advantage of them, is critical to success. Your Company has therefore reflected the key financial ratios applicable to its business under Note 44 of the Financial Statements.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 125 and other applicable provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the Investor Education and Protection Fund established by the Central Government ("IEPF Authority"), upon completion of 7 (seven) years. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority.

Your Company does not have any unpaid or unclaimed dividend or shares relating thereto which is required to be transferred to the IEPF Authority till the date of this Report.

SHARE CAPITAL

As on March 31, 2023, the authorized share capital of your Company stood at Rs. 75,00,00,000/- (Rupees Seventy Five Crores) consisting of 7,50,00,000 (Seven Crore Fifty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each and paid-up share capital of your Company was Rs. 57,22,75,500/- (Rupees Fifty Seven Crores Twenty Two Lakhs Seventy Five Thousand Five Hundred Only) consisting of 5,72,27,550 (Five Crores Seventy Two Lakhs Twenty Seven Thousand Five Hundred and Fifty) equity shares of Rs. 10/- (Rupees Ten) each.

DEPOSITORY SYSTEM

Your Company's total paid up equity shares are in dematerialized form as on March 31, 2023. Under the Depository System, the International Securities Identification Number (ISIN) allotted to your Company's shares is

INE824S01017.

DISCLOSURE UNDER THE EMPLOYEE STOCK OPTION PLAN

Your Company has not provided any Employee Stock Option Plan (ESOP); therefore, disclosure requirement in relation to ESOP under Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable

LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

Pursuant to Section 186 of the Act and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Guarantees and Investments are provided as part of the financial statements.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2023, your Company had 1 (one) subsidiary – Seven Islands Maritime Training Foundation ("SIMTF"). SIMTF is a wholly owned subsidiary of your Company incorporated under Section 8 of the Act to set up a maritime training institute by the name 'Seven Islands Maritime Training Institute' to train fresh candidates in pre-sea courses. During the year under review, SIMTF made a loss of Rs. 4.77 crores as compared to a loss of Rs. 0.92 crores for the year ended March 31, 2022. The cost in relation to the Seven Islands Maritime Training Institute's ongoing construction has primarily contributed to SIMTF's financial loss.

Your Company's investment in its subsidiaries as on March 31, 2023 stands at Rs. 0.15 crores. During the year, your Company has not made any further investment in its subsidiaries. However, your Company funds its subsidiaries, from time to time, in the ordinary course of business and as per the funding requirements, through loan and/or other means to meet working capital requirements.

A statement pursuant to section 129(3) of the Act read with rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the financial statements of your Company's subsidiaries has been attached along with this report as "Annexure-2".

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Technology absorption, adaptation and innovation

During the financial year ending March 31, 2023, your company continued to prioritize technology absorption, adaptation, and innovation, further bolstering its operational efficiency and productivity. In addition to the advancements highlighted in the previous year's report, your Company is pleased to present the following key developments:

1) **Crew Appraisal System:** In an effort to enhance your Company's crew management processes, your Company have successfully implemented a digitized Crew Appraisal System. This innovative system enables your Company to assess and rate crew members based on various performance scenarios at intervals determined by the management. By automating this appraisal process, your Company can not only streamline crew evaluations but also gain valuable insights for improving crew performance and identifying top talent within our workforce. Moreover, this system facilitates the rehiring of exceptional crew members when needed, fostering a more

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efficient crew management strategy.

2) **mSAILORS** : Mobile App for Crew Management: Building on the foundation of the existing crew management system, SAILORS, your Company have introduced mSAILORS, a dedicated mobile application. This mobile app seamlessly synchronizes essential crew-related data from the core SAILORS software to mobile devices. This strategic move empowers the crew management team with convenient, on-the-go access to critical information, ensuring efficient decision-making, and responsiveness in real-time. Your Company has ambitious plans to enrich mSAILORS with additional features in the upcoming year, further facilitating streamlined crew management operations.

These technology-driven enhancements underscore SISL's unwavering commitment to remaining at the forefront of innovation within the shipping industry. By continuously integrating cutting-edge IT systems into the operations, your Company aims to not only improve its internal processes but also provide a superior experience to its clients and partners. As SISL move forward, your Company remains dedicated to exploring new avenues of technological advancement and embracing opportunities that drive its business's growth and success.

Foreign Exchange Earnings and Outgo

The details of foreign exchange earnings and outgo as required under Section 134 of the Act and Rule 8(3) of Companies (Accounts) Rules, 2014 are mentioned below:

Particulars	Amount (Rs. In crores)	
	F.Y. 2022-23	F.Y. 2021-22
(1) Foreign Exchange earned on account of freight, charter hire earnings, sale proceeds of ships, etc.	361.63	164.06
(2) Foreign Exchange used including operating expenses, capital repayment, down payments for acquisition of ships (net of loan), interest payment, etc.	593.63	682.81

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has in place adequate internal financial control systems commensurate with the nature of its business and the size of its operations. Your Company has an internal control framework which establishes the essential components of internal controls.

These processes and controls include various activities such as approvals, authorisations, verifications, reconciliations, reviews of operating and financial performance, security of assets, segregation of duties, preventive and defective controls. The policies and procedures adopted by your Company ensure the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. These systems are tested and audited from time to time by your Company through internal as well as statutory audits to ensure that the systems are reinforced on an ongoing basis.

No reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed during the year. The internal audit covering the key business processes of your Company is carried out by a firm of external Chartered Accountants. The scope of the internal audit exercise including the key business processes and selected risk areas to be audited is finalized in consultation with the Audit Committee. The audit reports with significant observations, if any and follow up actions thereon are reported to the Audit Committee.

The Audit Committee comprises of Mr. Uday Manohar Gore, Ms. Sanjeevlata Samdani, both are Independent Directors and Mr. Sujit Govindrao Parsatwar, who is the Non-Executive Director on the Board of your Company.

RISKS AND CONCERNS

Your Company has carried out a detailed exercise to identify the various risks faced by your Company and has put in place mitigation, control and monitoring plans for each of the risks. Risk owners have been identified for each risk, and these risk owners are responsible for controlling the respective risks. The efficacy of these processes is monitored on a regular basis for the different areas in order to make continuous improvement.

The material risks and challenges faced by your Company are as follows:

1) Economic Risk

Shipping is a global business whose performance is closely linked to the state of the global economy. Therefore, if global economic growth is adversely impacted, it could have an unfavourable effect on the state of the shipping market.

2) Geo-Political Risk

OPEC nations control more than one third of the world oil supply. Therefore, their decision on whether to comply with (or extend) crude production targets can have a material impact on the crude, product and LPG freight markets. Many of the countries producing and exporting crude oil are politically volatile. Any change in the political situation in these countries may alter the supply-demand scenario. This would have a consequential impact on the tanker market.

Issues such as sanctions and wars may also affect shipping markets.

3) Chinese Economy

China has been a major driver of global growth especially for commodities. If the economy falters or changes its policy towards import of various goods, the consequential damage to shipping will be significant.

4) Trade Barriers

Trade disputes between countries can turn into trade wars with erection of tariff and non-tariff barriers. The manner in which such barriers are implemented could have significant impact on trade volumes and routes.

CHALLENGES FACED BY THE SHIPPING BUSINESS

1) Earnings Volatility

The shipping industry is a truly global business with a host of issues potentially impacting the supply demand balance of the industry. This results in tremendous volatility in freight earnings and asset values.

Your Company attempts to manage that risk in various ways.

If your Company believes that the freight market could weaken, it may enter into time charter contracts ranging from 6 months to 3 years. Another method of managing risk is by adjusting the mix of assets in the fleet through sale or purchase of ships.

Your Company also ensures that assets are bought at cheap prices as capital cost is a major cost component. Your Company hopes to weather the depressed markets better than most players in the business by having among the lowest fleet break-evens.

2) Liquidity Risk

The sale and purchase market and time charter markets are not always liquid. Therefore, there could be times when your Company is not able to position the portfolio in the ideal manner.

3) Finance Risk

Your Company's business is predominantly USD denominated as freight rates are determined in USD and so are ship values. Your Company has its liabilities also denominated in USD. Any significant movement in currency or interest rates could meaningfully impact the financials of your Company.

4) Shipboard Personnel

Indian officers continue to be in great demand all over the world. Given the unfavourable taxes on a seafarer sailing on an Indian flagged vessel, it is becoming increasingly difficult to source officers capable of meeting the modern-day challenges of worldwide trading. Since the onset of the COVID-19 pandemic it has been very difficult to carry out crew changes due to the travel restrictions across the world.

5) Cybersecurity Risk

A new and worrying threat to your Company's business is cyber risk. Your Company is taking steps to secure its assets and systems from this threat, including by having suitable protection in place and by constant training to employees on how to avoid such issues.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by your Company in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited Consolidated Financial Statements together with Auditors' Report thereon are being submitted to the shareholders along with this Director's Report.

The group recorded a consolidated net profit of Rs. 297.98 crores for the financial year under review as compared to net profit of Rs. 82.35 crores for the previous financial year. The net worth of the group as on March 31, 2023 was Rs. 1,294.31 crores as compared to Rs. 996.27 crores for the previous financial year.

The summarized Consolidated Financial Statement is provided above in point No.1 of this Report.

RISK MANAGEMENT POLICY

The Board of Directors has formed and approved a Risk Management Policy to manage and monitor the risks affecting the operations of your Company.

The Audit Committee is responsible for monitoring and reviewing the risk management policy and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Policy as approved by the Board can be found on the website of your Company at http://www.sishipping.com/docs/risk management.pdf.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Your Company encourages its employees to report any incidence of fraudulent financial or other information to the stakeholders, reporting of instance(s) of leak or suspected leak of information, and any conduct that results in violation of your Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation, or harassment of any kind against any employee who reports under the Vigil Mechanism or participates in the investigation.

Your Company has established the Whistle Blowing Policy/Vigil Mechanism which provides an avenue for Directors and employees to report genuine concerns or grievances. The Whistle Blowing Policy/Vigil Mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
A copy of Whistle Blowing Policy/Vigil Mechanism is available on your Company's website at http://www.sishipping.com/docs/vigil mech.pdf.

REMUNERATION POLICY

Your Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. Your Company has adopted Nomination & Remuneration Policy which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

1) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run your Company successfully;
2) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of your Company and its goals and also taking into consideration, the performance of your Company during the year and for the Managing and Executive Directors on certain parameters, such as condition of the industry, achievement of budgeted targets, growth & diversification, remuneration in other companies of comparable size and complexity, performance of the directors at meetings of the Board and of the Board Committees etc.

The nomination & remuneration policy as approved by the Board of Directors of your Company is placed on your Company's website http://www.sishipping.com/docs/nomination.pdf.

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DETAILS OF BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Board comprises of 6 (six) directors, consisting of 3 (three) Independent Directors [including 1 (one) Independent Women Director], 1 (one) Non-Executive Nominee Director and 1 (one) Managing Director. The Chairman of your Company is an Executive Director.

Mr. Sujit Govindrao Parsatwar (DIN: 01174288) retired by rotation at the 20th Annual General Meeting of your Company and the members had re-appointed him as a Director (Non-Executive Category) of your Company, liable to retire by rotation.

Mr. Uday Manohar Gore (DIN: 07888569) was re-appointed as Independent Director for a second term of 5 (five) consecutive years effective from August 17, 2022.

In accordance with the provisions of section 152(6) of the Act, Capt. Thomas Wilfred Pinto, shall retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, has offered himself for re-appointment.

Necessary resolutions for the re-appointment of Capt. Thomas Wilfred Pinto on account of retirement by rotation have been included in the Notice convening the ensuing Annual General Meeting.

All the directors of your Company have confirmed that they are not disqualified from being appointed as director pursuant to Section 164 of the Act.

Key Managerial Personnel

As on March 31, 2023, your Company has 4 (four) Key Managerial Personnel (KMP) in terms of Section 2(51) and Section 203 of the Act as mentioned below:

- Capt. Thomas Wilfred Pinto - Chairman and Managing Director
- Mr. Clayton Lawrence Pinto - Chief Executive Officer
- Mr. Warren Pinto - Chief Financial Officer and
- Mr. Jay Parekh - Company Secretary.

STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE ACT

Pursuant to rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every Independent Director is required to make an online application to Indian Institute of Corporate Affairs for inclusion of his name in the data bank for Independent Directors. Your Company has received the confirmation in this regard from all Independent Directors of your Company along with the declaration confirming that they meet the criteria of independence as prescribed under sub-section (6) of section 149 of the Act.

In view of the above provisions, your Company has following Independent Directors on the date of this report:

Sr. No.	Name of the Independent Director	Date of Appointment
1.	Mr. Uday Manohar Gore	August 17, 2017
2.	Ms. Sanjeevlata Samdani	February 06, 2021
3.	Mr. Anil Laxman Devli	August 20, 2021

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The annual performance evaluation of Board, its Committees (namely, Audit, Nomination & Remuneration and Corporate Social Responsibility) and all the Directors individually, including the Chairman of the Board is done in accordance with the Performance Evaluation Framework adopted by the Board on recommendation of the Nomination & Remuneration Committee.

The Performance Evaluation Framework lays down the performance parameters and the process of performance evaluation to be followed. Annual Performance Evaluation was conducted for all Board Members as well as the working of the Board and its Committees. This evaluation was led by the Chairman of the Nomination and Remuneration Committee with specific focus on performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Act. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors, strategic planning, etc.

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, experience, and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy, etc.

The outcome of the Board Evaluation for the financial year 2022-23 was discussed by the Nomination and Remuneration Committee and the Board at their respective meetings held on September 26, 2023. The assessment exercise also brought out that all the Directors are excellently contributing in the functioning of the Board. The Chairman well balances the functioning of the Board demonstrating effective leadership. The Board has functioned well and has rigorous discussions. The Board is open and receptive and the members are fully committed to high standards and are transparent.

MEETINGS OF THE BOARD & ITS COMMITTEES

During the financial year under review, 5 (five) board meetings were held and the gap between two meetings did not exceed one hundred and twenty days, as prescribed in the Act. The Board meetings are governed by a structured agenda. The Agenda of the Board/Committee Meetings is set by the Company Secretary in consultation with the Chairman and Managing Director of your Company. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision. The Board Members in consultation with the Chairman and the majority of the members may bring up any matter for the consideration of the Board of Directors subject to the restrictions in the Articles of Association of your Company. Option to participate through video/tele-conferencing facilities are also provided to facilitate Directors travelling or located at other locations to participate in the Meetings. The necessary quorum was present for all the Board meetings conducted during the financial year 2022-23.

The details of the meetings of the board of directors and its committees along with the attendance of Directors at such meetings is as follows:

Date	Meeting	Capt. Thomas Wilfred Pinto	Mr. Sujit Parsatwar	Mr. Sumit Maheshwari	Uday Gore	Sanjeevlata Samdani	Anil Devli
22.07.2022	Board Meeting	✓	✓	✓	✓	✓	✓
21.09.2022	Nomination & Remuneration Committee Meeting	N.A.	✓	N.A.	✓	✓	N.A.
	Audit Committee Meeting	N.A.	✓	N.A.	✓	✓	N.A.
	Corporate Social Responsibility Committee Meeting	✓	✓	N.A.	✓	N.A.	N.A.
	Board Meeting	✓	✓	✓	✓	✓	✗
28.09.2022	Board Meeting	✓	✓	✓	✓	✓	✗
12.01.2023	Nomination & Remuneration Committee Meeting	N.A.	✓	N.A.	✓	✓	N.A.
	Audit Committee Meeting	N.A.	✓	N.A.	✓	✓	N.A.
	Corporate Social Responsibility Committee Meeting	✓	✓	N.A.	✓	N.A.	N.A.
	Board Meeting	✓	✓	✓	✓	✓	✓
29.03.2023	Nomination & Remuneration Committee Meeting	N.A.	✓	N.A.	✓	✓	N.A.
	Audit Committee Meeting	N.A.	✓	N.A.	✓	✓	N.A.
	Board Meeting	✓	✓	✓	✓	✓	✓

* N.A. denotes that a particular director was/is not a member of the particular committee.

SEPARATE INDEPENDENT DIRECTORS' MEETINGS

During the year, separate meeting of Independent Directors of your Company without the presence of the Non-Independent Directors and members of management was held on March 29, 2023, as required under schedule IV to the Act (Code for Independent Directors). At the said meeting, the Independent Directors:

1) reviewed the performance of Non-Independent Directors and the Board as a whole including Committees of the Board;
2) reviewed the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors;
3) assessed the quality, quantity and timeliness of flow of information between your Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

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COMMITTEES OF THE BOARD

As per the provisions of the Act, as on date of this report, the Board has the following Committees:

A. Audit Committee
B. Nomination and Remuneration Committee
C. Corporate Social Responsibility Committee.

The terms of reference and the role of Committees of the Board are as under:

A. Audit Committee

The Audit Committee comprises of members who possess financial and accounting expertise/exposure. The Audit Committee presently comprises of Mr. Uday Manohar Gore (Chairman of the Committee), Mr. Sujit Govindrao Parsatwar and Ms. Sanjeevlata Samdani. The Company Secretary of your Company serves as the secretary of the Audit Committee. All the recommendations made by the Audit Committee were accepted by the Board.

The details of the meetings of the Audit Committee along with the attendance of the committee members are provided in 'Meetings of the Board & its Committees' section of this Report.

The Audit Committee of the Board of Directors of your Company is entrusted with the responsibility to supervise your Company's internal controls and financial reporting process and, inter-alia, performs the following functions:

1) The recommendation for appointment, remuneration and terms of appointment of auditors of your company.

2) Review and monitor the auditor's independence and performance, and effectiveness of audit process.

3) Examination of the financial statement and the auditors' report thereon.

4) Approval or any subsequent modification of transactions of your company with related parties.

5) Scrutiny of inter-corporate loans and investments.

6) Valuation of undertakings or assets of your company, wherever it is necessary.

7) Evaluation of internal financial controls and risk management systems.
8) Monitoring the end use of funds raised through public offers and related matters.

9) Oversee 'Whistle Blower Policy' and complaints registered under this policy.

10) Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of your company.

11) To investigate into any matter in relation to the items specified in (1) to (8) above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of your company.

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12) Any other related matters as required by law or as recommended by the Board.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee presently comprises of Mr. Uday Manohar Gore (Chairman of the Committee), Mr. Sujit Govindrao Parsatwar and Ms. Sanjeevlata Samdani. The Company Secretary of your Company serves as the secretary of the Audit Committee. All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

The role of Nomination and Remuneration Committee, inter-alia, includes:

1) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal. Further it has been attached with a wider responsibility of carrying out evaluation of every director's performance. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

2) Recommend to Board the appointment and removal of directors and key managerial personnel.

3) Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

4) Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

C. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee presently comprises of Capt. Thomas Wilfred Pinto (Chairman of the Committee), Mr. Sujit Govindrao Parsatwar and Mr. Uday Manohar Gore. The Company Secretary of your Company serves as the secretary of the Corporate Social Responsibility Committee. All the recommendations made by the Corporate Social Responsibility Committee were accepted by the Board.

The scope and functions of Corporate Social Responsibility Committee is in accordance with Section 135 of the Act. Its terms of reference include the following:

1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which will indicate the activities to be undertaken by your Company in accordance with Schedule VII of the Act;

2) To review and recommend the amount of expenditure to be incurred on activities to be undertaken by your Company;

3) To monitor the Corporate Social Responsibility Policy of your Company from time to time; and

4) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

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AUDITORS

Statutory Auditors

M/s. S R B C & Co. LLP, Chartered Accountants (Firm registration number 324982E/E300003) was appointed as the statutory auditors of your Company, to hold office for the second term of five consecutive years from the conclusion of the 18th Annual General Meeting of your Company held on September 30, 2020, till the conclusion of the 23rd Annual General Meeting to be held in 2025, as required under Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The Report given by the auditors forms part of the financial statements of your Company. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Auditors

Jaiprakash R. Singh & Associates, Company Secretaries (FCS: 7391, CP: 4412), are appointed as secretarial auditor of your Company for the financial year 2023-24, as required under Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 thereunder.

The Secretarial Auditors' Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is annexed to this report as "Annexure-5".

Internal Auditors

In terms of section 138 of the Act read with rule 13 of the Companies(Accounts) Rules, 2014 on the recommendation of Audit Committee, the Board of Directors has re-appointed M/s. Shah Shroff & Associates, Chartered Accountants (Firm Registration Number: 0128920W) as the Internal Auditor of your Company for the financial year 2022-23.

COST RECORDS & COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by your Company.

RELATED PARTY TRANSACTIONS

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency, and accountability. In line with the provisions of the Act, the Board has approved a policy on related party transactions. The policy on related party transactions has been placed on your Company's website at at http://www.sishipping.com/docs/related_party_transactions.pdf.

The particulars of contracts or arrangements with related parties as required under Section 188 of the Act are stated in Form AOC-2 is annexed herewith as "Annexure-3". Suitable disclosure required under the Accounting Standard (Ind AS 24) have been made in the notes to the Financial Statement.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India has currently mandated compliance with the Secretarial Standards on board meetings and general meetings. During the year under review, your Company has complied with the applicable Secretarial Standards.

HUMAN RESOURCE DEVELOPMENT & TRAINING

SISL employees are its most important assets. Your Company is committed to hiring and retaining the best talent and being among the industry's leading employers. For this, your Company focuses on promoting a collaborative, transparent and participative organization culture, and rewarding merit and sustained high performance. SISL's human resources management focuses on allowing its employees to develop their skills, grow in their career and navigate their next.

During the financial year 2022-23, as the pandemic effect waned, the offshore sector has been on a path to recovery and is expected to continue its momentum and improve further. This has resulted in a crunch in availability of competent and qualified offshore personnel. Your company has ensured that there is no disruption in operations due to unavailability of personnel while maintaining competitive wage levels. To ensure that there is no capability gap due to higher than usual attrition and change in personnel on board, focussed efforts have been taken for training personnel on Company's operations and safety procedures.

As on March 31, 2023, your Company and its subsidiaries employed 133 personnel onshore (including contractual staff and excluding support staff) and around 779 personnel offshore (including contractual staff and excluding support staff).

COMPLIANCE WITH THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder, your Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. Your Company has constituted Internal Complaints Committee to redress and resolve any complaints arising under the POSH Act. Training/awareness programme are conducted throughout the year to create sensitivity towards ensuring respectable workplace.

As per the POSH Act, your Company follows calendar year for annual filling with statutory authority and as per the filing, no complaints related to sexual harassment were raised in the calendar year 2022.

PARTICULARS OF EMPLOYEES

Information required pursuant to Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 i.e., a statement containing, inter alia, the names of top ten employees in terms of remuneration drawn and every employee employed throughout the financial year and in receipt of remuneration of Rs. 102 lakhs or more and, employees employed for part of the year and in receipt of remuneration of Rs. 8.50 lakhs or more per month is provided as "Annexure-1" to this report.

ANNUAL RETURN

Pursuant to Section 134(3)(a) read with Section 92(3) of the Act, the Annual Return of your Company is available on its website at https://www.sishipping.com.

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Corporate Social Responsibility (CSR) is an integral part of Company's culture and as a responsible corporate citizen, your Company operates with careful consideration of its environmental and social impact. Your Company's CSR focus areas which were in line with the Act with primary focus on Healthcare and Education amongst other areas as specified under Schedule VII of the Act.

Copy of the Corporate Social Responsibility Policy of your Company as recommended by the Corporate Social Responsibility Committee and approved by the Board is available on the website of your Company at http://www.sishipping.com/docs/csr.pdf. During the financial year 2022-23, Rs. 1,62,28,731/- (Rupees One Crore Sixty Two Lakhs Twenty Eight Thousand Seven Hundred and Thirty One Only) were contributed by your Company either directly or through various implementing agencies for undertaking CSR activities as per the provisions of Section 135 of the Act. The shortfall in spending of Rs. 5,43,251/- (Rupees Five Lakhs Forty Three Thousand Two Hundred and Fifty One Only) was transferred to 'Clean Ganga Fund' as per the provisions of the Act.

The Annual Report on the CSR activities of your Company is annexed herewith as "Annexure-4".

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of clause (c) of sub-section 3 and sub-section 5 of section 134 of the Act, the Board of Directors hereby state that:

1) In preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed and there are no material departures.

2) They have selected such accounting policies and 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 your Company at the end of the financial year and of the profit of your Company for that period.

3) They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.

4) They have prepared the annual accounts on a going concern basis.

5) They have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

SHIPPING LIMITED
MUMBAI

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THIS REPORT

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2022-23 to which the financial statements relate and the date of the Directors' Report (i.e., from April 1, 2023 upto September 26, 2023).

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

1) Details relating to deposits covered under Chapter V of the Act.
2) Issue of equity shares with differential rights as to dividend, voting or otherwise.
3) Issue of shares (including sweat equity shares & Employees' Stock Options Scheme) to employees of your Company under any scheme.
4) The Managing Director of your Company has not received any remuneration or commission from your Company's subsidiary.
5) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6) No fraud has been reported by the Auditors to the Audit Committee or the Board.
7) There has been no change in the nature of business of your Company.
8) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
9) There was no instance of one-time settlement with any Bank or Financial Institution.

ADDITIONAL INFORMATION

The additional information required to be given under the Act and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Financial Statements. The Notes to the Financial Statements referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

GREEN INITIATIVE

By virtue of MCA Circular Nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, read with Rule 11 of the Companies (Accounts) Rules, 2014, service of documents may be made to Members through electronic mode. We therefore appeal to the shareholders to be a part of the said 'Green Initiative'.

APPRECIATIONS AND ACKNOWLEDGEMENTS

The Board places on record its deep sense of appreciation for the committed services by all the employees of your Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, members, debenture holders and debenture trustee during the year under review. Your Directors look forward to their continued support.

CAUTIONARY STATEMENT

Statements in the Director's Report describing your Company's objectives, expectations or predictions, may be

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include: global and domestic demand and supply conditions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of your Company.

On behalf of the Board of Directors
SEVEN ISLANDS SHIPPING LIMITED

Capt. Thomas Wilfred Pinto
Chairman and Managing Director
DIN: 00053721

Date: September 26, 2023
Place: Mumbai

Registered Office:
Suite 3A, 3B & 4, Level 8, Times Square,
Andheri-Kurla Road, Andheri (East),
Mumbai 400 059.
CIN: U61100MH2002PLC135732
Tel: +91 22 4225 4225
Fax: +9122 4225 4226
E-mail: sevenislands@sishipping.com
Website: www.sishipping.com

ANNEXURE-1

PARTICULARS OF EMPLOYEES
Information as per Rule 5 (2) of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Below is a list of employees who have served their services to the Company for the full financial year and remuneration of not less than Rupees One Crore & Two Lakh or have served the Company for less than a year and received remuneration of not less than Rupees Eight Lakhs & Fifty Thousand per month:

Sl. No	Name / Designation / Age of the employee	Remuneration received during the Financial Year (In Rs.)	Qualifications	Experience of the employee	Details of last employment before joining to the Company	Date of commencement of employment
1.	# Thomas Wilfred Pinto Designation: Chairman & Managing Director Age: 63 Years	5,99,79,516	Master Mariner (F.G.)	40+ Years	Mercator Lines Ltd.	02/05/2002
2.	# Clayton Lawrence Pinto Designation: Chief Executive Officer Age: 30 Years	1,50,00,000	M.Sc International Shipping	10+ Years	N.A.	01/04/2012
3.	# Pradeep Correa Designation: Chief Operating Officer Age: 62 Years	1,19,33,354	Master Mariner (F.G.)	40+ Years	The Great Eastern Shipping Ltd	01/07/2020
4.	* Rustomkhan Tadvi Designation: Master Age: 61 Years	1,10,01,667	Master Mariner (F.G.)	35 Years	Navig8 Ship Management	03/02/2022
5.	* Devendra Kumar Designation: Master Age: 47 Years	90,78,534	Master Mariner (F.G.)	20 Years	Shipping Corporation of India	01/04/2022
6.	* Biswajit Roy Designation: Chief Engineer Age: 44 Years	72,23,333	Class I – Marine Engineer	18 Years	Bernhard Schulte Shipmanagement	13/04/2022
7.	* Santosh Keshav Phadtare Designation: Chief Engineer Age: 47 Years	70,00,000	Class I – Marine Engineer	20 Years	Shipping Corporation of India	23/03/2022
8.	* Gavin Dennis Designation: Second Engineer Age: 39 Years	66,54,000	Class II – Marine Engineer	15 Years	The Great Eastern Shipping Ltd	11/03/2022
9.	* Virender Kumar Sharma Designation: Chief Engineer Age: 33 Years	65,66,666	Class I – Marine Engineer	10 Years	MMS Maritime (India) Pvt. Ltd.	24/08/2018
10.	* Ratan Kumar Ghosh Designation: Chief Engineer Age: 48 Years	63,61,600	Class I – Marine Engineer	25 Years	Shipping Corporation of India	10/11/2021

* Employed for the part of the year on contractual basis.
# Nature of employment is non-contractual.

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

NOTES:

1. Percentage of equity shares held by the employees in the Company within the meaning of Rule 5(2)(iii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: N.A.

2. Remuneration received 'Gross' includes Salary, Allowances, Bonus/Commission, Company's contribution to Provident Fund, RPFC Pension Fund, Superannuation Fund, National Pension Scheme and taxable value of perquisites.

3. In the case of Shore-Staff, other terms and conditions are as per Company's service rules whereas for Floating Staff they are as per agreements with Maritime Union of India/National Union of Seafarers of India.

4. In addition to the above remuneration, employees are entitled to gratuity in accordance with the Company's rules.

5. Capt. Thomas Wilfred Pinto, Chairman and Managing Director & Mr. Clayton Lawrence Pinto, Chief Executive Officer of the Company are related to each other as father and son.

6. None of the other employees is related to any Director of the Company.

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ANNEXURE-2

FORM NO. AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs. in crores)

1.	Sl. No.	1.
2.	Name of the subsidiary	Seven Islands Maritime Training Foundation
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2022 to March 31, 2023
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees (INR)
5.	Share capital	0.15
6.	Reserves & surplus	5.35
7.	Total assets	93.40
8.	Total Liabilities	87.89
9.	Investments	-
10.	Turnover	0.07
11.	Profit before taxation	(4.77)
12.	Provision for taxation	-
13.	Profit after taxation	(4.77)
14.	Proposed Dividend	Not Applicable
15.	% of shareholding	100%

Part "B": Associates and Joint Ventures : Not Applicable

For & On behalf of the Board
Seven Islands Shipping Limited

Capt. Thomas Wilfred Pinto
Chairman and Managing Director
DIN: 00053721

Date : September 26, 2023
Place: Mumbai

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : **Nil**

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amounts in Rs in crores)

Name(s) of the related Party	nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Audit Committee, if any	Amount paid as advances, if any
Seven Islands Logistics Private Limited	Enterprise over which directors and their relatives have significant influence.	Leave and License Agreements for office premises	**Suite 4, Level 8:** 01.04.2021 to 31.03.2026 **Suite 3B, Level 8:** 01.02.2022 to 31.01.2027 **Suite 3A, Level 8:** 01.11.2019 to 31.10.2024 **Suite 3A, Level 7:** 01.10.2019 to 30.09.2024 **Suite 4, Level 7:** 01.02.2022 to 31.01.2025	**Suite 4, Level 8:** Monthly license fees: 0.08 and security deposit: 6.50 **Suite 3B, Level 8:** Monthly license fees: 0.04 and security deposit: 0.40 **Suite 3A, Level 8:** Monthly license fees: 0.09 and security deposit: 4.00 **Suite 3A, Level 7:** Monthly license fees: 0.09 and security deposit: 4.00 **Suite 4, Level 7:** Monthly license fees: 0.08 and security deposit: 0.08 **Total amount Paid: 4.50**	**Suite 4, Level 8:** 06.02.2021 **Suite 3B, Level 8:** 30.04.2022 (Passed through circular resolution) **Suite 3A, Level 8:** 10.09.2019 **Suite 3A, Level 7:** 10.09.2019 **Suite 4, Level 7:** 27.01.2022 (Passed through circular resolution)	Nil
Dr. Pinto's Pathological Laboratory	Enterprise over which directors and their relatives have significant influence.	Medical Checkup of employees	Event Based	Services to be availed as and when required. **Total fees paid: 0.05**	28.03.2015	Nil

Parsatwar & Co.	Enterprise over which directors and their relatives have significant influence.	Consultancy Charges	Event Based	The Company consults Parsatwar & Co. on the various matters of the Company and thus pays consultancy fees. **Total fees paid: 4.00**	28.03.2015	Nil
Capt. Thomas Wilfred Pinto	Chairman and Managing Director	Remuneration	01.04.2022 to 31.03.2027	At an annual remuneration of Rs. 6,00,00,000/- wef 01.09.2021 for 3 years. **Total remuneration paid: 6.00**	20.08.2021	Nil
Mr. Clayton Lawrence Pinto	Chief Executive Officer	Salary	Until resigned or removed from the post	Appointment Letter **Total remuneration paid: 1.50**	20.08.2021	
Mr. Warren Gregory Pinto	Chief Financial Officer	Salary	Until resigned or removed from the post	Appointment Letter **Total salary paid: 0.38**	17.08.2017	Nil
Mr. Jay Parekh	Company Secretary	Salary	Until resigned or removed from the post	Appointment Letter **Total salary paid: 0.19**	17.08.2017	Nil
Ms. Aashita Vishwakarma	Relative of Company Secretary	Salary	Until resigned or removed from the post	Appointment Letter **Total salary paid: 0.08**	29.03.2023	Nil

On behalf of the Board of Directors
SEVEN ISLANDS SHIPPING LIMITED

Capt. Thomas Wilfred Pinto
Chairman and Managing Director
DIN: 00053721

Date : September 26, 2023
Place : Mumbai

ANNEXURE-4

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the company's CSR policy

Seven Islands Shipping Limited ("SISL" or "Company") has always been at forefront of Corporate Social Responsibility ("CSR"). The provisions of the Companies Act, 2013 have made it imperative to institutionalize the CSR activities. The objective of SISL's CSR policy is to lay down the guiding principles for proper functioning of CSR activities to attain sustainable development of the society around the area of operations of the Company. Your Company's social responsibility policy focuses on using the capabilities of business to improve lives and contribute to local communities and society at large.

The Company undertook various activities during the year under review in line with its CSR Policy and as prescribed in Schedule VII to the Companies Act, 2013. The Company has supported and implemented projects under its CSR Policy in the field of Healthcare (including Preventive, Promotive & Curative), Promoting Education, Environment & Rural development amongst others. CSR Policy of the Company is available on the Company's website https://sishipping.com/docs/CSR_Policy.pdf

In terms of governance and roles and responsibilities, the CSR governance structure at SISL comprises three levels: Management Sustainable Committee, Corporate Social Responsibility Committee & the Board of Directors.

2. The Composition of the CSR Committee

Corporate Social Responsibility Committee comprises of the following directors:

Sr. No.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Capt. Thomas Wilfred Pinto	Chairman of the Committee - Executive Director	2	2
2.	Mr. Sujit Govindrao Parsatwar	Member of the Committee - Non-executive Director	2	2
3.	Mr. Uday Manohar Gore	Member of the Committee – Independent Director	2	2

3. Provide the web-link where composition of CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR committee	https://www.sishipping.com/docs/Composition_of_Committees.pdf
CSR Policy	https://www.sishipping.com/docs/CSR_Policy.pdf
CSR projects approved by the Board	https://sishipping.com/docs/CSR_Annual_Action_Plan_2022-23.pdf

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4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable

5. **Details of the amount available for set off in pursuance to sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off or the financial year, if any :**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1.	2021-22	1,62,181	1,62,181

6. **Average net profit of the company as per section 135(5) (calculated for 3 preceding financial years i.e. F.Y. 2019-20, F.Y. 2020-21 & F.Y. 2021-22):** Rs. 84,67,08,133.30/-

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 1,69,34,163/-
(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
(c) Amount required to be set off for the financial year, if any: Rs. 1,62,181/-
(d) Total CSR obligation for the financial year (7a+7b+7c): Rs. 1,67,71,982/-

8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
1,62,28,731	Nil	Not Applicable	Clean Ganga Fund	5,43,251	22/05/2023

(b) Details of CSR amount spent against ongoing projects for the financial year:

1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
r. o.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the Project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation through implementing agency	
				State	District						Name	CSR Registration No.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in Rs).	Mode of Implementation – Direct (Yes/No)	Mode of Implementation - through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	HEAL (Health Nutrition & Education Action to Rebuild Lives of People)	Promoting healthcare, including preventive healthcare	No	Maharashtra	Ahmednagar	5,00,000	No	Dr. Mane Medical Foundation & Research Centre	CSR00006442
2.	St. Vincent Palotti School	Promoting education, including special education and employment enhancing vocation skills among children and livelihood enhancement projects.	No	Maharashtra	Raigad	25,00,000	No	Christraja Education Society	CSR00002516
3.	Fr. L.M. Pinto Health Centre Charitable Trust	Promoting healthcare, including preventive healthcare	No	Karnataka	Dakshin Kannad	5,78,727	Yes	N.A.	N.A.
4.	Divine Retreat Centre	Promoting healthcare, including preventive healthcare	No	Kerala	Thrissur	26,14,174	Yes	N.A.	N.A.
5.	Capuchin Krishi Seva Kendra	Promoting healthcare, including preventive healthcare	No	Karnataka	Dakshin Kannad	16,93,830	Yes	N.A.	N.A.
6.	Project Dialysis	Promoting healthcare, including preventive healthcare	No- Pan India	Assam, Jammu & Kashmir	Barbari, Dhamaji, Diphu, Gawahati, Karimganj, Mangaldai, Silchar,	50,57,000	No	Fairfax India Charitable Foundation	CSR00005441

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

					Anantnag, Doda & Kishatwar				
7.	Scheme for the aged Abandoned and Destitute (SAAD)	Promoting healthcare, including preventive healthcare	Yes	Maharashtra	Mumbai	50,000	No	Shishu Prem Samaj	CSR00020239
8.	Expansion of Department of Immunology	Promoting healthcare, including preventive healthcare	Yes	Maharashtra	Mumbai	5,00,000	No	Bai Jerbai Wadia Hospital for Children	CSR00000813
9.	Special School for Mentally Retarded	Promoting education, including special education and employment enhancing vocation skills especially among differently abled people and livelihood enhancement projects.	No	Tamil Nadu	Tiruvan namalai	25,000	No	St, Joseph's Leprosy Patients Society	CSR00019156
10.	Women and Child Empowerment	Promoting gender equality, empowering women, setting up homes and hostels for women.	Yes	Maharashtra	Mumbai	10,00,000	No	The Institute of Social Service	CSR00024568
11.	Education, Health & Nutrition for Girl Child	(i) Eradicating hunger, poverty and malnutrition, (ii) Promoting health care including preventive health care and sanitation, and (iii) Promoting education, including special education among children.	Yes	Maharashtra	Mumbai	7,10,000	No	Nanhi Pari Foundation	CSR00003182
12.	Cuddles Ration Support Program	Eradicating hunger, poverty and malnutrition.	No	(i) Maharashtra (ii) Tamil Nadu (iii) Uttar Pradesh (iv) Kerala	(i) Mumbai (ii) Vellore & Madurai (iii) Varanasi (iv) Thalassery	10,00,000	No	Cuddles Foundation	CSR00001473
TOTAL						**1,62,28,731**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent of Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 1,62,28,731/-

(g) Excess amount for set off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of the reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details):

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of capital asset): Not Applicable

SEVEN ISLANDS SHIPPING LIMITED ★ MUMBAI ★

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):
The Company's CSR initiatives usually involve helping the needy and genuine people either directly or through various implementing agencies to ensure maximum benefit to the community. However, as mandated by the Act, the company shall give preference to the local area and the areas around it where it operates for spending the amount earmarked for CSR activities. Whoever approached, and found genuine was provided the contribution on the basis of their requirement. However, due to paucity of time in finding genuine modes to channelize CSR initiative preferably in local area, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013 before March 31, 2023. However, the unspent amount of Rs. 5,43,251/- has been transferred to 'Clean Ganga Fund' being a specified fund under Schedule VII of the Companies Act, 2013.

Thus, the Company has spent the entire CSR Obligation amount, i.e., Rs. 1,67,71,982/- for Financial Year 2022-23 in the following manner:

	Amount in Rs.
Amount spent on other than ongoing projects	1,62,28,731
Amount spent towards ongoing projects	Nil
Unspent amount transferred to a specified fund (Clean Ganga Fund)	5,43,251
Total	**1,67,71,982**

Capt. Thomas Wilfred Pinto
Chairman and Managing Director &
Chairman, CSR Committee
DIN: 00053721

Sujit Govindrao Parsatwar
Director & Member, CSR Committee
DIN: 01174288

Date: September 26, 2023
Place: Mumbai

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

JAIPRAKASH R SINGH & ASSOCIATES
Company Secretaries

CS Jaiprakash R Singh
B.Com., FCS

Form No. MR-3
Secretarial Audit Report
For The Financial Year Ended 31st March, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Seven Islands Shipping Limited,
Suite 3A, 3B & 4, Level 8, B Wing,
Times Square, Andheri- Kurla Road,
Andheri (E), Mumbai 400 059

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Seven Islands Shipping Limited** CIN: U61100MH2002PLC135732 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, it's officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the company has proper board process and compliance mechanism in place to the extent in the manner and subject to the reporting made herein after:

1. I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

    I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

    II. The Securities Contracts (Regulations) Act, 1956 ('SCRA') and rules made thereunder;

    III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, -To the extent applicable

    IV. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, ~~Overseas Direct Investment and External Commercial Borrowings,~~

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not applicable
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not applicable
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not applicable
d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable
e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable
f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 **–** To the extent applicable
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable
i) The Securities Exchange Board of India (Listing Obligation and Disclosure Requirement), 2015- Not applicable

VI. Other applicable laws:
a) The Bombay Shops and Establishments Act, 1948;
b) Merchant Shipping Act, 1958 and other industry specific laws applicable to the Company as per the representations made by the management.
c) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
d) Payment of Gratuity Act, 1972
e) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
f) Maritime Laws
g) Merchant Shipping (Carriage of Cargo) Rules, 1995
h) Admiralty (Jurisdiction and Settlement of Maritime Claims) Act, 2017
i) Indian Carriage of Goods by Sea Act,1952, as amended
j) Multimodal Transportation of Goods Act, 1993
k) Marine Insurance Act, 1963
l) Environment (Protection) Act, 1986
m) The Water (Prevention and Control of Pollution) Act, 1974
n) Air (Prevention and Control of Pollution) Act, 1981
o) Seamen's Provident Fund Act, 1966
p) Merchant Shipping (Civil Liability for Oil Pollution Damage) Rules,2008 as amended
q) Merchant Shipping (Prevention of Pollution by Oil from Ships) Rules, 2010 as amended

The above are the other applicable laws of the Company and this audit has not covered all the above laws.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I have relied on the representation made by the Company and heads for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013, the Rules made under that Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
   a) maintenance of various statutory registers and documents and making necessary entries therein;
   b) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
   c) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
   d) notice of Board meetings and Committee meetings of Directors;
   e) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
   f) the 20^{th}Annual General Meeting held on 30^{th}September, 2022;
   g) No Extra-Ordinary General Meeting of the Company held during the year.
   h) Minutes of proceedings of General Meetings and the meetings of the Board and its Committee;
   i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

3. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and none of the members have expressed their dissent.

4. I further report that:

   Based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

   Note: The qualification, reservation or adverse remarks, if any, are explicitly stated at the relevant paragraphs above to the audit report.

For Jaiprakash R Singh & Associates

JAIPRAKASH
RAMCHARITRA
SINGH

Digitally signed by JAIPRAKASH RAMCHARITRA SINGH
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pseudonym=673a4914af1743198a9c36d21202ac16,
2.5.4.20=b9f04f1263d45d84279974074df54fc6db55b9a0f64069567d7ae0d6a491e8e4, postalCode=400077,
st=MAHARASHTRA,
serialNumber=1abde65fcd165aaa27fbc7aca3ead9786119d4f91e393e82de0a0fc35f649a60, cn=JAIPRAKASH RAMCHARITRA SINGH
Date: 2023.09.14 11:24:38 +05'30'

CS Jaiprakash Singh
Proprietor
FCS No.:7391
C P No.:4412
Peer Reviewed Unit
No. 1216/2021

Place: Mumbai
Date: 14.09.2023
UDIN: F007391E001000152

'ANNEXURE A'

To,
The Members
Seven Islands Shipping Limited,
Suite 3A, 3B & 4, Level 8, B Wing, Times Square,
Andheri- Kurla Road, Andheri (E),
Mumbai - 400 059

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jaipraksh R Singh & Associates

JAIPRAKASH
RAMCHARITRA SINGH

Digitally signed by JAIPRAKASH RAMCHARITRA SINGH
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pseudonym=673a4914af1743198a9c36d21202ac16,
2.5.4.20=b9f04f1263d45d84279974074df54fc6db55b9a0f64069567d7ae0d6a491e8e4, postalCode=400077, st=MAHARASHTRA,
serialNumber=1abde65fcd165aaa27fbc7aca3ead9786119d4f91e393e82de0a0fc35f649a60, cn=JAIPRAKASH RAMCHARITRA SINGH
Date: 2023.09.14 11:25:47 +05'30'

CS Jaiprakash Singh
Proprietor
FCS No.:7391
C P No.:4412
Peer Reviewed Unit
No. 1216/2021

Place: Mumbai
Date: 14.09.2023
UDIN: F007391E001000152

TAN ALONE A OUNT

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India

Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Seven Islands Shipping Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Seven Islands Shipping Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss including the statement of Other Comprehensive Income and the Cash Flow Statement for the year then ended, and notes to the standalone Ind AS financial statements, including 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2023, its profit including other comprehensive income and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS financial statements under the provisions of the Act 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 audit opinion on the standalone IND AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive gain, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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

SRBC & CO LLP MUMBAI CHARTERED ACCOUNTANTS 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS financial statements 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Other Matter

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit including Statement of Other Comprehensive Income and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) 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, as amended 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 standalone Ind AS financial statements - Refer Note 32 to the standalone Ind AS 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

      a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

iv. As stated in note 48 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

v. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

UDIN: 23109360BGYBIV1685

Place of Signature: Mumbai
Date: September 26, 2023

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Seven Islands Shipping Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and intangibles assets.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. As explained to us the inventories were physically verified by the Masters of vessel at reasonable intervals during the year and no material discrepancies were noticed on physical verification. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets, however the Company has not availed the same during the year. Consequently, the Company has not submitted quarterly returns / statements with such banks or financial institutions and accordingly the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the Company has provided loans to Subsidiary as follows:

Particulars	Loan (Amount in Cr)
Aggregate Amount granted/ provided during the year	
-Subsidiary	68.50
Balance Outstanding as at balance sheet date in respect of above cases	
-Subsidiary	82.89

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

(c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated. The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information given to us and audit procedure performed by us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable.
Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans have been complied with by the Company. With respect to loan given to wholly owned subsidiary, interest receivable for the year as per the Memorandum of Understanding entered is waived off during the year, as stated in note 5 to the standalone financial statements.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows;

Name of the Statute	*Nature of the Dues*	*Amount (Rs.)*	*Period to which the amount relates*	*Forum where dispute is pending*	*Remarks, if any*
Finance Act	Service Tax	*9,34,44,068	2010-2011 to 2016-17	Appellate Tribunal	The amount is exclusive of interest and penalty
Finance Act	Service Tax	25,77,154	2011-12	Commissioner Appeals	The amount is exclusive of interest and penalty

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

*The amount is net of Rs. 1.16 crores which has been pre-deposited with the Appellate Tribunal for filing Appeal

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

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(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 44 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 45 to the financial statements.

(b) There are no unspent amounts in respect of ongoing project, that are required to be transferred to a special account in compliance of provisions of sub section (6) of section 135 of the said Act.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

UDIN: 23109360BGYBIV1685

Place of Signature: Mumbai
Date: September 26, 2023

Annexure 2 to the Independence Auditor's Report of even date on the standalone Ind AS financial statements of Seven Islands Shipping Limited

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 with reference to standalone Ind AS financial statements of Seven Islands Shipping Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to these standalone Ind AS financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls with reference to standalone Ind AS financial statements 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 controls with reference to standalone Ind AS financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable

SRBC & CO LLP MUMBAI CHARTERED ACCOUNTANTS assurance regarding prevention or timely detection of unauthorised 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 With Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, 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 with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

UDIN: 23109360BGYBIV1685

Place of Signature: Mumbai
Date: September 26, 2023

SEVEN ISLANDS SHIPPING LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

	Particulars	Note No.	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	4A	1,805.64	1,743.88
	(b) Capital work-in-progress	4B	0.58	1.08
	(c) Right of use asset	30	10.48	15.32
	(d) Intangible assets	4C	0.93	0.84
	(e) Financial assets			
	(i) Investment in subsidiary	13	11.21	2.87
	(ii) Others financial assets	5	116.43	41.13
	(f) Tax assets (net)	6	10.07	16.97
	(g) Other non-current assets	12	24.38	1.29
	Total non - current assets		**1,979.72**	**1,823.38**
2	**Current assets**			
	(a) Inventories	7	25.94	28.28
	(b) Contract assets	9.1	1.30	2.79
	(c) Financial assets			
	(i) Investments	8	25.04	100.26
	(ii) Trade receivables	9	85.74	39.52
	(iii) Cash and cash equivalents	10	177.85	40.17
	(iv) Other bank balances	11	223.60	172.85
	(v) Others financial assets	5	17.57	11.87
	(d) Other current assets	12	31.11	56.10
	Total current assets		**588.15**	**451.84**
	Total assets		**2,567.87**	**2,275.22**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	14	57.23	57.23
	(b) Other Equity	15	1,242.78	939.99
	Total equity		**1,300.01**	**997.22**
2	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Long-term borrowings	16	785.58	891.73
	(ia) Lease liabilities	17.1	4.88	8.60
	Total Non-current liabilities		**790.46**	**900.33**
3	**Current liabilities**			
	(a) Contract liability		17.85	0.27
	(b) Financial Liabilities			
	(i) Short-term borrowings	16	276.20	251.70
	(ia) Lease liabilities	17.1	3.89	3.68
	(ii) Trade payables	19		
	(A) total outstanding dues of micro enterprises and small enterprises; and		3.30	6.42
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		52.71	38.84
	(iii) Other financial liabilities	17	113.52	67.19
	(c) Provisions	18	1.90	1.35
	(d) Other current liabilities	20	8.03	8.22
	Total current liabilities		**477.40**	**377.67**
	Total equity and liabilities		**2,567.87**	**2,275.22**
	Summary of significant accounting policies	3		

As per our Report of even date.
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

SEVEN ISLANDS SHIPPING LIMITED
MUMBAI

Place: Mumbai
Date: 26 September 2023

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED
STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

	Particulars	Note No.	Year Ended March 31, 2023 Rs. in crs	Year Ended March 31, 2022 Rs. in crs
	INCOME			
I	Revenue from contracts with customer	21	1,152.48	724.26
II	Other income	22	75.73	59.79
III	**Total Income (I+II)**		**1,228.21**	**784.05**
IV	**EXPENSES**			
	Purchase of fuel oil and other inventories	23	88.78	68.34
	Operating expenses	24	289.51	231.86
	(Increase)/ decrease in inventories	25	2.34	(11.38)
	Employee benefit expenses	26	33.06	30.17
	Depreciation and amortization expense	27	321.79	240.99
	Finance costs	28	90.17	68.07
	Other expenses	29	94.32	67.87
	Total expenses (IV)		**919.97**	**695.92**
V	Profit before tax (III-IV)		**308.24**	**88.13**
VI	Tax expense:			
	(1) Tonnage tax		1.60	1.49
	(2) Current tax		4.70	3.34
	(3) Deferred tax		-	-
	(4) Adjustment of tax of earlier years		(0.78)	-
VII	Profit for the year from operations (V-VI)		**302.72**	**83.30**
VIII	**Other comprehensive income**			
	Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods:			
	Re-measurement gains/(loss) on defined benefit plans*		0.06	-
	Income tax relating to above		-	-
	Other Comprehensive Income, net of tax		**0.06**	**-**
IX	Total Comprehensive Income for the year		**302.78**	**83.30**
X	Earnings per equity share:	31		
	Basic and Diluted		52.90	14.56
	Summary of significant accounting policies	3		

*The amount is less than INR 1 lakh

The accompanying notes are an integral part of Financial Statements
As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED ★ MUMBAI ★

SEVEN ISLANDS SHIPPING LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(a) Equity Share Capital

	As at			
	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
		Rs. in crs		Rs. in crs
Balance at the beginning of year	57,227,550	57.23	57,227,550	57.23
Add: Issue of share capital	-	-	-	-
Balance at the end of the year	**57,227,550**	**57.23**	**57,227,550**	**57.23**

(b) Other Equity

	Reserves & Surplus				OCI	Total
	General reserve	Tonnage tax reserve under section 115VT of the Income Tax Act, 1961	Securities premium	Surplus/ (deficit) in the statement of profit and loss	Re-measurement gains/(loss) on defined benefit plans	
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Balance as at April 1, 2021	110.85	23.65	243.19	479.50	(0.50)	856.69
Add/Less: Transfer from/to tonnage tax reserve	-	17.63	-	(17.63)	-	-
Add/Less: Transfer from/to general reserve	23.65	(23.65)	-	-	-	-
Net Profit/(Loss) after tax for the year	-	-	-	83.30	-	83.30
Balance as at March 31, 2022	134.50	17.63	243.19	545.18	(0.50)	939.99
Add/Less: Transfer from/to tonnage tax reserve		61.65	-	(61.65)	-	-
Add/Less: Transfer from/to general reserve	17.63	(17.63)	-	-	-	-
Net Profit/(Loss) after tax for the year	-	-	-	302.72	0.06	302.79
Balance as at March 31, 2023	152.13	61.65	243.19	786.25	(0.44)	1,242.78

Summary of significant accounting policies 3
The accompanying notes are an integral part of Financial Statements

As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Clayton Pinto
Chief Executive Officer

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Year Ended March 31, 2023 Rs. in crs	Year Ended March 31, 2022 Rs. in crs
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**308.24**	**88.13**
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	321.79	240.99
Gain on sale of property, plant and equipment	(49.12)	(38.10)
Exchange difference loss/(gain)- net	(27.59)	(18.75)
Impairment allowance on receivable	3.45	0.32
Bad debts	-	5.54
loss/(gain) on derivative contracts	41.32	22.01
Interest expense	85.51	46.48
Interest on Lease liability	0.95	0.90
Interest (income)	(10.11)	(7.71)
Insurance claim received	(0.69)	(2.34)
Interest on loan to subsidiary	(3.05)	(0.91)
Interest income on Lease deposit	(1.10)	(1.16)
Income from investment	(9.83)	(5.35)
Operating profit before working capital changes	**659.77**	**330.05**
Movements in working capital:		
Increase/ (decrease) in trade payables	5.52	14.06
Increase/ (decrease) in provisions	0.62	0.41
Increase/ (decrease) in other current liabilities	(0.20)	3.21
Increase/ (decrease) in other financial liabilities	13.81	8.76
Decrease / (increase) in trade receivables	(49.67)	40.44
Decrease / (increase) in inventories	2.35	(11.38)
Decrease / (increase) in others financial assets	(74.43)	(28.67)
Decrease / (increase) in others current assets	25.32	11.29
Cash generated from / (used in) operations	**583.09**	**368.17**
Income tax paid (net of refund)	1.37	(10.47)
Net cash flow from/ (used in) operating activities (a)	**584.46**	**357.70**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, plant, equipment including CWIP and capital advances	(418.88)	(778.01)
Proceeds from sale of Property, plant, equipment	76.36	85.30
Purchase of current investments	(614.84)	(555.08)
Proceeds from sale of current investments	699.79	590.32
Insurance claim received	0.69	2.34
Investments in bank deposits (having original maturity of more than 3 months)	(184.02)	(2.32)
Bank deposits matured (having original maturity of more than 3 months)	123.64	-
Interest received on bank deposits	9.41	5.64
Net cash flow from/ (used in) investing activities (b)	**(307.85)**	**(651.81)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	165.00	430.00
Repayments of long term borrowings	(211.48)	(179.54)
Interest paid	(85.65)	(46.48)
Payment of lease liabilities (including interest)	(4.46)	(3.87)
Net cash flow from/ (used in) financing activities (c)	**(136.59)**	**200.11**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)	**140.02**	**(93.99)**

SRBC & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

SEVEN ISLANDS SHIPPING LIMITED
MUMBAI

SEVEN ISLANDS SHIPPING LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

Cash and cash equivalents at the beginning of the year		37.77	131.76
Cash and cash equivalents at the end of the year		177.80	37.77
		140.03	**(93.99)**
Components of cash and cash equivalents			
Cash on hand		0.76	0.92
With banks			
On current accounts		172.89	35.16
On deposit accounts		4.20	4.09
Total cash and cash equivalents (Note 10)		**177.85**	**40.17**
Less: Bank overdraft (Note 16)		0.05	2.40
		177.80	**37.77**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of Financial Statements

As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

SEVEN ISLANDS SHIPPING LIMITED MUMBAI

Place: Mumbai
Date: 26 September 2023

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED
Notes to standalone Financial statements for the year ended March 31, 2023

1 Corporate information

Seven Islands Shipping Limited ("the Company" or "SIS") was incorporated on May 2, 2002 as a private Company and was subsequently converted into a public limited Company on June 6, 2003. It is registered under the Directorate General of Shipping, Government of India. The Company is domiciled in India with its registered office at Times Square, Andheri Kurla Road, Andheri (East) - 400059.

The Company is in the business of owning and operating of ocean going ships in the liquid tanker segment both on the Indian coast as well as in international waters.

The Financial statements of Seven Islands Shipping Limited as at March 31, 2023 were approved and authorised for issue by the Board of directors on September 26, 2023.

2 Basis for preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements under the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised schedule III of the Companies Act, 2013 (Ind AS Compliant Schedule III) as applicable to financial statement. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheets as at March 31, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2023, and significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

The Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the derivative financial instruments and certain financial assets and liabilities (refer Accounting policy for Financial Instrument) which have been measured at fair value or revalued amount required by relevant Ind AS at the end of the reporting period (refer note 38). The financial statements are presented in Indian Rupees ('INR'), except otherwise indicated.
The financial statements are prepared in INR and all the values are rounded off to the nearest crores, except where otherwise stated.
The accounting policies are applied consistently to all the periods presented in the Ind AS financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.
A liability is current when:
i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The Company classifies all other liabilities as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b Foreign currencies

i Functional and presentation currency

The Company's Ind As Financial statements are presented in Indian Rupee (INR), which is also the Company's functional and presentation currency

ii Transactions and balances

Transactions in foreign currencies are translated into functional currency using the monthly average exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in Profit or loss. Non monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

SEVEN ISLANDS SHIPPING LIMITED MUMBAI

c Property, Plant and Equipment and depreciation

All property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, Plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use and other incidental expenses

When significant parts of plant and equipment are required to be replaced at intervals, company depreciates them separately based on their specific useful lives. When major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in profit or loss as incurred.

Cost of assets not ready for intended use as on the Balance Sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Dry docking is considered as a separate component & when a major inspection/ overhaul is performed, its cost is recognized in the carrying amount of the related property plant and equipements as a replacement cost if the recognition criteria are satisfied. The cost of such major inspection/ overhaul is depreciated separately over the period of thirty months. Upon next major inspection/ overhaul, the costs of new major inspection/ overhaul are added to the asset's cost and any amount remaining from the previous inspection/ overhaul is derecognized. All other repair and maintenance costs are recognized in profit or loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on Property, Plant and equipment is provided to the extent of depreciable amount on the Written Down value (WDV) method,.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of Vessels, where useful life is considered as under based on technical evaluation.

The Company has assessed the following useful life to depreciate and amortize on its property, plant and equipment and intangible assets respectively.

Particulars	Useful Lives of the Assets estimated by the management (years)
Oil Tankers vessels	Date of built - 23 (Date of acquisition - 10 to 20)
Gas vessels	Date of built - 25 (Date of acquisition - 10 to 20)
Furniture and Fixture	10
Vehicles	8 and 10
Speed Boat	13
Computer	6
Office Equipment	5
Intangible Asset	10

* Estimated useful life of the vessels is considered from the year of build and the second hand vessels acquired by management are depreciated on the estimation of balance useful life as at the date of acquisition. The balance estimated useful life considered for depreciation of second-hand vessels ranges between 5 to 15 years.

Residual value in case of vessels is estimated at ten years moving average of scrap rates.

Based on internal technical assessment and past experience, the management believes that the useful lives as given above best represent the period over which the management expects the use of the assets. Hence, the useful lives of only ships is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

d Intangible assets

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition measured at difference between net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss.

e Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

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f Inventories

Inventories are carried at lower of cost and net realizable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale.

g Cash and Cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash in hand and at bank in current and foreign currency accounts, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are netted of from cash and cash equivalents.

h Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

i Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

k Provisions and Contingencies

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

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l Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as ESOPs and bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

m Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market that can be accessed by the company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the Ind As Financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Ind As Financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

n Financial instruments

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

1 Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i Debt instruments at amortised cost
ii Debt instruments at fair value through other comprehensive income (FVTOCI)
iii Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

A) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

B) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
The asset's contractual cash flows represent SPPI.
Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.
However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit or loss.

iii Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. However currently the company does not have any financial instruments in this category.

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iv Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Companies balance sheet) when:

'- The rights to receive cash flows from the asset have expired, or

'-The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
(a) the company has transferred substantially all the risks and rewards of the asset, or
(b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVPTL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in are reclassify to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in Other Comprehensive Income are not reclassified to profit or loss on de-recognition.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets measured at fair value through other comprehensive income.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ loss are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities classified and measured at amortized such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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o Derivative financial instruments and hedge accounting

Initial recounition and subsequent measurement

The Company uses derivative financial instruments, such as interest rate swaps to hedge its foreign currency risks, interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

p Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the consideration to which the Company expects to be entitled in contract with customer. The consideration is determined based on the price specified in the contract, net of volume discounts and rebates. Revenue excludes any taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services tax.
The Company earns revenue from time and voyage charter.

Time Charter hire earnings are accrued on time proportion basis. Revenue from voyage charters is recognised as income, by reference to the voyage progress on load-to-discharge basis, which has been assessed by management to be an appropriate measure of progress towards complete satisfaction of the performance obligations over time under Ind AS 115.

Judgement is involved in estimating days to reach the load port and discharge port destinations impacting the calculation of income to be accrued for incomplete voyage.
Demurrage revenue is recognised as the performance obligations under the contract is satisfied.
Application money from student recorded as and when it is received by Group.

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Insurance claim

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonably certain to expect the ultimate collection.

q Investment in subsidiary

Non-Current Investments in equity shares in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its ecoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

r Taxes on Income

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Pursuant to the introduction of section 115VA under the Income-tax Act, 1961, the Company has opted for computation of its income from shipping activities under the tonnage tax scheme. Thus, income from the business of operating ships is assessed on the basis of the deemed tonnage income of the Company and no deferred tax is applicable to such income as there are no temporary differences.

s Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. Employee benefits in the form of Seamen's Welfare Contributions are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The Company has defined benefit plans for its employees, viz., gratuity liability. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Remeasurements, comprising of actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in the statement of other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
ii) Net interest expense or income

The accumulated leaves at the year end is not carried forward and the entire leave balance gets lapsed. Hence, no provision for leave encashment is provided in the books.

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3A Key sources of estimation uncertainty and recent pronouncement

In the course of applying the policies outlined in all notes under section 2 above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

a) Key sources of estimation uncertainty

i) Useful lives and residual value ol property, plant and equipment

On initial recognition, the cost of property and equipment acquired is allocated to each component of the asset and depreciated separately.
Maintenance costs are recognized as expenses for the year, with the exception of mandatory dry-docks required to maintain vessel navigation certificates, which constitute an identifiable component upon the acquisition of a vessel and which are thereafter capitalized when the following dry-docks occur. Dry-docks are depreciated over the remaining useful life of the related vessel or to the date of the next dry-dock, whichever is sooner.

Useful lives are estimated based on past experience. Management decides from time to time to revise the estimates for individual assets or Companys of assets with similar characteristics due to factors such as quality of maintenance and repair, technical development and environmental requirements. Refer to note 2(d) for the useful lives typically used for new assets.

During the year ended March 31 2023, Company has reassessed the scrap rate.

Residual values are difficult to estimate given the long lives of vessels, the uncertainty as to future economic conditions and the future price of steel, which is considered as the main determinant of the residual price. Management continually reassesses the residual value of the assets based on changes in the economic environment and revises the values to reflect the impact of any significant changes. The Company has modified its method of estimating residual value to reflect a moving average price of 10 years scrap rate with effect from 1 January, 2022.

ii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed. Contingent assets are neither recognised nor disclosed in the Consolidated financial statements unless when an inflow of economic benefits is probable.

iii) Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (refer note 38).

iv) Defined benefit plans (gratuity benefits)

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The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding revenue agreements, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

b) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 1 - Disclosure of material accounting policies. The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 8 - Definition of accounting estimates. The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(iii) Ind AS 12 – Income Taxes The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:
a) right-of-use assets and lease liabilities.
b) decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.
Therefore, if a company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of-use assets and lease liabilities. The Company does not expect this amendment to have any significant impact in its financial statements.

(iv) Ind AS 103 – Common control Business Combination The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor. The Company does not expect this amendment to have any significant impact in its financial statements.

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4A Property, plant, equipment

Particulars	Vessels *	Furniture's & fixtures	Motor vehicles	Office equipment	Computers	Total
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Deemed Cost						
At April 1, 2021	**1,537.72**	**0.22**	**4.93**	**1.01**	**0.51**	**1,544.40**
Additions	786.07	-	0.35	0.12	0.52	787.06
Disposals	(148.26)	-	-	-	-	(148.26)
At March 31, 2022	**2,175.53**	**0.22**	**5.28**	**1.13**	**1.03**	**2,183.20**
Additions	401.89	-	3.67	0.13	0.15	405.84
Disposals	(71.62)	-	-	-	-	(71.62)
At March 31, 2023	**2,505.80**	**0.22**	**8.95**	**1.26**	**1.18**	**2,517.42**
Depreciation and Impairment						
At April 1, 2021	**300.57**	**0.13**	**2.46**	**0.58**	**0.19**	**303.95**
Depreciation charge for the period	234.97	0.02	0.81	0.23	0.40	236.43
Disposals	(101.06)	-	-	-	-	(101.06)
At March 31, 2022	**434.49**	**0.15**	**3.27**	**0.81**	**0.59**	**439.32**
Depreciation charge for the period	315.42	0.02	0.88	0.18	0.32	316.82
Disposals	(44.37)	-	-	-	-	(44.37)
At March 31, 2023	**705.54**	**0.17**	**4.15**	**0.99**	**0.91**	**711.78**
Net book value						
At March 31, 2022	**1,741.04**	**0.06**	**2.01**	**0.32**	**0.44**	**1,743.88**
At March 31, 2023	**1,800.26**	**0.05**	**4.80**	**0.27**	**0.27**	**1,805.64**

*Note: The vessels are hypothecated to the bank for availing loan for purchase of vessel and the current assets of the Company.

4B **Ageing of Capital-Work-in Progress (CWIP)**

	At March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
- Projects in progress	0.58	-	-	-	0.58
- Projects temporarily suspended	-	-	-	-	-
	0.58	**-**	**-**	**-**	**0.58**

	At March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
- Projects in progress	1.08	-	-	-	1.08
- Projects temporarily suspended	-	-	-	-	-
	1.08	**-**	**-**	**-**	**1.08**

There are no overdue projects, hence the disclosure pertaining to overdue project has been dispensed with.

4C **Intangible Assets**

Particulars	As at	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Deemed cost - Computer software		
Opening balance	1.19	1.02
Additions	0.22	0.17
Disposals	-	-
	1.41	1.19
Amortisation and impairment		
Opening balance	0.35	0.24
Depreciation charge for the period	0.13	0.11
Disposals	-	-
	0.48	0.35
Net book value	0.93	0.84

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5 Other Financial Assets

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Non Current		
Financial assets (at amortised cost)		
Loan to subsidiary	75.78	12.58
Security deposits		
Unsecured, considered good		
Others	0.02	0.02
Related parties	12.88	11.77
Interest accrued but not due on Fixed Deposits	1.65	-
Bank deposits with remaining maturity more than twelve Months	26.10	16.76
	116.43	**41.13**
Current		
Financial assets at fair value through profit and loss		
Derivatives not designated as hedges	-	4.08
Employee advances	0.31	0.19
Interest accrued but not due on Fixed Deposits	4.06	5.00
Deposit receivable from Associates	-	2.60
Other receivables		
Others	13.15	0.00
Related parties	0.05	-
	17.57	**11.87**
	134.00	**53.00**

6 Tax assets (net)

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Advance Income Tax (net of provision for taxation)	10.07	16.97
	10.07	**16.97**

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7 Inventories

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Bunker*	10.69	13.39
Lube Oil*	15.25	13.51
Other Inventories*	-	1.38
	25.94	**28.28**

*The above closing stock represents inventory maintained on the vessels of the Company

8 Investments

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Investment in Liquid Mutual Funds (Fair value through profit & loss)- Quoted		
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	-	10.04
Axis Liquid Fund - Regular Growth	7.53	5.03
Axis Ultra Short Term Fund Direct Growth	5.05	-
Bharat Bond FOF- April 2023 Direct Growth Plan	2.36	-
Canara Robeco Liquid Fund Regular Growth	5.05	-
HDFC Liquid Fund-Growth	5.05	-
KMMF K Liquid	-	5.00
Kotak Savings Fund-Growth-Regular plan	-	9.00
Axis ultra short term fund - regular plan growth	-	5.03
Axis Ultra Short Term Fund Direct Growth	-	10.23
Hdfc Ultra Short Term Fund - Regular Growth	-	30.56
Dsp Blackrock Low Duration Fund - Regular Plan – G	-	20.37
Kotak Liquid Fund Regular Plan Growth	-	5.00
	25.04	**100.26**

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9 Trade Receivables

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Trade Receivables		
Unsecured, considered good	85.74	39.52
Trade Receivables, which has significant increase in credit risk	3.45	0.32
Impairment allowance based on expected credit loss	(3.45)	(0.32)
	85.74	39.52

Ageing of Accounts Receivables

March 31, 2023

		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	Undisputed Trade receivables considered good	-	79.31	1.04	5.39	-	-	85.74
ii	Undisputed Trade receivables considered Doubtful	-	-	-	-	3.45	-	3.45
iii	Disputed Trade receivables considered good	-	-	-	-	-	-	-
iv	Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
		-	79.31	1.04	5.39	3.45	-	89.19

March 31, 2022

		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	Undisputed Trade receivables considered good	-	24.07	5.82	9.62	-	-	39.52
ii	Undisputed Trade receivables considered Doubtful	-	-	-	-	0.32	-	0.32
iii	Disputed Trade receivables considered good	-	-	-	-	-	-	-
iv	Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
		-	24.07	5.82	9.62	0.32	-	39.84

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Credit terms

Trade receivables : are due immediate after the raising of the invoice to the customers

Credit risk management regarding trade receivables has been described in note 41.

Trade receivables does not include any receivables from directors and officers of the company

Set out below the movement in the allowance for expected credit losses of trade receivables

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
As at April 1	0.32	5.65
Reversal during the year	(0.32)	(5.65)
Provision made during the year	3.45	0.32
At the end of year	**3.45**	**0.32**

9.1 Contract assets

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
At the beginning of the year	2.79	7.97
Creation during the year	1.30	2.79
Deduction during the year	(2.79)	(7.97)
At the end of year	**1.30**	**2.79**

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10 Cash and Cash Equivalents

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Balance with banks		
On current accounts	172.89	35.16
Deposits with original maturity of less than three months	4.20	4.09
Cash on hand	0.76	0.92
	177.85	**40.17**

11 Other Bank Balances

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Deposits with remaining maturity less than twelve months	223.60	172.85
Deposits with remaining maturity more than twelve months	26.10	16.76
	249.70	**189.61**
Amount Disclosed under Other Financial Assets (Refer Note 5)	(26.10)	(16.76)
	223.60	**172.85**

Reconciliation between the opening and closing balances for liabilities arising from financing activities

Particulars	Long - term borrowings March 31, 2023	Long - term borrowings March 31, 2022
	Rs. in crs	Rs. in crs
Opening	1,141.03	903.79
Cash flow(net)	(46.48)	250.46
Non- Cash Changes		
Foreign exchange movement	(32.83)	(13.22)
Closing	**1,061.72**	**1,141.03**
Classified as current maturity	276.15	249.30
Non - current liability	785.58	891.73
Total	**1,061.73**	**1,141.03**

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12 Other Assets

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Non Current		
Balance with statutory authorities	1.16	-
Capital advances		
Unsecured, considered good	23.22	1.29
	24.38	**1.29**
Current		
Secured, considered good		
Unsecured, considered good		
Advance to Suppliers	2.76	2.11
Balance with statutory authorities	24.80	51.27
Prepaid Expenses	3.55	2.72
Other advances	0.00	-
	31.11	**56.10**

13 Investment in subsidiary

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Non-Current Investments		
Investment in Equity Instruments		
In subsidiaries (at amortised cost)		
Seven Islands Maritime Training Foundation		
1,50,000 (March 31, 2022 : 1,50,000) Equity Shares of Rs. 10/- each.	11.21	2.87
	11.21	**2.87**

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Notes to standalone Financial statements for the year ended March 31, 2023

14 Equity Share Capital

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in crs	No. of shares	Rs. in crs
AUTHORIZED SHARES				
7,50,00,000 (March 31, 2022 : 7,50,00,000) Equity Shares of Rs. 10/- each.	75,000,000	75.00	75,000,000	75.00
	75,000,000	**75.00**	**75,000,000**	**75.00**
ISSUED, SUBSCRIBED & FULLY PAID-UP SHARES				
5,72,27,550 (March 31, 2022 : 5,72,27,550) Equity Shares of Rs.10/- each, Fully Paid up	57,227,550	57.23	57,227,550	57.23
Total issued, subscribed and fully paid-up share capital	**57,227,550**	**57.23**	**57,227,550**	**57.23**

a) The Company has only one class of Equity shares having a face value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

b) **Details of shareholding more than 5% equity shares in the Company:**

		March 31, 2023			March 31, 2022		
Sr no.	**Name of the shareholder**	**No. of Shares**	**% holding**	**% Change during the Year**	**No. of Shares**	**% holding**	**% Change during the Year**
1	Mr. T.W. Pinto	29,190,750	51.01%	-	29,190,750	51.01%	-
2	M/s FIH Mauritius Investments Limited	27,777,650	48.54%	-	27,777,650	48.54%	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) **Details of the shares held by the Promoters**

		March 31, 2023			March 31, 2022		
Sr no.	**Name of the shareholder**	**No. of Shares**	**% holding**	**% Change during the Year**	**No. of Shares**	**% holding**	**% Change during the Year**
1	Mr. T.W. Pinto	29,190,750	51.01%	-	29,190,750	51.01%	-

d) **Proposed Final Dividend**

	As at March 31, 2023	As at March 31, 2022
Proposed final dividends on Equity shares:		
Proposed final dividend for the year ended on 31 March 2023: INR 18 per share (31 March 2022: INR 0 per share)	103.01	-
	103.01	-

Proposed final dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2023.

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15 Other Equity

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
General reserve	152.13	134.50
Tonnage tax reserve under section 115VT of the Income Tax Act, 1961	61.65	17.63
Securities premium	243.19	243.19
Surplus/ (deficit) in the statement of profit and loss	786.25	545.18
Other comprehensive income	(0.44)	(0.50)
	1,242.78	**939.99**

Nature and purpose of Reserves

Security Premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

General Reserve
General reserve is used for utilisation of tonnage tax reserve for appropriate purposes and are available for distribution to Shareholders

Surplus in the statement of profit and loss
Surplus in the statement of profit and loss represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Tonnage tax reserve under section 115VT of the Income Tax Act, 1961
Tonnage Tax Reserve created as per the provisions of the Section 115VT of the Income-tax Act, 1961, whereby a minimum of 20% of book profits from the tonnage tax activities are to be utilised for acquiring new vessels within 8 years.

16 Borrowing

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Non Current		
Long-term borrowing		
Secured term loan		
- Indian rupee term loans from banks	717.68	733.45
- Foreign currency loan from banks	344.05	407.58
Less :Current maturities of long-term borrowings clubbed under short-term borrowings	(276.15)	(249.30)
	785.58	**891.73**
Current		
Short-term borrowings		
Current maturities of long-term borrowings	276.15	249.30
Bank overdraft	0.05	2.40
	276.20	**251.70**
	1,061.78	**1,143.43**

a) Secured Term Loan is repayable in 22 to 23 quarterly instalments after three to six months of moratorium period from the date of disbursement.

b) Foreign currency term loan carries interest rate of LIBOR plus 250 to 350 basis point and Indian rupee term loan from bank carries interest @ 7.25 % p.a. to 9.05% p.a.

c) All the term loans are secured by way of hypothecation of the Vessels and the current assets of the Company.

d) Term loan of Rs. 564.31 Crs as on 31 March 2023 from Banks is secured by personal guarantee of Capt. Thomas W. Pinto. Ms. Leena Pinto.

e) Bank overdraft interest rate ranges from 8.75% was 13.95%, the borrowing is against lien of Fixed deposits

f) The term loan has been utilised for the purpose for which they were obtained.

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g) **Term of repayment and interest are as follows**

Description	Effective Interest rate	Balance instalments as on 31.03.2023	Year of Maturity FY Ending	Amount outstanding 31.03.2023	Amount outstanding 31.03.2022
				Rs. in crs	Rs. in crs
Foreign currency term loan - M.T. Courage	LIBOR + 250 basis points	8	2024	17.53	24.55
Term loan - M.T. Abalone	9.05%	12	2025	-	23.92
Term Loan - M.T. Kestrel	9.05%	8	2025	16.69	25.01
Term Loan - M.T. Loyalty	9.00%	6	2024	11.98	19.95
Term Loan - M.T. Gallant	8.95%	9	2026	19.59	28.27
Term Loan - M.T. Success	8.95%	10	2026	24.94	34.87
Term Loan - M.T. Coronet	8.65%	6	2026	17.41	28.19
Term Loan - M.T. Blossom	8.50%	11	2026	18.17	24.77
Term Loan - M.T. Dynasty	8.50%	11	2026	19.54	26.61
Foreign currency term loan - M.T. Feather	LIBOR + 275 basis points	10	2026	22.45	29.25
Foreign currency term loan - M.T. Patriot	LIBOR + 275 basis points	10	2026	25.72	32.16
Foreign currency term loan - M.T. Sparkle	LIBOR + 250 basis points	10	2026	19.71	25.59
Foreign currency term loan - M.T. Lourdes	LIBOR + 270 basis points	14	2026	19.22	22.76
Term Loan - M.T. Concord	3.63%	15	2026	86.78	109.86
Term Loan - M.T. Classic	3.62%	16	2026	85.27	98.60
Term Loan - M.T. Babylon	2.30%	16	2026	45.89	52.86
Term Loan - M.T. Century	3.00%	16	2026	83.27	103.98
Term Loan - LPG/c Pine Gas	3.58%	26	2029	215.43	248.37
Term Loan - M.T. Harvest	3.40%	18	2027	48.85	59.64
Foreign Currency Term Loan - LPG/c Rose Gas	3.40%	18	2027	108.26	121.82
Term Loan Fairway	5.00%	20	2028	43.75	-
Term Loan Marvels	5.00%	20	2028	56.52	-
Term Loan Regency	6.10%	22	2028	54.77	-
				1,061.73	**1,141.03**
Less :Current maturities of long-term borrowings clubbed under short-term borrowings				276.15	249.30
				785.58	**891.73**

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17 Other Financial Liabilities

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Current		
Financial liabilities at fair value through profit and loss		
Derivatives not designated as hedges	75.48	42.29
Interest Accrued But not Due on Secured Loan	1.14	1.28
Salary payable	12.05	8.47
Capital creditors	24.85	15.15
	113.52	**67.19**

17.1 Lease liabilities

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Non-Current		
Lease liability (Note 30)	4.88	8.60
	4.88	**8.60**
Current		
Lease liability (Note 30)	3.89	3.68
	3.89	**3.68**

18 Provisions

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Current		
Gratuity Provision	1.63	1.12
Seamens Gratuity	0.27	0.23
	1.90	**1.35**

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19 Trade payables

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	3.30	6.42
- Total outstanding dues of creditors other than micro enterprises and small enterprises	52.71	38.84
	56.01	45.26

Ageing of Accounts Payable

March 31, 2023

		Unbilled dues	Not yet due	Outstanding for following periods from due date of payment				
				Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	MSME	1.03	1.69	0.44	0.01	0.00	0.13	3.30
ii	Others	24.08	9.71	16.43	1.42	0.63	0.44	52.71
iii	Disputed dues - MSME	-	-	-	-	-	-	-
iv	Disputed dues - Others	-	-	-	-	-	-	-
		25.10	11.41	16.87	1.42	0.63	0.57	56.01

March 31, 2022

		Unbilled dues	Not yet due	Outstanding for following periods from due date of payment				
				Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	MSME	0.43	5.25	0.50	0.08	0.12	0.04	6.42
ii	Others	10.18	7.27	17.54	3.42	0.20	0.23	38.84
iii	Disputed dues - MSME	-	-	-	-	-	-	-
iv	Disputed dues - Others	-	-	-	-	-	-	-
		10.61	12.52	18.04	3.50	0.32	0.27	45.26

Credit terms : Payables are normally settled within 90 days

20 Other current liabilities

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Current		
Statutory dues	8.03	8.22
	8.03	8.22

21 Revenue from contracts with customer

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Time Charter - Charter hire	895.55	641.04
Voyage Charter - Freight and demurrage	256.93	83.22
	1,152.48	**724.26**
India	872.25	645.50
Outside India	280.23	78.76
	1,152.48	**724.26**

Contract balances

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Trade receivable	85.74	39.52
Contract assets	1.30	2.79
Contract liabilities	17.85	0.27

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year Rs 0.27 crores (previous year Rs 1.07 crores) and performance obligations satisfied in previous years Rs 0.27 crores (previous year Rs. 1.07 crores).
Out of the total contract liabilities outstanding as on 31 March 2023, Rs 17.85 crores (previous Rs 0.27 crores) will be recognised by 31 March 2024 and remaining thereafter.

22 Other Income

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Income from investments	9.83	5.35
Insurance claim	0.69	2.34
Interest on Lease deposit	1.10	1.16
Exchange differences (net)	-	-
Interest on fixed deposit	10.11	7.71
Fair value gain on financial instruments at fair value	-	4.08
Profit on Sale of Asset	49.12	38.10
Interest on income tax refund	1.16	-
Interest on loan to subsidiary	3.05	0.91
Other Income	0.67	0.14
	75.73	**59.79**

23 Purchase of fuel oil and other inventories

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Purchase of bunkers	60.81	39.01
Purchase of lube oil	22.54	24.79
Purchase of other inventories	5.43	4.54
	88.78	**68.34**

24 Operating expenses

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Crew Charges	149.68	128.78
Port Expenses	20.59	8.38
Stores & spares consumed	50.48	32.69
Insurance Charges (net)	9.84	14.68
Repairs & Maintenance of ships	22.67	11.92
Survey & Certification	9.85	8.30
Agency Fees	1.72	1.12
Other operating expenses	24.68	25.99
	289.51	**231.86**

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25 (Increase)/ decrease in inventories

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Inventories at the end of the year		
Bunkers	10.69	13.39
Lube oil	15.25	13.51
Others	-	1.38
	25.94	**28.28**
Inventories at the beginning of the year		
Bunkers	13.39	8.16
Lube oil	13.51	8.04
Others	1.38	0.70
	28.28	**16.90**
	2.34	**(11.38)**

26 Employee benefit expenses

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Salaries and bonus	24.49	20.83
Directors remuneration u/s 197	6.00	5.82
Contribution to provident fund	0.23	0.22
Gratuity expense (note 33)	0.58	0.48
Staff welfare expenses	1.76	2.82
Total	**33.06**	**30.17**

27 Depreciation and amortization expense

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Depreciation of property, plant and equipment	316.82	236.43
Amortization of intangible assets	0.13	0.11
Depreciation of Right of use of assets	4.84	4.45
	321.79	**240.99**

28 Finance costs

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Interest on term loan	85.50	63.73
Interest on Lease	0.95	0.90
Bank charges	3.00	3.17
Interest on MSME	0.72	0.05
Interest on bank overdraft facility	0.00	0.22
	90.17	**68.07**

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29 Other expenses

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Rates and taxes	11.83	16.43
Fair value loss on financial instruments at fair value	41.32	22.01
Legal and professional fees	5.42	9.88
Business promotion expenses	1.08	0.96
Office utility expenses	4.55	4.00
Corporate social responsibility expenditure (Note 45)	1.63	1.44
Travelling and conveyance	5.14	2.41
Communication expenses	0.30	0.29
Payment to auditor (Note 29(a))	0.33	0.31
Impairment allowance on receivable	3.45	0.32
Bad debts	-	5.54
Repairs & Maintanance - plant & machinery	0.51	0.70
Directors' sitting fees	0.03	0.04
Exchange differences (net)	16.10	2.41
Miscellaneous expenses	2.63	1.13
	94.32	**67.87**

29(a) Payment to auditor

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Payment to auditor as:-		
- Audit fees	0.33	0.31
- for taxation matters	-	-
- for other services	-	-
Total	**0.33**	**0.31**

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30 Leases - Ind AS 116

The Company has entered into non cancellable commercial leases for office premises and warehouses. These leases have an average life of between two and four years with no renewal option included in the contracts. There are no restrictions placed upon the Company by entering into these leases. Rent and Security Deposit is paid by the Company to the lesser for the right to use the office premises leased along with facilities and other amenities. Also the Company has paid rent and security deposit for godowns. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year

	Times Square, 8th Floor Premises 3A	Times Square, 7th Floor Premises 3A(I)	Times Square, 8th Floor Premises 3B	Times Square, 8th Floor Premises 4	Times Square, 7th Floor Premises 4	Godown	Total
As at April 1, 2021	3.98	3.88	0.72	-	-	0.11	8.68
Addition	-	-	2.10	6.23	2.75	-	11.09
Depreciation expense	(1.11)	(1.11)	(0.79)	(1.25)	(0.15)	(0.04)	(4.45)
As at March 31, 2022	2.87	2.78	2.03	4.98	2.60	0.07	15.32
Addition	-	-	-	-	-	-	-
Depreciation expense	(1.11)	(1.11)	(0.42)	(1.25)	(0.92)	(0.03)	(4.84)
As at March 31, 2023	1.76	1.67	1.61	3.73	1.68	0.04	10.48

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	March 31, 2023	March 31, 2022
Opening	12.28	6.84
Additions	-	8.41
Accrued Interest	0.95	0.90
Payments	(4.46)	(3.87)
Closing balance	8.77	12.28
Current	3.89	3.68
Non-current	4.88	8.60

Amount recognised in profit or loss

	March 31, 2023	March 31, 2022
Depreciation expense of right-of-use assets	4.84	4.45
Interest expense on lease liabilities	0.95	0.90
Interest income, interest on lease deposit *	(1.10)	(1.16)
Total amount recognised in profit or loss	4.69	4.19

* assumed interest rate @ 9% p.a.

31 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations.

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Profit/ (loss) after tax	302.72	83.30
	March 31, 2023	**March 31, 2022**
Weighted average number of equity shares in calculating basic EPS		
Weighted average number of shares outstanding as at year end	57,227,530	57,227,530
Earnings per share		
Basic and Diluted EPS	52.90	14.56

32 Commitments and Contingencies
Contingent liabilities

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Claims against the Company not acknowledged as debts inclusive of the penalty and interest (note a)	15.38	15.38
Guarantees (note b)	0.94	0.94
Total	16.32	16.32

a **The claims against the comprise:**
Service Tax demand disputed by the Company - Rs. 15.38 crs as on March 31, 2023 (March 31, 2022 Rs. 15.38 crs), this amount is inclusive of interest and penalty upto the date of the notice. The Company is of the opinion that that the action will succeed and accordingly no provision for liability has been recognized in the financial statements.

b **Guarantees given by the Company comprise:**
There are guarantees of Rs. 0.94 crs outstanding as on March 31, 2023 (March 31, 2022 Rs. 0.94 crs) which are given to Mumbai port trust, ONGC and seamen employee office.

c The Company has filed a commercial admiralty suit before the High Court of Gujarat on January 15, 2021, against Bharat Petroleum Corporation Limited ("BPCL") and all persons who could in future make a claim, in relation to M. T. Genesis (the "Vessel"), owned by the Company. On January 17, 2018, the Vessel was undertaking a coastal voyage from Mumbai to Kandla, when there occurred a fire on board the Vessel, leading to loss and damage to property on board or in connection with the operation of the Vessel. The Company filed the suit in exercise of its statutory rights to limit the liability for purported claims (including claims by way of recourse or for indemnity) by BPCL to a sum of Rs. 49.58 crs, under the terms of the Merchant Shipping Act, 1958 read with the Merchant Shipping (Limitation of Liability for Maritime Claims) Rules, 2015. A notice has been issued to BPCL by Gujarat High Court. The matter is currently pending.

d The Company have been served with pleadings on December 21, 2021 in Commercial Admiralty Suit filed by Deendayal Port Trust (DPT) against the Company and Bharat Petroleum Corporation Limited ("BPCL") for claiming salvage reward, to make and declare a salvage

reward of Rs 135 crores along with 15% interest p.a. from date of filing of suit till payment and Such other and further reliefs as the nature and circumstances of the present case may require. Company liability is limited to 8% i.e. Companies liability is limited upto Rs. 10.80 crs

SIS filed an interim application for filing counter claim against the claim by DPT. The same was allowed vide order dated 29 June 2022 thereafter SIS has filed Counter claim to DPT's claim on 4th July 2022. next date has not been given yet. the matter is currently pending

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33 Gratuity

The Company has a defined benefit gratuity plan for its employees. Every employee who has completed five years of service or more gets a gratuity on resignation or death or retirement at 15 days of last drawn salary for each completed year of service. The gratuity plan of the Company is funded through group gratuity insurance scheme of Life Insurance Corporation of India.
Each year, the Company reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Company decides its contribution based on the results of this annual review. The Company aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.
The following tables summarize the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the Balance sheet for the respective plans.

Net employee benefit expense recognized in employee cost

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Current service cost	0.51	0.43
Net interest cost	0.07	0.06
Net benefit expense	**0.58**	**0.48**

Other Comprehensive Income	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Actuarial (Gain)/Loss recognized for the year	(0.06)	(0.02)
Return on Plan Assets excluding net interest	(0.00)	0.02
Re-measurement gains/(loss) on defined benefit plans	**(0.06)**	**0.00**

Balance sheet
Benefit asset/ (liability)

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Present value of defined benefit obligation	(2.35)	(1.79)
Fair value of plan assets	0.72	0.68
Plan asset/ (liability)	**(1.63)**	**(1.13)**

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Opening defined benefit obligation	1.79	1.56
Current service cost	0.51	0.43
Interest cost	0.11	0.09
Past service cost	-	-
Benefits paid	-	(0.26)
Actuarial (gain)/loss on obligation	(0.06)	(0.02)
Closing defined benefit obligation	**2.35**	**1.79**

Changes in fair value of plan assets

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Opening fair value of plan assets	0.68	0.62
Expected return	0.04	0.04
Contributions by employer	-	0.30
Benefits paid	-	(0.26)
Actuarial gain/(loss)	0.00	(0.02)
Closing fair value of plan assets	**0.72**	**0.68**

Sensitivity Analysis
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analyses below have

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Present value of obligation		
Discount rate (increase by 1%)	(0.11)	(0.10)
Discount rate (decrease by 1%)	0.14	0.11
Salary Escalation (increase by 1%)	0.09	0.06
Salary Escalation (decrease by 1%)	(0.07)	(0.06)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	March 31, 2023	March 31, 2022
Discount rate	6.28%	6.28%
Rate of increase in compensation level	10.00%	10.00%
Expected rate of return on assets	7.34%	7.34%
Employee turnover	16.00%	16.00%

Experience adjustment for current and previous years:

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Defined benefit obligation	2.35	1.79
Plan assets	0.72	0.68
Surplus/ (deficit)	(1.63)	(1.13)
Experience adjustments on plan liabilities	(0.06)	(0.02)
Experience adjustments on plan assets	(0.00)	0.02

Estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, increments and other relevant factors, such as supply and demand in employment market

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34 Related party disclosures

a. Names of related parties and related party relationship

Name of the party	Description of relationship
M/s Seven Islands Logistics Private Limited	Enterprise over which key management personnel and their relatives have significant influence.
M/s Seven Islands Maritime Training Foundation (SIMTF) (date of incorporation 13.03.2021)	Subsidiary company
Dr. Pinto's Pathological Laboratory	Enterprise over which key management personnel and their relatives have significant influence.
Parsatwar & Co.	Enterprise over which directors and their relatives have significant influence.
Seven Islands Shipping Foundation	Enterprise over which directors have significant influence.
Fairfax India Charitable Foundation	Enterprise over which directors have significant influence.
Key managerial personnel / Directors	
Capt. Thomas W. Pinto	Chairman & Managing Director
Ms. Leena Pinto(up to August 31, 2021)	Whole Time Director
Mr. Clayton Pinto	Chief Executive Officer
Mr. Sujit Parsatwar	Director
Mr. Jay Parekh	Company Secretary
Mr. Warren Pinto	Chief Financial Officer
Mr. Madhukar Kamath (upto 31.07.2021)	Independent Director
Mr. Uday Gore	Independent Director
Mr. Darshan Upadhyay (upto 19.10.2021)	Independent Director
Mr. Sumit Maheshwari	Nominee Director
Ms. Sanjeevlata Samdani	Independent Director
Mr Anil Devli (w.e.f. 20.08.2021)	Independent Director
Ms. Aashita Vishwakarma	Spouse of Mr. Jay Parekh

b. Related party transaction

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	Nature of transaction	March 31, 2023	March 31, 2022
		Rs. in crs	Rs. in crs
M/s Seven Islands Logistics Private Limited	Office rent paid	4.50	3.84
	Deposit given	-	0.77
	Reimbursement of expenses	0.13	0.15
Dr. Pinto's Pathological Laboratory	Medical expenses incurred	0.05	0.04
Parsatwar & Co.	Consultancy charges	4.00	3.80
SIMTF	Transfer of asset under construction (considered as loan)	-	3.41
	Reimbursement of expenses	0.05	
	Loan given	68.50	10.98
Fairfax India Charitable Foundation	Donation u/s 135	0.51	1.00
Mr. Clayton Pinto	Reimbursement of expenses	0.04	0.38
Capt. Thomas W. Pinto	Reimbursement of expenses	1.88	0.87
Mr. Madhukar Kamath	Director Sitting fees	-	0.00
Mr. Uday Gore	Director Sitting fees	0.02	0.02
Mr. Darshan Upadhyay	Director Sitting fees	-	0.00
Ms. Sanjeevlata Samdani	Director Sitting fees	0.01	0.01
Mr. Anil Devli	Director Sitting fees	0.01	0.01

c. Outstanding balances

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Balances (payable)/ receivable at the year end		
M/s Seven Islands Logistics Private Limited - security deposit	15.68	15.68
M/s Seven Islands Logistics Private Limited - security deposit receivable	-	2.60
M/s Seven Islands Maritime Training Foundation (SIMTF)	82.84	14.39
M/s Seven Islands Maritime Training Foundation (SIMTF) - Reimbursement of expenses	0.05	-

d. Remuneration to key managerial personnel

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Capt. Thomas W. Pinto	6.00	5.48
Ms. Leena Pinto	-	0.54
Mr. Clayton Pinto	1.50	1.23
Mr. Jay Parekh	0.19	0.19
Mr. Warren Pinto	0.38	0.31
Ms. Aashita Vishwakarma	0.08	-

e. Other transactions:

i) Guarantee given

There are no guarantees outstanding as at 31 March 2023 and 31 March 2022

ii) Guarantee taken

Term loan of Rs. 564.31 Crs as on 31 March 2023 (March 31, 2022 Rs.837.06 Crs,) from Banks is secured by personal guarantee of Capt. Thomas W. Pinto, Ms. Leena Pinto.

f. The transactions with the related parties during the year and previous year are at arms length basis.

35 Capital and other commitments

a Estimated amount of contracts remaining to be executed on capital account and not provided for:

The Company has an capital commitment regarding the acquisition of vessel and the dry dock of vessels of Rs. 125.09 Crs as on 31 March 2023 (March 31, 2022. Rs 268.[illegible]7 Crs).

b. For commitments relating to lease arrangements, please refer note 30

36 Segment reporting

For management purposes, the Company is organised into one business unit based on its services and has one reportable segment. The Chief Executive Officer, Chief Financial Officer and Chief Operating officer of the Company has been identified as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's financial performance and makes the strategic decisions

As per Ind AS 108, the company has a single reportable segment therefore company has provided the following disclosures:

a Revenue from operations

	For the period ended March 31, 2023	For the period ended March 31, 2022
	Rs. in crs	Rs. in crs
India	872.25	645.50
Outside India	280.23	78.76
	1,152.48	**724.26**

Revenue from operations have been allocated on the basis of location of customers

b Non current assets

All non current assets other than financials instruments of the Company are located in India

c As per Ind AS 108 paragraph 34 requires entities to disclose information about its major customers i.e. those contributing 10% or more of its total amount of revenue. Revenue from external customers individually contributed more than 10% of the total revenue of the entity is as follows

	For the period ended March 31, 2023	For the period ended March 31, 2022
	Rs. in crs	Rs. in crs
Revenue from external customers	494.03	561.58
Number of Customers	2	3

37 Capital Management

For the purpose of company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity shareholders of the company. The Company manages its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. the Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise he shareholders value. The Company funds its operations through internal accruals. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio below 55%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

As at March 31, 2022 and March 31, 2023, the Company has only one class of equity shares and has debt, consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the company allocates its capital for distribution of dividend or re-investment into business based on its long term financial plans.

The debt equity for the year is as under:

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Total Debt (note no. 16)	1,061.78	1,143.43
Less: cash and cash equivalents (note no. 10)	(177.85)	(40.17)
Less: Other Bank Balances (note no. 11)	(223.60)	(172.85)
Net debt	**660.33**	**930.41**
Total Equity (note no. 14 and 15)	1,238.36	979.59
Capital and net debt	**1,898.70**	**1,910.00**
Gearing ratio	**34.78%**	**48.71%**

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38 Fair value measurements

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair Value	Carrying value	Fair Value
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Assets:				
At amortised cost				
Cash and cash equivalents	177.85	177.85	40.17	40.17
Other bank balances	223.60	223.60	172.85	172.85
Trade receivables	85.74	85.74	39.52	39.52
Other Financial assets	58.21	58.21	36.34	36.34
Loan to subsidiary	75.78	75.78	12.58	12.58
Financial assets at fair value through profit & loss				
Derivatives not designated as hedges	-	-	4.08	4.08
Investments in mutual funds	25.04	25.04	100.26	100.26
	646.22	**646.22**	**405.81**	**405.81**

	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair Value	Carrying value	Fair Value
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Liabilities:				
At amortised cost				
Borrowings	1,061.78	1,061.78	1,143.42	1,143.42
Other financial liabilities	38.04	38.04	24.90	24.90
Trade and other payables	56.01	56.01	45.26	45.26
Finacial liabilities at fair value through profit and loss				
Derivatives not designated as hedges	75.48	75.48	42.29	42.29
	1,231.31	**1,231.31**	**1,255.88**	**1,255.88**

Investments in mutual funds are valued at the NAV's considered at each reporting date
Derivatives instruments at fair value through profit or loss reflect the change In the fair value of interest rate swap (i.e. paying fixed interest and receiving variable interest) that is not designated in hedge relationship, but is, nevertheless, intended to reduce the level of interest rate risk for expected outflow of interest included in the repayments of borrowings.

The Company uses derivative instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. The Company uses cross currency swaps and interest rate swaps. At 31 March 2023, the Company had currency swaps and interest rate swap agreement in place for its local currency borrowing. The company has contracted to pay fixed amount of foreign currency and receives fixed amount of indian currency. The Company receives a fixed rate of interest of 7 % - 9 % and pays interest at a variable rate equal to 6 Months LIBOR+2.75% to overnight SOFR plus 3.10% or a lower contracted fixed rate on the outstanding amount. The said swap is treated as a derivative and thus measured at fair value through profit or loss. further, being derivative, it is being mark to market as at March 31, 2023. the derivatives are classified as level 2 fair values in the fair value hierarchy due to inclusion of signaficant observable inputs including counterparty credit risk while arriving at the fair value.

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Fair value measurements recognised in the Balance Sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1		Level 2		Level 3	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Assets						
Financial assets at amortised cost						
Loan to subsidiary						
Finacial assets at fair value through profit and loss						
Investments in mutual funds units	-	-	-	-	75.78	12.58
Derivatives not designated as hedges	25.04	100.26	-	-	-	-
Financial Liabilities						
Borrowings	-	-	-	4.08	-	-
Finacial liabilities at fair value through profit and loss						
Derivatives not designated as hedges	-	-	1,061.78	1,143.42	-	-
	-	-	75.48	42.29	-	-
	25.04	**100.26**	**1,137.26**	**1,181.63**	**75.78**	**12.58**

The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

All the current financial assets and liabilities have carrying amount which is equivalent to fair value.
The fair value of non-current borrowings is based on discounted cash flow using a current borrowing rate and is equivalent to its carrying amount.

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39 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	for the year ended March 31, 2023 Rs. in crs	for the year ended March 31, 2022 Rs. in crs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	2.58	6.25
Interest due on above	0.72	0.17
	3.30	**6.42**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.72	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

40 Income tax Expense

A Tax expense recognised in the statement of profit & loss

	for the year ended March 31, 2023 Rs. in crs	for the year ended March 31, 2022 Rs. in crs
Income Tax		
Tonnage tax	1.60	1.49
Current tax	4.70	3.34
Excess/(short) provision for tax of earlier year	(0.78)	-
Total Current tax expense	5.53	4.83
Effective tax rate	**1.79%**	**5.48%**

B Reconciliation between statutory Income Tax Rate applicable to the company and the effective Income Tax rate is as follows :

	for the year ended March 31, 2023 Rs. in crs	for the year ended March 31, 2022 Rs. in crs
Profit before taxes	308.24	88.13
Effective tax rate in India *	-	-
Tax effect of adjustment for profit subject to tonnage tax regime / presumptive taxation	5.53	4.83
Income tax expense recognised in the profit and loss account	5.53	4.83

* Note: In case of Indian shipping companies, tax expense is computed based on the gross tonnage of the vessels for the income subject to tonnage tax. In case of income not subject to tonnage tax, the same is calculated based on the taxable profits calculated in accordance with the local tax laws.

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41 Financial risk Management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Audit committee

The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits and loans and borrowings.

The company manages market risk through Audit committee, which evaluates and exercises independent control over the entire process of market risk management. The committee recommends risk management objectives and policies, which are approved by Audit committee and Board.

a Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges at 31 March 2023 for the effects of the assumed changes of the underlying risk

i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rates.

Exposure to Interest rate risk

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Total Borrowings	1,061.78	1,143.42
% of Borrowings out of above bearing variable rate of Interest	21.48%	23.39%

The Company is exposed to interest rate risk as the Company borrow funds at floating interest rates. The interest rate risk is managed by monitoring the Company's level of borrowings periodically and structuring its borrowings on varying maturities and interest rate terms.

The sensitivity analysis below has been determined based on the exposure to interest rates at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year.

A 50 basis point increase or decrease is used when reporting interest rate risk and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's loss for the year ended March 31, 2023 would increase/decrease by INR 0.11 crs (March 31, 2022: INR 0.13 crs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

ii) Price risk

The Company is engaged in the business of commodity transportation of crude oil, petroleum products, coal, iron-ore etc. which involves a high level of dependence on the production of oil and gas. Thus, demand in these sectors will have a direct impact on the business of the Company. A decline in the demand for oil, coal or iron etc. will adversely affect the business of the company. Thus, often, the factors affecting the supply and demand for the vessel are beyond the control of the Company as the nature, timing and degree of changes in the industry conditions cannot be foreseen and are unpredictable.

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iii) Foreign currency risk

Foreign currency risk mainly arises from transactions undertaken by an operating unit denominated in currencies other than its functional currency. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company manages its foreign currency risk by converting the foreign currency exposure into INR on the date of entering into the transaction.

The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

Particulars	March 31, 2023		March 31, 2022	
	USD	Others	USD	Others
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Trade Receivables	33.51	-	2.87	0.08
Cash and Cash equivalents	3.35	-	0.55	-
Other Financial Assets	-	-	4.08	-
Net Exposure for Assets	**36.86**	**-**	**7.51**	**0.08**
Financial Liabilities				
Borrowings	345.43	-	409.75	-
Trade payable	18.81	3.04	21.76	5.04
Derivatives not designated as hedges	75.48	-	42.29	-
Net Exposure for Liabilities	**439.72**	**3.04**	**473.81**	**5.04**
Net exposure (Assets-Liabilities)	**(402.86)**	**(3.04)**	**(466.30)**	**(4.96)**

The following table details the Company's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies in the Company.

5% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative:

Effect in INR	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
USD impact	(20.14)	(23.31)

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Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

Financial assets are written off when where there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When such recoveries are made, these are then recognized as income in the statement of profit and loss.
The company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

Maturity Analysis of Financial Liabilities

As at March 31, 2023 — **Contractual Cash Flows**

Financial Instruments	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
	-	-	-	-	-
Borrowings	1,061.78	276.15	535.35	196.43	53.85
Trade Payables	56.01	56.01	-	-	-
Lease Liability (Note 30)	8.77	3.89	4.88	-	-
Other financial liabilities	(75.48)	(75.48)	-	-	-

As at March 31, 2022 — **Contractual Cash Flows**

Financial Instruments	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Borrowings	1,143.42	251.70	487.84	306.81	97.08
Trade Payables	45.26	45.26	-	-	-
Lease Liability (Note 30)	12.28	3.68	6.87	1.73	-
Other financial liabilities	24.90	24.90	-	-	-

42 Relationship with Struck off Companies

Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560.

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43 (A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

44 **Ratios**

Sr No.	Particulars	For the year ended March 31, 2023 Rs. in crs	For the year ended March 31, 2022 Rs. in crs	% change	Reason for change
1	Current Ratio - in times	2.92	3.59	(18.50)	Due to increase in the current liability towards the derivative hedge and other current payables
2	Debt- Equity ratio in times	0.82	1.15	(28.77)	Due to increase in equity on account of increase in profit
3	Return on Equity (%)	23.29%	8.35%	64.13	Due to increase in the profit as compared to last year
4	Net profit margin	24.65%	10.62%	56.89	Due to increase in the profit as compared to last year
5	Return on Capital employeed (%)	16.87%	7.31%	56.70	Due to increase in the profit as compared to last year
6	Debtors turnover	18.40	11.56	37.20	Due to increase in the debtors as well as revenue as compared to last year
7	Trade payables turnover	6.80	6.38	6.09	
8	Net capital turnover	1.07	0.76	29.12	Due to increase in turnover and profit as compared to last year
9	Return on investment	1.60%	0.96%	39.70	Increase due to increase in interest income and sale of investment
10	Debt service coverage	0.34	0.12	63.37	Due to Increase in the profit as compared to last year

Notes:
Derivation of Ratios

Current ratio: $\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$

Debt Equity ratio: $\frac{\text{Total debt including current maturities}}{\text{Equity Share capital plus Other Equity}}$

Return on Equity (%): $\frac{\text{Profit for the period from operations}}{\text{Equity Share capital plus Other Equity}}$

Net profit margin: $\frac{\text{Net profit ratio}}{\text{Total Income}}$

Return on Capital employed (%): $\frac{\text{Earning before interest and tax}}{\text{Capital Employeed}}$

Debtors turnover: $\frac{\text{Total revenue}}{\text{Average trade receivable}}$

Trade payables turnover: $\frac{\text{Total Purchase}}{\text{Closing trade payable}}$

Net capital turnover: $\frac{\text{Total revenue}}{\text{Average Equity share holding}}$

Return on investment: $\frac{\text{Net return from investment}}{\text{Total investment during the year}}$

Debt service coverage: $\frac{\text{Profit after tax + Finance cost}}{\text{Total debt + Finance cost}}$

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45 **Details of Corporate social responsibility expenditure**

Sr no.	Particulars	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
1	Amount required to be spent by the Company during the year	1.68	1.42
2	Amount of expenses incurred	1.63	1.44
3	Shortfall at the end of the year	0.05	Nil
4	Reason for Shortfall	The Company's CSR initiatives usually involve helping the needy and genuine people either directly or through various implementing agencies to ensure maximum benefit to the community. However, as mandated by the Act, the company shall give preference to the local area and the areas around it where it operates for spending the amount earmarked for CSR activities. Whoever approached, and found genuine was provided the contribution on the basis of their requirement. However, due to paucity of time in finding genuine modes to channelize CSR initiative preferably in local area, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013 before March 31, 2023. However, the unspent amount of Rs. 5,43,251/- has been transferred to 'Clean Ganga Fund' being a specified fund under Schedule VII of the Companies Act, 2013. Thus, the Company has spent the entire CSR Obligation amount, i.e., Rs. 1,67,71,982/- for Financial Year 2022-23 in the following manner: Amount in Rs. Amount spent on other than ongoing projects :1,62,28,731 Amount spent towards ongoing projects: Nil Unspent amount transferred to a specified fund (Clean Ganga Fund): 5,43,251 Total: 1,67,71,982	N.A.
5	Nature of CSR activities	(i) Promoting healthcare, including preventive healthcare (ii) Promoting Education (iii) Eradicating Hunger (iv) Improving Livelihood (v) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	(i) Promoting healthcare, including preventive healthcare (ii) Promoting Education (iii) Eradicating Hunger (iv) Improving Livelihood (v) Various other permitted activities under Schedule VII of the Companies Act, 2013
6	**Details of Related party transactions**		
	Seven islands shipping foundation	Nil	Nil
	Fairfax India Charitable Foundation	0.51	1.00
7	No provision is made for any contractual obligation	N.A.	N.A.

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46 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Estimates and assumptions

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful life and residual values of property and equipment

On initial recognition, the cost of property and equipment acquired is allocated to each component of the asset and depreciated separately.

Maintenance costs are recognized as expenses for the year, with the exception of mandatory dry-docks required to maintain vessel navigation certificates, which constitute an identifiable component upon the acquisition of a vessel and which are thereafter capitalized when the following dry-docks occur. Dry-docks are depreciated over the remaining useful life of the related vessel or to the date of the next dry-dock, whichever is sooner.

Useful lives are estimated based on past experience. Management decides from time to time to revise the estimates for individual assets or groups of assets with similar characteristics due to factors such as quality of maintenance and repair, technical development and environmental requirements. Refer to note 2(d) for the useful lives typically used for new assets.

During the year ended March 31, 2023, Company has changed the useful life of their two Gas vessels from 30 years to 25 years. Above changes have resulted in an additional depreciation of Rs. 26.70 crs

Residual values are difficult to estimate given the long lives of vessels, the uncertainty as to future economic conditions and the future price of steel, which is considered as the main determinant of the residual price. Management continually reassesses the residual value of the assets based on changes in the economic environment and revises the values to reflect the impact of any significant changes.

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47 The Company has sanctioned working capital limits in excess of Rs. Five Crs in aggregate from bank or Financial institution during any point of time in the year on the basis of security of current assets however the Company has not availed the same during the year. Consenquently the Company has not submitted quarterly returns/statements with such banks or financial institutions.

48 **Events after the reporting period**

The board of directors have proposed final dividend on 5,72,27,550 shares of Rs 18 per share amounting to Rs 103.01 crs after the balance sheet date which are subject to approval by the shareholders at the annual general meeting.

49 The Company has defined process to take back-up of books of accounts maintained electronically and maintain the logs of the back up of such books accounts

50 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

51 No proceeding have been initiated on or are pending against the Company for holding of benami property under benami Transactions (prohibition) Act,

52 The Company has not declared wilful defaulter by any bank or financial institution or Government or Government Authority.

53 There is no income surrendered or disclosed as income during the current or previous year in the tax assessment under Income Tax Act, 1961 that has not been recorded in the books of accounts.

As per our Report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

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Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

Place: Mumbai
Date: 26 September 2023

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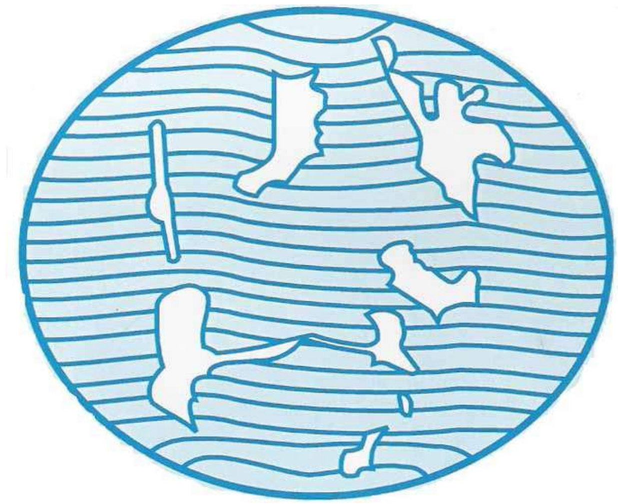

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Chartered Accountants

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Mumbai - 400 028, India

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INDEPENDENT AUDITOR'S REPORT
To the Members of Seven Islands Shipping Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of Seven Islands Shipping Limited (hereinafter referred to as "the Holding Company"), its subsidiary, (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income and the consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit including other comprehensive income, and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 financial statements under the provisions of the Act 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 audit opinion on the Consolidated Ind AS financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with

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the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including comprehensive gain and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021 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 of the assets of their respective companies 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of their respective companies 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.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS financial statements.

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

(a) Identify and assess the risks of material misstatement of the Consolidated Ind AS 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.

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(b) 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) 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 ability of the Group 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 Ind AS 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 Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditor, to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS financial statements of which we are the independent auditor. For the other entities included in the Consolidated Ind AS financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS financial statements of which we are the independent auditor 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.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of subsidiary, whose financial statements include total assets of Rs 93.40 Crs as at March 31, 2023, and total revenues of Rs 0.07 Crs and net cash inflows of Rs 0.15 Crs for the year ended on that date. These financial statement and other financial information have been audited by other auditor, whose financial statement, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

Our opinion above on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in Paragraph 3(xxi) of the Order.

   According to the information and explanation given to us and on the consideration of report of the other auditors, the said report on the provisions of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section (143) of the Act, are not applicable to the Subsidiary Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditor whose report we have relied upon 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 Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group company, incorporated in India is disqualified as on March 31, 2023 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 with reference to Consolidated Ind AS financial statements of the Holding Company and its subsidiary company incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V of the Act are not applicable to its subsidiary company incorporated in India for the year ended March 31, 2023;

(h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the

(i) Consideration of the report of the other auditor on separate financial statement as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

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i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Ind AS financial statements - Refer Note 32 to the Consolidated Ind AS 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 which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of its knowledge and belief, other than as disclosed in the note 43 to the Consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 43 to the Consolidated Ind AS financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. As stated in note 49 to the consolidated financial statements, the respective Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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CHARTERED ACCOUNTANTS

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

UDIN: 23109360BGYBIW8888

Place of Signature: Mumbai
Date: September 26, 2023

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Seven Islands Shipping Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements.

According to the information and explanation given to us and on the consideration of report of the other auditors, the said report on the provisions of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section (143) of the Act, are not applicable to the Subsidiary Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

per Firoz Pradhan
Partner
Membership Number: 109360

UDIN: 23109360BGYBIW8888

Place of Signature: Mumbai
Date: September 26, 2023

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Ind AS financial statements of Seven Islands Shipping Limited

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

In conjunction with our audit of the Consolidated Ind AS financial statements of Seven Islands Shipping Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Ind AS financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Holding Company's internal financial controls with reference to Consolidated Ind AS financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Ind AS financial statements 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 with reference to Consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A company's internal financial control with reference to Consolidated Ind AS financial statements 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 with reference to Consolidated Ind AS financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable

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assurance regarding prevention or timely detection of unauthorised 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 With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Ind AS financial statements, 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 with reference to Consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Ind AS financial statements 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 Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Ind AS financial statements and such internal financial controls with reference to Consolidated Ind AS financial statements were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Ind AS financial statements of the Holding Company, in so far as it relates to a subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditor of such subsidiary incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

UDIN: 23109360BGYBIW8888

Place of Signature: Mumbai
Date: September 26, 2023

SEVEN ISLANDS SHIPPING LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

	Particulars	Note No.	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	4A	1,805.82	1,744.09
	(b) Capital work-in-progress	4B	77.99	12.27
	(c) Right of use asset	30	18.46	22.73
	(d) Intangible assets	4C	0.93	0.84
	(e) Financial assets			
	(i) Others financial assets	5	41.53	29.00
	(f) Tax assets (net)	6	10.08	16.97
	(g) Other non-current assets	12	29.43	2.72
	Total non - current assets		**1,984.24**	**1,828.63**
2	**Current assets**			
	(a) Inventories	7	25.94	28.28
	(b) Contract assets	9	1.30	2.79
	(c) Financial assets			
	(i) Investments	8	25.04	100.26
	(ii) Trade receivables	9	85.74	39.52
	(iii) Cash and cash equivalents	10	179.65	41.82
	(iv) Other bank balances	11	223.60	172.85
	(v) Others financial assets	5	17.55	11.87
	(d) Other current assets	12	31.15	56.10
	Total current assets		**589.97**	**453.49**
	Total assets		**2,574.21**	**2,282.12**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	13	57.23	57.23
	(b) Other Equity	14	1,237.08	939.04
	Total equity		**1,294.31**	**996.28**
2	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Long-term borrowings	15	785.58	891.73
	(ia) Lease liabilities	16.1	12.58	15.56
	(ii) Other financial liabilities	16	-	0.29
	Total Non-current liabilities		**798.16**	**907.58**
3	**Current liabilities**			
	(a) Contract liability		17.85	0.27
	(b) Financial Liabilities			
	(i) Short-term borrowings	15	276.20	251.70
	(ia) Lease liabilities	16.1	4.56	4.03
	(ii) Trade payables	18		
	(A) total outstanding dues of micro enterprises and small enterprises; and		3.39	6.44
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		52.84	38.86
	(iii) Other financial liabilities	16	116.83	67.29
	(c) Provisions	17	1.96	1.35
	(d) Other current liabilities	19	8.11	8.32
			481.74	**378.26**
	Total equity and liabilities		**2,574.21**	**2,282.12**
	Summary of significant accounting policies	3		

As per our Report of even date.
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Jayareckh.

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

SEVEN ISLANDS SHIPPING LIMITED MUMBAI

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

	Particulars	Note No.	Year Ended March 31, 2023 Rs. in crs	Year Ended March 31, 2022 Rs. in crs
	INCOME			
I	Revenue from contracts with customer	20	1,152.48	724.26
II	Other operating income	20a	0.07	-
III	Other income	21	72.71	58.88
IV	**Total Income (I+II+III)**		**1,225.26**	**783.14**
V	**EXPENSES**			
	Purchase of fuel oil and other inventories	22	88.78	68.34
	Operating expenses	23	289.50	231.86
	(Increase)/ decrease in inventories	24	2.34	(11.38)
	Employee benefit expenses	25	33.65	30.18
	Depreciation and amortization expense	26	322.01	240.99
	Finance costs	27	90.23	68.07
	Other expenses	28	95.25	67.91
	Total expenses (V)		**921.76**	**695.96**
VI	Profit before tax (IV-V)		**303.50**	**87.18**
VII	Tax expense:			
	(1) Tonnage tax		1.60	1.49
	(2) Current tax		4.70	3.34
	(3) Deferred tax		-	-
	(4) Adjustment of tax of earlier years		(0.78)	-
VIII	Profit for the year from operations (VI-VII)		**297.98**	**82.35**
IX	**Other comprehensive income**			
	Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods:			
	Re-measurement gains/(loss) on defined benefit plans*		0.06	-
	Income tax relating to above		-	-
	Other Comprehensive Income, net of tax		**0.06**	-
X	Total Comprehensive Income for the year		**298.04**	**82.35**
XI	Earnings per equity share:	31		
	Basic and Diluted		52.07	14.39
	Summary of significant accounting policies	3		

*The amount is less than INR 1 lakh

The accompanying notes are an integral part of Financial Statements
As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

SEVEN ISLANDS SHIPPING LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(a) Equity Share Capital

	As at			
	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
		Rs. in crs		Rs. in crs
Balance at the beginning of year	57,227,550	57.23	57,227,550	57.23
Add: Issue of share capital	-	-	-	-
Balance at the end of the year	57,227,550	57.23	57,227,550	57.23

(b) Other Equity

	Reserves & Surplus				OCI	Total
	General reserve	Tonnage tax reserve under section 115VT of the Income Tax Act, 1961	Securities premium	Surplus/ (deficit) in the statement of profit and loss	Re-measurement gains/(loss) on defined benefit plans	
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Balance as at April 1, 2021	110.85	23.65	243.19	479.50	(0.50)	856.69
Add/Less: Transfer from/to tonnage tax reserve	-	17.63	-	(17.63)	-	-
Add/Less: Transfer from/to general reserve	23.65	(23.65)	-	-	-	-
Net Profit/(Loss) after tax for the year	-	-	-	82.35	-	82.35
Balance as at April 1, 2022	134.50	17.63	243.19	544.22	(0.50)	939.04
Add/Less: Transfer from/to tonnage tax reserve		61.65		(61.65)	0.06	0.06
Add/Less: Transfer from/to general reserve	17.63	(17.63)				-
Net Profit/(Loss) after tax for the year				297.98		297.98
Balance as at March 31, 2023	152.13	61.65	243.19	780.54	(0.44)	1,237.08
Summary of significant accounting policies	3					

The accompanying notes are an integral part of Financial Statements

As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per **Firoz Pradhan**
Partner
Membership No. 109360

S R B C & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Clayton Pinto
Chief Executive Officer

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

SEVEN ISLANDS SHIPPING LIMITED * MUMBAI *

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Year Ended March 31, 2023 Rs. in crs	Year Ended March 31, 2022 Rs. in crs
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**303.50**	**87.18**
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	322.01	240.99
Gain on sale of property, plant and equipment	(49.12)	(38.10)
Exchange difference loss/(gain)- unrealised	(27.59)	(18.75)
Impairment allowance on receivable	0.18	0.32
Bad debts	3.27	5.54
loss/(gain) on derivative contracts	41.32	22.01
Interest expense	85.51	46.48
Interest on Lease liability	1.01	0.90
Interest (income)	(10.13)	(7.71)
Insurance claim received	(0.69)	(2.34)
Interest on loan to subsidiary	-	-
Interest income on Lease deposit	(1.11)	(1.16)
Income from investment	(9.83)	(5.35)
Operating profit before working capital changes	**658.33**	**330.02**
Movements in working capital:		
Increase/ (decrease) in trade payables	5.70	14.24
Increase/ (decrease) in provisions	0.62	0.41
Increase/ (decrease) in other current liabilities	(0.15)	3.31
Increase/ (decrease) in other financial liabilities	15.40	17.38
Decrease / (increase) in trade receivables	(49.67)	40.44
Decrease / (increase) in inventories	2.35	(11.38)
Decrease / (increase) in others financial assets	(6.39)	(22.14)
Decrease / (increase) in others current assets	25.28	11.29
Cash generated from / (used in) operations	**651.47**	**383.56**
Income tax paid (net of refund)	1.36	(10.47)
Net cash flow from/ (used in) operating activities (a)	**652.83**	**373.08**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, plant, equipment including CWIP and capital advances	(485.96)	(790.75)
Proceeds from sale of Property, plant, equipment	76.36	85.30
Purchase of current investments	(614.84)	(555.08)
Proceeds from sale of current investments	699.79	590.32
Insurance claim received	0.69	2.34
Investments in bank deposits (having original maturity of more than 3 months)	(184.02)	(2.32)
Bank deposits matured (having original maturity of more than 3 months)	123.64	-
Interest received on bank deposits	9.43	5.64
Net cash flow from/ (used in) investing activities (b)	**(374.91)**	**(664.55)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	165.00	430.00
Repayments of long term borrowings	(211.48)	(179.54)
Interest paid	(85.65)	(46.48)
Payment of lease liabilities (including interest)	(5.61)	(4.86)
Net cash flow from/ (used in) financing activities (c)	**(137.74)**	**199.12**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)	**140.18**	**(92.34)**

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

SEVEN ISLANDS SHIPPING LIMITED
MUMBAI

Cash and cash equivalents at the beginning of the year		39.42	131.76
Cash and cash equivalents at the end of the year		179.60	39.42
		140.18	**(92.34)**
Components of cash and cash equivalents			
Cash on hand		0.76	0.93
With banks			
On current accounts		174.69	36.80
On deposit accounts		4.20	4.09
Total cash and cash equivalents (Note 10)		**179.65**	**41.82**
Less: Bank overdraft (Note 16)		0.05	2.40
		179.60	**39.42**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of Financial Statements

As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26 September 2023

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED
MUMBAI

1 Corporate information

Seven Islands Shipping Limited (the Holding Group) was incorporated on May 2, 2002 as a private Group and was subsequently converted into a public limited Group on June 6, 2003. It is registered under the Directorate General of Shipping, Government of India. The Group is domiciled in India with its registered office at Times Square, Andheri Kurla Road, Andheri (East) - 400059.

The Group is in the business of owning and operating of ocean going ships in the liquid tanker segment both on the Indian coast as well as in international waters and manage and operate educational institutions relating to marine industry.

The consolidated financial statements comprise financial statements of the Seven Islands Shipping Limited, the Holding Group and its subsidiary.
The Consolidated financial statements of Seven Islands Shipping Limited as at March 31, 2023 were approved and authorised for issue by the Board of directors on September 26, 2023.

2 Basis for preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group is required to prepare its Consolidated financial statements under the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised schedule III of the Companies Act, 2013 (Ind AS Compliant Schedule III) as applicable to financial statement. Accordingly, the Group has prepared these Consolidated financial statements which comprise the Balance Sheets as at March 31 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31 2023, and significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated financial statements").

The Consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the derivative financial instruments and certain financial assets and liabilities (refer Accounting policy for Financial Instrument) which have been measured at fair value or revalued amount required by relevant Ind AS at the end of the reporting period (refer note 38). The Consolidated financial statements are presented in Indian Rupees ('INR'), except otherwise indicated.
The Consolidated financial statements are prepared in INR and all the values are rounded off to the nearest crores, except where otherwise stated.
The accounting policies are applied consistently to all the periods presented in the Ind AS Consolidated financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:
► Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
► Exposure, or rights, to variable returns from its involvement with the investee, and
► The ability to use its power over the investee to affect its returns

Consolidation procedure:

• Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

• Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

• Eliminate in full group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Group losses may indicate an impairment that requires recognition in the consolidated financial statements.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

• deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

• liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

• assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognizing gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

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Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognized at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognize additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.
A liability is current when:
i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The Group classifies all other liabilities as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b Foreign currencies

i Functional and presentation currency

The Group's Ind As Consolidated financial statements are presented in Indian Rupee (INR), which is also the Group's functional and presentation currency

ii Transactions and balances

Transactions in foreign currencies are translated into functional currency using the monthly average exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in Profit or loss. Non monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the year end are translated at closing rates. The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 1, 2017 and gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset/liability, by recognition as income or expense but not beyond March 31, 2020. The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognised in the Statement of Profit and Loss.

c Property, Plant and Equipment and depreciation

All property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, Plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use and other incidental expenses

When significant parts of plant and equipment are required to be replaced at intervals, Group depreciates them separately based on their specific useful lives. When major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in profit or loss as incurred.

Cost of assets not ready for intended use as on the Balance Sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Dry docking is considered as a separate component & when a major inspection/ overhaul is performed, its cost is recognized in the carrying amount of the related property plant and equipements as a replacement cost if the recognition criteria are satisfied. The cost of such major inspection/ overhaul is depreciated separately over the period of thirty months. Upon next major inspection/ overhaul, the costs of new major inspection/ overhaul are added to the asset's cost and any amount remaining from the previous inspection/ overhaul is derecognized. All other repair and maintenance costs are recognized in profit or loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on Property, Plant and equipment is provided to the extent of depreciable amount on the Written Down value (WDV) method,.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of Vessels, where useful life is considered as under based on technical evaluation.

The Group has assessed the following useful life to depreciate and amortize on its property, plant and equipment and intangible assets respectively.

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Particulars	Useful Lives of the Assets estimated by the management (years)
Oil Tankers vessels	Date of built - 23 (Date of acquisition - 10 to 20)
Gas vessels	Date of built - 25 (Date of acquisition - 10 to 20)
Furniture and Fixture	10
Vehicles	8 and 10
Speed Boat	13
Computer	6
Office Equipment	5
Plant and Machinery	15
Intangible Asset	10

* Estimated useful life of the vessels is considered from the year of build and the second hand vessels acquired by management are depreciated on the estimation of balance useful life as at the date of acquisition. The balance estimated useful life considered for depreciation of second-hand vessels ranges between 5 to 15 years.
Residual value in case of vessels is estimated at ten years moving average of scrap rates.
Based on internal technical assessment and past experience, the management believes that the useful lives as given above best represent the period over which the management expects the use of the assets. Hence, the useful lives of only ships is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

d Intangible assets

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition measured at difference between net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss.

e Impairment of non financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

f Inventories
Inventories are carried at lower of cost and net realizable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale.

g Cash and Cash equivalents
For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash in hand and at bank in current and foreign currency accounts, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are netted of from cash and cash equivalents.

h Cash flow statement
Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

i Borrowing cost
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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j Lease

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

k Provisions and Contingencies

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

l Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as ESOPs and bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

m Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market that can be accessed by the Group for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the Ind As Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Ind As Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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n Financial instruments

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

1 Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i Debt instruments at amortised cost
ii Debt instruments at fair value through other comprehensive income (FVTOCI)
iii Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

A) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

B) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit or loss.

iii Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. However currently the Group does not have any financial instruments in this category.

iv Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Companies balance sheet) when:

`- The rights to receive cash flows from the asset have expired, or

`-The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
(a) the Group has transferred substantially all the risks and rewards of the asset, or
(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVPTL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in are reclassify to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in Other Comprehensive Income are not reclassified to profit or loss on de-recognition.

Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets measured at fair value through other comprehensive income.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ loss are not subsequently transferred to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

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Financial liabilities at amortized cost

Financial liabilities classified and measured at amortized such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

o Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as interest rate swaps to hedge its foreign currency risks, interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

p Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the consideration to which the Group expects to be entitled in contract with customer. The consideration is determined based on the price specified in the contract, net of volume discounts and rebates. Revenue excludes any taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services tax.
The Group earns revenue from time and voyage charter.

Time Charter hire earnings are accrued on time proportion basis. Revenue from voyage charters is recognised as income, by reference to the voyage progress on load-to-discharge basis, which has been assessed by management to be an appropriate measure of progress towards complete satisfaction of the performance obligations over time under Ind AS 115.

Judgement is involved in estimating days to reach the load port and discharge port destinations impacting the calculation of income to be accrued for incomplete voyage.
Demurrage revenue is recognised as the performance obligations under the contract is satisfied.

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Insurance claim

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonably certain to expect the ultimate collection.

q Taxes on Income

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Pursuant to the introduction of section 115VA under the Income-tax Act, 1961, the Group has opted for computation of its income from shipping activities under the tonnage tax scheme. Thus, income from the business of operating ships is assessed on the basis of the deemed tonnage income of the Group and no deferred tax is applicable to such income as there are no temporary differences.

r Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. Employee benefits in the form of Seamen's Welfare Contributions are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The Group has defined benefit plans for its employees, viz., gratuity liability. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Remeasurements, comprising of actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in the statement of other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
ii) Net interest expense or income

The accumulated leaves at the year end is not carried forward and the entire leave balance gets lapsed. Hence, no provision for leave encashment is provided in the books.

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4A **Property, plant, equipment**

Particulars	Vessels *	Furniture's & fixtures	Motor vehicles	Office equipment	Plant and Machinery	Computers	Total
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
At April 1, 2021	1,537.72	0.22	4.93	1.01	-	0.51	1,544.40
Additions	786.07	-	0.35	0.22	0.08	0.57	787.28
Disposals	(148.26)	-	-	-	-	-	(148.26)
At April 1, 2022	2,175.53	0.22	5.28	1.23	0.08	1.07	2,183.42
Additions	401.89	-	3.72	0.13	-	0.15	405.88
Disposals	(71.62)	-	-	-	-	-	(71.62)
At March 31, 2023	2,505.80	0.22	9.00	1.36	0.08	1.21	2,517.68
Depreciation and Impairment							
At April 1, 2021	300.57	0.13	2.46	0.58	-	0.19	303.95
Depreciation charge for the period	234.97	0.02	0.81	0.23	0.00	0.40	236.44
Disposals	(101.06)	-	-	-		-	(101.06)
At April 1, 2022	434.49	0.15	3.27	0.81	0.00	0.59	439.33
Depreciation charge for the period	315.42	0.02	0.89	0.22	0.01	0.34	316.90
Disposals	(44.37)	-	-	-	-	-	(44.37)
At March 31, 2023	705.54	0.17	4.16	1.03	0.01	0.94	711.86
Net book value							
At March 31, 2022	1,741.04	0.06	2.01	0.42	0.08	0.48	1,744.09
At March 31, 2023	1,800.26	0.05	4.84	0.33	0.06	0.28	1,805.82

*Note: The vessels are hypothecated to the bank for availing loan for purchase of vessel and the current assets of the Group.

4B **Aging of Capital-Work-in Progress (CWIP)**

	March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
- Projects in progress	66.80	11.19	-	-	77.99
- Projects temporarily suspended	-	-	-	-	-
	66.80	11.19	-	-	77.99

	March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
- Projects in progress	12.27	-	-	-	12.27
- Projects temporarily suspended	-	-	-	-	-
	12.27	-	-	-	12.27

There are no overdue projects, hence the disclosure pertaining to overdue project has been dispensed with.

4C **Intangible Assets**

Particulars	As at	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Deemed cost - Computer software		
Opening balance	1.19	1.02
Additions	0.22	0.17
Disposals	-	-
	1.41	1.19
Amortisation and impairment		
Opening balance	0.35	0.24
Depreciation charge for the period	0.13	0.11
Disposals	-	-
	0.48	0.35
Net book value	0.93	0.84

5 Other Financial Assets

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Non Current		
Security deposits		
Unsecured, considered good		
Others	0.37	0.47
Related parties	13.41	11.77
Interest accrued but not due on Fixed Deposits	1.65	-
Bank deposits with remaining maturity more than twelve Months	26.10	16.76
	41.53	**29.00**
Current		
Security deposits		
Unsecured, considered good		
Related Parties	-	-
Others	0.03	-
Financial assets at fair value through profit and loss		
Derivatives not designated as hedges	-	4.08
Employee advances	0.31	0.19
Interest accrued but not due on Fixed Deposits	4.06	5.00
Deposit receivable from Associates	-	2.60
Other receivables		
Others	13.15	0.00
Related parties	-	-
	17.55	**11.87**
	59.08	**40.87**

6 Tax assets (net)

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Advance Income Tax (net of provision for taxation)	10.08	16.97
	10.08	**16.97**

7 Inventories

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Bunker*	10.69	13.39
Lube Oil*	15.25	13.51
Other Inventories*	-	1.38
	25.94	**28.28**

*The above closing stock represents inventory maintained on the vessels of the Group

8 Investments

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Investment in Liquid Mutual Funds (Fair value through profit & loss)- Quoted		
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	-	10.04
Axis Liquid Fund - Regular Growth	7.53	5.03
Axis Ultra Short Term Fund Direct Growth	5.05	-
Bharat Bond FOF- April 2023 Direct Growth Plan	2.36	-
Canara Robeco Liquid Fund Regular Growth	5.05	-
HDFC Liquid Fund-Growth	5.05	-
KMMF K Liquid	-	5.00
Kotak Savings Fund-Growth-Regular plan	-	9.00
Axis ultra short term fund - regular plan growth	-	5.03
Axis Ultra Short Term Fund Direct Growth	-	10.23
Hdfc Ultra Short Term Fund - Regular Growth	-	30.56
Dsp Blackrock Low Duration Fund - Regular Plan – G	-	20.37
Kotak Liquid Fund Regular Plan Growth	-	5.00
	25.04	**100.26**

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9 **Trade Receivables**

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Trade Receivables		
Unsecured, considered good	85.74	39.52
Trade Receivables, which has significant increase in credit risk	3.45	0.32
Impairment allowance based on expected credit loss	(3.45)	(0.32)
	85.74	39.52

Ageing of Accounts Receivables

March 31, 2023

		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	Undisputed Trade receivables considered good	#	79.31	1.04	5.39	#	#	85.74
ii	Undisputed Trade receivables considered Doubtful	#	#	#	#	#	#	3.45
iii	Disputed Trade receivables considered good	#	#	#	#	#	#	-
iv	Disputed Trade receivables considered doubtful	#	#	#	#	#	#	-
		-	79.31	1.04	5.39	#	#	89.19

March 31, 2022

		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	Undisputed Trade receivables considered good	#	24.07	5.82	9.62	#	#	39.52
ii	Undisputed Trade receivables considered Doubtful	#	#	#	#	#	#	0.32
iii	Disputed Trade receivables considered good	#	#	#	#	#	#	-
iv	Disputed Trade receivables considered doubtful	#	#	#	#	#	#	-
		-	24.07	5.82	9.62	#	#	39.84

Credit terms
Trade receivables : are due immediate after the raising of the invoice to the customers.
Credit risk management regarding trade receivables has been described in note 41.
Trade receivables does not include any receivables from directors and officers of the company.

Set out below the movement in the allowance for expected credit losses of trade receivables

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
As at April 1	0.32	5.65
Reversal during the year	(0.32)	(5.65)
Provision made during the year	3.45	0.32
At the end of year	3.45	0.32

Contract assets

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
At the beginning of the year	2.79	7.97
Creation during the year	1.30	2.79
Deduction during the year	(2.79)	(7.97)
At the end of year	1.30	2.79

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10 Cash and Cash Equivalents

	As at	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Balance with banks		
On current accounts	174.69	36.80
Deposits with original maturity of less than three months	4.20	4.09
Cash on hand	0.76	0.93
	179.65	**41.82**

11 Other Bank Balances

	As at	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Deposits with remaining maturity less than twelve months	223.60	172.85
Deposits with remaining maturity more than twelve months	26.10	16.76
	249.70	**189.61**
Amount Disclosed under Other Financial Assets (Refer Note 5)	(26.10)	(16.76)
	223.60	**172.85**

Reconciliation between the opening and closing balances for liabilities arising from financing activities

	Long - term borrowings	
Particulars	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Opening	1,141.03	903.79
Cash flow	(46.47)	250.46
Non- Cash Changes		
Foreign exchange movement	(32.83)	(13.22)
Closing	**1,061.73**	**1,141.03**
Classified as current maturity	276.15	249.30
Non - current liability	785.58	891.73
Total	**1,061.73**	**1,141.03**

12 Other Assets

	As at	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Non Current		
Balance with statutory authorities	1.16	-
Capital advances		
Unsecured, considered good	28.27	2.72
	29.43	**2.72**
Current		
Secured, considered good		
Unsecured, considered good		
Advance to Suppliers	2.76	2.11
Balance with statutory authorities	24.80	51.27
Prepaid Expenses	3.59	2.72
Other advances	0.00	-
	31.15	**56.10**

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13 Equity Share Capital

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in crs	No. of shares	Rs. in crs
AUTHORIZED SHARES				
7,50,00,000 (March 31, 2022 : 7,50,00,000) Equity Shares of Rs. 10/- each.	75,000,000	75.00	75,000,000	75.00
	75,000,000	**75.00**	**75,000,000**	**75.00**
ISSUED, SUBSCRIBED & FULLY PAID-UP SHARES				
5,72,27,550 (March 31, 2022 : 5,72,27,550) Equity Shares of Rs.10/- each, Fully Paid up	57,227,550	57.23	57,227,550	57.23
Total issued, subscribed and fully paid-up share capital	**57,227,550**	**57.23**	**57,227,550**	**57.23**

a) The Group has only one class of Equity shares having a face value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Group after distribution of all preferential amounts in proportion to their shareholdings.

b) **Details of shareholding more than 5% equity shares in the Group:**

		March 31, 2023			March 31, 2022		
Sr no.	**Name of the shareholder**	**No. of Shares**	**% holding**	**% Change during the Year**	**No. of Shares**	**% holding**	**% Change during the Year**
1	Mr. T.W. Pinto	29,190,750	51.01%	-	29,190,750	51.01%	-
2	M/s FIH Mauritius Investments Limited	27,777,650	48.54%	-	27,777,650	48.54%	-

As per records of the Group, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) **Details of the shares held by the Promoters**

		March 31, 2023			March 31, 2022		
Sr no.	**Name of the shareholder**	**No. of Shares**	**% holding**	**% Change during the Year**	**No. of Shares**	**% holding**	**% Change during the Year**
1	Mr. T.W. Pinto	29,190,750	51.01%	-	29,190,750	51.01%	-

* The Board of Directors of the Group in it meeting held on September 21, 2022 resolved to reclassify the Promoters of the Group. Accordingly, the Board resolved to identify Capt. Thomas Wilfred Pinto as the promoter of the Group and to reclassify FIH Mauritius Investments Ltd's shareholding in the Group, from Promoter category to Non-Promoter category.

** Mrs Leena pinto has transferred all the shares to Mr. Thomas W. Pinto.

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d) Proposed Final Dividend

	As at March 31, 2023	As at March 31, 2022
Proposed final dividends on Equity shares:		
Proposed final dividend for the year ended on 31 March 2023: INR 18 per share (31 March 2022: INR 0 per share)	103.01	-
	103.01	**-**

Proposed final dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2023.

14 Other Equity

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
General reserve	152.13	134.50
Tonnage tax reserve under section 115VT of the Income Tax Act, 1961	61.65	17.63
Securities premium	243.19	243.19
Surplus/ (deficit) in the statement of profit and loss	780.54	544.22
Other comprehensive income	(0.44)	(0.50)
	1,237.08	**939.04**

Nature and purpose of Reserves

Security Premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

General Reserve
General reserve is used for utilisation of tonnage tax reserve for appropriate purposes and are available for distribution to Shareholders

Surplus in the statement of profit and loss
Surplus in the statement of profit and loss represents surplus/accumulated earnings of the group and are available for distribution to shareholders.

Tonnage tax reserve under section 115VT of the Income Tax Act, 1961
Tonnage Tax Reserve created as per the provisions of the Section 115VT of the Income-tax Act, 1961, whereby a minimum of 20% of book profits from the tonnage tax activities are to be utilised for acquiring new vessels within 8 years.

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15 Borrowing

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Non Current		
Long-term borrowing		
Secured term loan		
- Indian rupee term loans from banks	717.68	733.45
- Foreign currency loan from banks	344.05	407.58
Less :Current maturities of long-term borrowings clubbed under short-term borrowings	(276.15)	(249.30)
	785.58	**891.73**
Current		
Short-term borrowings		
Current maturities of long-term borrowings	276.15	249.30
Bank overdraft	0.05	2.40
	276.20	**251.70**
	1,061.78	**1,143.43**

a) Secured Term Loan is repayable in 22 to 23 quarterly instalments after three to six months of moratorium period from the date of disbursement.
b) Foreign currency term loan carries interest rate of LIBOR plus 250 to 350 basis point and Indian rupee term loan from bank carries interest @ 7.25 % p.a. to 9.05% p.a.
c) All the term loans are secured by way of hypothecation of the Vessels and the current assets of the Group.
d) Term loan of Rs. 564.31 Crs as on 31 March 2023 from Banks is secured by personal guarantee of Capt. Thomas W. Pinto, Ms. Leena Pinto.
e) Bank overdraft interest rate ranges from 8.75% was 13.95%, the borrowing is against lien of Fixed deposits
f) The term loan has been utilised for the purpose for which they were obtained.

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g) **Term of repayment and interest are as follows**

Description	Effective Interest rate	Balance instalments as on 31.03.2023	Year of Maturity FY Ending	Amount outstanding 31.03.2023	Amount outstanding 31.03.2022
				Rs. in crs	Rs. in crs
Foreign currency term loan - M.T. Courage	LIBOR + 250 basis points	8	2024	17.53	24.55
Term loan - M.T. Abalone	9.05%	12	2025	-	23.92
Term Loan - M.T. Kestrel	9.05%	8	2025	16.69	25.01
Term Loan - M.T. Loyalty	9.00%	6	2024	11.98	19.95
Term Loan - M.T. Gallant	8.95%	9	2026	19.59	28.27
Term Loan - M.T. Success	8.95%	10	2026	24.94	34.87
Term Loan - M.T. Coronet	8.65%	6	2026	17.41	28.19
Term Loan - M.T. Blossom	8.50%	11	2026	18.17	24.77
Term Loan - M.T. Dynasty	8.50%	11	2026	19.54	26.61
Foreign currency term loan - M.T. Feather	LIBOR + 275 basis points	10	2026	22.45	29.25
Foreign currency term loan - M.T. Patriot	LIBOR + 275 basis points	10	2026	25.72	32.16
Foreign currency term loan - M.T. Sparkle	LIBOR + 250 basis points	10	2026	19.71	25.59
Foreign currency term loan - M.T. Lourdes	LIBOR + 270 basis points	14	2026	19.22	22.76
Term Loan - M.T. Concord	3.63%	15	2026	86.78	109.86
Term Loan - M.T. Classic	3.62%	16	2026	85.27	98.60
Term Loan - M.T. Babylon	2.30%	16	2026	45.89	52.86
Term Loan - M.T. Century	3.00%	16	2026	83.27	103.98
Term Loan - LPG/c Pine Gas	3.58%	26	2029	215.43	248.37
Term Loan - M.T. Harvest	3.40%	18	2027	48.85	59.64
Foreign Currency Term Loan - LPG/c Rose Gas	3.40%	18	2027	108.26	121.82
Term Loan - M.T. Fairway	5.00%	20	2028	43.75	-
Term Loan - M.T. Marvels	5.00%	20	2028	56.52	-
Term Loan - M.T. Regency	6.10%	22	2028	54.76	-
				1,061.73	**1,141.03**
Less :Current maturities of long-term borrowings clubbed under short-term borrowings				276.15	249.30
				785.58	**891.73**

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16 Other Financial Liabilities

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Non-Current		
Retention money payable	-	0.29
	-	**0.29**
Current		
Retention money payable	1.65	-
Financial liabilities at fair value through profit and loss		
Derivatives not designated as hedges	75.48	42.29
Interest Accrued But not Due on Secured Loan	1.14	1.28
Salary payable	12.21	8.47
Capital creditors	26.35	15.25
	116.83	**67.29**

16.1 Lease liabilities

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Non-Current		
Lease liability (Note 30)	12.58	15.56
	12.58	**15.56**
Current		
Lease liability (Note 30)	4.56	4.03
	4.56	**4.03**

17 Provisions

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Current		
Gratuity Provision	1.69	1.12
Seamens Gratuity	0.27	0.23
	1.96	**1.35**

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18 Trade payables

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	3.39	6.44
- Total outstanding dues of creditors other than micro enterprises and small enterprises	52.84	38.86
Payable to related parties	-	-
	56.23	**45.30**

Ageing of Accounts Payable

March 31, 2023

		Unbilled dues	Not yet due	Outstanding for following periods from due date of payment: Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	MSME	1.03	1.69	0.53	0.01	0.00	0.13	3.39
ii	Others	24.08	9.71	16.56	1.42	0.63	0.44	52.84
iii	Disputed dues - MSME	-	-	-	-	-	-	-
iv	Disputed dues - Others	-	-	-	-	-	-	-
		25.11	**11.40**	**17.09**	**1.43**	**0.63**	**0.57**	**56.23**

March 31, 2022

		Unbilled dues	Not yet due	Outstanding for following periods from due date of payment: Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
		Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
i	MSME	0.43	5.25	0.52	0.08	0.12	0.04	6.44
ii	Others	10.18	7.27	17.57	3.42	0.20	0.23	38.86
iii	Disputed dues - MSME	-	-	-	-	-	-	-
iv	Disputed dues - Others	-	-	-	-	-	-	-
		10.61	**12.52**	**18.09**	**3.50**	**0.32**	**0.27**	**45.30**

Credit terms : Payables are normally settled within 90 days

19 Other current liabilities

	As at March 31, 2023	As at March 31, 2022
	Rs. in crs	Rs. in crs
Current		
Statutory dues	8.11	8.32
	8.11	**8.32**

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20 Revenue from contracts with customer

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Time Charter - Charter hire	895.55	641.04
Voyage Charter - Freight and demurrage	256.93	83.22
	1,152.48	**724.26**
India	872.25	645.50
Outside India	280.23	78.76
	1,152.48	**724.26**

Contract balances

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Trade receivable	85.74	39.52
Contract assets	1.30	2.79
Contract liabilities	17.85	0.27

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year Rs 0.27 crores (previous year Rs 1.07 crores) and performance obligations satisfied in previous years Rs 0.27 crores (previous year Rs. 1.07 crores).
Out of the total contract liabilities outstanding as on 31 March 2023, Rs 17.85 crores (previous Rs 0.27 crores) will be recognised by 31 March 2024 and remaining thereafter.

20a Other operating revenue

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Other operating revenue	0.07	-
	0.07	-

21 Other Income

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Income from investments	9.83	5.35
Insurance claim	0.69	2.34
Interest on Lease deposit	1.11	1.16
Interest on fixed deposit	10.13	7.71
Fair value gain on financial instruments at fair value	-	4.08
Profit on Sale of Asset	49.12	38.10
Interest on income tax refund	1.16	-
Other Income	0.67	0.14
	72.71	**58.88**

22 Purchase of fuel oil and other inventories

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Purchase of bunkers	60.81	39.01
Purchase of lube oil	22.54	24.79
Purchase of other inventories	5.43	4.54
	88.78	**68.34**

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23 Operating expenses

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Crew Charges	149.68	128.78
Port Expenses	20.59	8.38
Stores & spares consumed	50.48	32.69
Insurance Charges	9.84	14.68
Repairs & Maintenance of ships	22.67	11.92
Survey & Certification	9.85	8.30
Agency Fees	1.72	1.12
Other operating expenses	24.68	25.99
	289.50	**231.86**

24 (Increase)/ decrease in inventories

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Inventories at the end of the year		
Bunkers	10.69	13.39
Lube oil	15.25	13.51
Others	-	1.38
	25.94	**28.28**
Inventories at the beginning of the year		
Bunkers	13.39	8.16
Lube oil	13.51	8.04
Others	1.38	0.70
	28.28	**16.90**
	2.34	**(11.38)**

25 Employee benefit expenses

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Salaries and bonus	25.02	20.83
Directors remuneration u/s 197	6.00	5.82
Contribution to provident fund	0.24	0.22
Gratuity expense (note 33)	0.63	0.48
Staff welfare expenses	1.76	2.83
Total	**33.65**	**30.18**

26 Depreciation and amortization expense

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Depreciation of property, plant and equipment	316.90	236.43
Amortization of intangible assets	0.13	0.11
Depreciation of Right of use of assets	4.98	4.45
	322.01	**240.99**

27 Finance costs

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Interest on term loan	85.50	63.73
Interest on Lease	1.01	0.90
Bank charges	3.00	3.17
Interest on MSME	0.72	0.05
Interest on bank overdraft facility	0.00	0.22
	90.23	**68.07**

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28 Other expenses

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Rates and taxes	11.84	16.43
Fair value loss on financial instruments at fair value	41.32	22.01
Legal and professional fees	6.07	9.89
Business promotion expenses	1.10	0.96
Office utility expenses	4.60	4.00
Corporate social responsibility expenditure (Note 45)	1.63	1.44
Travelling and conveyance	5.14	2.41
Communication expenses	0.30	0.29
Payment to auditor (Note 29)	0.33	0.31
Impairment allowance on receivable	3.45	0.32
Bad debts	-	5.54
Repairs & Maintanance - plant & machinery	0.51	0.70
Directors' sitting fees	0.03	0.04
Exchange differences (net)	16.10	2.41
Miscellaneous expenses	2.83	1.16
	95.25	**67.91**

29 Payment to auditor

	For the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Payment to auditor as:-		
- Audit fees	0.33	0.31
- for taxation matters	-	-
- for other services	-	-
Total	**0.33**	**0.31**

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Notes to consolidated financial statements for the year ended March 31, 2023

30 Leases - Ind AS 116

The Group has entered into non cancellable commercial leases for office premises and warehouses. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the Group by entering into these leases. Rent and Security Deposit is paid by

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Times Square, 8th Floor	Times Square, 7th Floor	Times Square, 8th Floor	Times Square, 8th Floor	Times Square, 7th Floor	Leasehold Land	Office Premises (Capt. Thomas Wilfred Pinto)	Office Premises (Dr. Leena Metylda Pinto)	Godown	Total
	Premises 3A	Premises 3A(I)	Premises 3B	Premises 4	Premises 1					
As at April 01, 2021	3.98	3.88	0.72	0.00	-	-	-	-	0.11	8.69
Addition	-	-	2.10	6.23	2.75	8.23	-	-	-	19.32
Depreciation expense	(1.11)	(1.11)	(0.79)	(1.25)	(0.15)	(0.82)	-	-	(0.04)	(5.28)
As at April 01, 2022	2.87	2.78	2.03	4.98	2.60	7.41	-	-	0.07	22.73
Addition	-	-	-	-	-	-	0.76	0.76		1.53
Depreciation expense	(1.11)	(1.11)	(0.42)	(1.25)	(0.92)	(0.82)	(0.07)	(0.07)	(0.03)	(5.80)
As at March 31, 2023	1.76	1.68	1.61	3.74	1.69	6.58	0.69	0.69	0.04	18.46

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	March 31, 2023	March 31, 2022
Opening	19.60	6.84
Additions	1.53	16.05
Accrued Interest	1.64	1.57
Payments	(5.62)	(4.86)
Closing balance	17.14	19.60
Current	4.56	4.03
Non-current	12.58	15.57

Amount recognised in profit or loss

	March 31, 2023	March 31, 2022
Depreciation expense of right-of-use assets	4.98	4.45
Interest expense on lease liabilities	1.64	1.57
Interest Income, interest on lease deposit *	(1.11)	(1.16)
Total amount recognised in profit or loss	5.51	4.85

* asssumed interest rate @ 9% p.a.

31 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Profit after tax	297.98	82.35

	March 31, 2023	March 31, 2022
Weighted average number of equity shares in calculating basic EPS		
Weighted average number of shares outstanding as at year end	57,227,550	57,227,550
Earnings per share		
Basic and Diluted EPS	52.07	14.39

32 Commitments and Contingencies

Contingent liabilities

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Claims against the Group not acknowledged as debts inclusive of the penalty and interest (note a)	15.38	15.38
Guarantees (note b)	0.94	0.94
Total	**16.32**	**16.32**

a **The claims against the comprise:**
Service Tax demand disputed by the Group - Rs. 15.38 crs as on March 31, 2023 (March 31, 2022 Rs. 15.38 crs), this amount is inclusive of interest and penalty upto the date of the notice. The Group is of the opinion that that the action will succeed and accordingly no provision for liability has been recognized in the financial statements.

b **Guarantees given by the Group comprise:**
There are guarantees of Rs. 0.94 crs outstanding as on March 31, 2023 (March 31, 2022 Rs. 0.94 crs) which are given to Mumbai port trust, ONGC and seamen employee office.

c The Group has filed a commercial admiralty suit before the High Court of Gujarat on January 15, 2021, against Bharat Petroleum Corporation Limited ("BPCL") and all persons who could in future make a claim, in relation to M. T. Genessa (the "Vessel"), owned by the Group. On January 17, 2018, the Vessel was undertaking a coastal voyage from Mumbai to Kandla, when there occurred a fire on board the Vessel, leading to loss and damage to property on board or in connection with the operation of the Vessel. The Group filed the suit in exercise of its statutory rights to limit the liability for purported claims (including claims by way of recourse or for indemnity) by BPCL to a sum of Rs. 49.58 crs, under the terms of the Merchant Shipping Act, 1958 read with the Merchant Shipping (Limitation of Liability for Maritime Claims) Rules, 2015. A notice has been issued to BPCL by Gujarat High Court. The matter is currently pending.

d The Group have been served with pleadings on December 21, 2021 in Commercial Admiralty Suit filed by Deendayal Port Trust (DPT) against the Group and Bharat Petroleum Corporation Limited ("BPCL") for claiming salvage reward, to make and declare a salvage reward of Rs.135 crores along with 15% interest p.a. from date of filing of suit till payment and Such other and further reliefs as the nature and circumstances of the present case may require. Group liability is limited to 8% i.e. Group's liability is limited upto Rs. 10.80 crs.
SIS filed an interim application for filing counter claim against the claim by DPT. The same was allowed vide order dated 29 June 2022 thereafter SIS has filed Counter claim to DPT's claim on 4th July 2022. next date has not been given yet. the matter is currently pending.

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33 Gratuity

The Group has a defined benefit gratuity plan for its employees Every employee who has completed five years of service or more gets a gratuity on resignation or death or retirement at 15 days of last drawn salary for each completed year of service The gratuity plan of the Group is funded through group gratuity insurance scheme of Life Insurance Corporation of India
Each year, the Group reviews the level of funding in the gratuity plan Such a review includes the asset-liability matching strategy and investment risk management policy. The Group decides its contribution based on the results of this annual review The Group aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.
The following tables summarize the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the Balance sheet for the respective plans.

Net employee benefit expense recognized in employee cost

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Current service cost	0.56	0.43
Net interest cost	0.07	0.06
Net benefit expense	**0.63**	**0.48**

Other Comprehensive Income	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Actuarial (Gain)/Loss recognized for the year	(0.06)	(0.02)
Return on Plan Assets excluding net interest	(0.00)	0.02
Re-measurement gains/(loss) on defined benefit plans	**(0.06)**	**0.00**

Balance sheet
Benefit asset/ (liability)

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Present value of defined benefit obligation	(2.40)	(1.79)
Fair value of plan assets	0.72	0.68
Plan asset/ (liability)	**(1.67)**	**(1.12)**

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Opening defined benefit obligation	1.79	1.56
Current service cost	0.56	0.43
Interest cost	0.11	0.09
Past service cost	-	-
Benefits paid	-	(0.26)
Actuarial (gain)/loss on obligation	(0.06)	(0.02)
Closing defined benefit obligation	**2.40**	**1.79**

Changes in fair value of plan assets

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Opening fair value of plan assets	0.68	0.62
Expected return	0.04	0.04
Contributions by employer	-	0.30
Benefits paid	-	(0.26)
Actuarial gain/(loss)	0.00	(0.02)
Closing fair value of plan assets	**0.72**	**0.68**

Sensitivity Analysis
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analyses below have

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Present value of obligation		
Discount rate (increase by 1%)	(0.11)	(0.10)
Discount rate (decrease by 1%)	0.14	0.11
Salary Escalation (increase by 1%)	0.09	0.06
Salary Escalation (decrease by 1%)	(0.07)	(0.06)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would

The principal assumptions used in determining gratuity for the Group's plans are shown below:

	March 31, 2023	March 31, 2022
Discount rate	6.28%	6.28%
Rate of increase in compensation level	10.00%	10.00%
Expected rate of return on assets	7.34%	7.34%
Employee turnover	16.00%	16.00%

Experience adjustment for current and previous years:

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Defined benefit obligation	2.40	1.79
Plan assets	0.72	0.68
Surplus/ (deficit)	(1.67)	(1.12)
Experience adjustments on plan liabilities	(0.06)	(0.02)
Experience adjustments on plan assets	(0.00)	0.02

Estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, increments and other relevant factors, such as supply and demand in employment market

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34 Related party disclosures

a. Names of related parties and related party relationship

Name of the party	Description of relationship
M/s Seven Islands Logistics Private Limited	Enterprise over which key management personnel and their relatives have significant influence
Dr. Pinto's Pathological Laboratory	Enterprise over which key management personnel and their relatives have significant influence
Parsatwar & Co.	Enterprise over which directors and their relatives have significant influence
Seven Islands Shipping Foundation	Enterprise over which directors have significant influence
Fairfax India Charitable Foundation	Enterprise over which directors have significant influence
Lavails agriculture and properties private limited	Enterprise over which directors have significant influence
Key managerial personnel / Directors	
Capt. Thomas W. Pinto	Chairman & Managing Director
Ms. Leena Pinto(up to August 31, 2021)	Whole Time Director
Mr. Clayton Pinto	Chief Executive Officer
Mr. Sujit Parsatwar	Director
Mr. Jay Parekh	Company Secretary
Mr. Warren Pinto	Chief Financial Officer
Mr. Madhukar Kamath (upto 31.07.2021)	Independent Director
Mr. Uday Gore	Independent Director
Mr. Darshan Upadhyay (upto 19.10.2021)	Independent Director
Mr. Sumit Maheshwari	Nominee Director
Ms. Sanjeevlata Samdani	Independent Director
Mr Anil Devli (w.e.f. 20.08.2021)	Independent Director
Ms. Aashita Vishwakarma	Spouse of Mr. Jay Parekh

b. Related party transaction

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	Nature of transaction	March 31, 2023	March 31, 2022
		Rs. in crs	Rs. in crs
M/s Seven Islands Logistics Private Limited	Office rent paid	4.50	3.84
	Deposit given	-	0.77
	Reimbursement of expenses	0.13	0.15
Dr. Pinto's Pathological Laboratory	Medical expenses incurred	0.06	0.04
Parsatwar & Co.	Consultancy charges	4.00	3.80
Fairfax India Charitable Foundation	Donation u/s 135	0.51	1.00
Mr. Clayton Pinto	Reimbursement of expenses	0.04	0.38
Capt. Thomas W. Pinto	Reimbursement of expenses	1.88	0.87
	Lease Rent Paid	0.08	-
	Security Deposit Paid	0.04	-
Lavails agriculture and properties private limited	Lease Rent Paid	0.99	0.99
	Security Deposit Paid	-	1.00
Ms. Leena Pinto	Lease Rent Paid	0.08	-
	Security Deposit Paid	0.04	-
Mr. Madhukar Kamath	Director Sitting fees	-	0.00
Mr. Uday Gore	Director Sitting fees	0.02	0.02
Mr. Darshan Upadhyay	Director Sitting fees	-	0.00
Ms. Sanjeevlata Samdani	Director Sitting fees	0.01	0.01
Mr. Anil Devli	Director Sitting fees	0.01	0.01

c. Outstanding balances

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Balances (payable)/ receivable at the year end		
M/s Seven Islands Logistics Private Limited - security deposit	15.68	15.68
M/s Seven Islands Logistics Private Limited - security deposit receivable	-	2.60
Capt. Thomas Wilfred Pinto *	0.04	-
Dr. Leena Metylda Pinto *	0.04	-
Dr. Pinto's Pathological Laboratory	0.01	-
Lavails agriculture and properties private limited *	1.00	1.00

d. Remuneration to key managerial personnel

	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Capt. Thomas W. Pinto	6.00	5.48
Ms. Leena Pinto	-	0.54
Mr. Clayton Pinto	1.50	1.23
Mr. Jay Parekh	0.19	0.19
Mr. Warren Pinto	0.38	0.31
Mr. Darshan Upadhyay (upto 19.10.2021)	0.08	-

e. Other transactions:

i) Guarantee given

There are no guarantees outstanding as at 31 March 2023 and 31 March 2022

ii) Guarantee taken

Term loan of Rs. 564.31 Crs as on 31 March 2023 (March 31, 2022 : Rs.837.06 Crs.) from Banks is secured by personal guarantee of Capt. Thomas W. Pinto, Ms. Leena Pinto

f. The transactions with the related parties during the year and previous year are at arms length basis.

35 Capital and other commitments

a Estimated amount of contracts remaining to be executed on capital account and not provided for:

The Group has an capital commitment regarding the acquisition of vessel, dry dock of vessels and Construction of Institute of Rs. 136.78 Crs as on 31 March 2023 (March 31, 2022: Rs. 268.37 Crs).

b For commitments relating to lease arrangements, please refer note 30

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36 **Segment reporting**

For management purposes, the Group is organised into one business unit based on its services and has one reportable segment. The Chief Executive Officer, Chief Financial Officer and Chief Operating officer of the Group has been identified as the Chief Operating Decision Maker ("CODM") .The CODM evaluates the Group's financial performance and makes the strategic decisions

As per Ind AS 108, the Group has a single reportable segment therefore Group has provided the following disclosures:

a **Revenue from operations**

	For the period ended March 31, 2023 Rs. in crs	For the period ended March 31, 2022 Rs. in crs
India	872.25	645.50
Outside India	280.23	78.76
	1,152.48	**724.26**

Revenue from operations have been allocated on the basis of location of customers

b **Non current assets**

All non current assets other than financials instruments of the Group are located in India

c As per Ind AS 108 paragraph 34 requires entities to disclose information about its major customers i.e. those contributing 10% or more of its total amount of revenue.
Revenue from external customers individually contributed more than 10% of the total revenue of the entity is as follows

	For the period ended March 31, 2023 Rs. in crs	For the period ended March 31, 2022 Rs. in crs
Revenue from external customers	494.03	561.58
Number of Customers	2	3

37 **Capital Management**

For the purpose of Group's capital management, equity includes equity share capital and all other equity reserves attributable to the equity shareholders of the Group. The Group manages its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. the Group's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise he shareholders value. The Group funds its operations through internal accruals. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 55%. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

As at March 31, 2022 and March 31, 2023, the Group has only one class of equity shares and has debt, consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution of dividend or re-investment into business based on its long term financial plans.

The debt equity for the year is as under:

	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
Total Debt (note no. 16)	1,061.78	1,143.43
Less: cash and cash equivalents (note no. 10)	(179.65)	(41.82)
Less: Other Bank Balances (note no. 11)	(223.60)	(172.85)
Net debt	**658.53**	**928.76**
Total Equity (note no. 14 and 15)	1,142.17	978.65
Capital and net debt	**1,800.70**	**1,907.41**
Gearing ratio	**36.57%**	**48.69%**

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Notes to consolidated financial statements for the year ended March 31, 2023

38 Fair value measurements

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair Value	Carrying value	Fair Value
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Assets:				
At amortised cost				
Cash and cash equivalents	179.65	179.65	41.82	41.82
Other bank balances	223.60	223.60	172.85	172.85
Trade receivables	85.74	85.74	39.52	39.52
Other Financial assets	59.08	59.08	36.79	36.79
Financial assets at fair value through profit & loss				
Derivatives not designated as hedges	-	-	4.08	4.08
Investments in mutual funds	25.04	25.04	100.26	100.26
	573.10	**573.10**	**395.32**	**395.32**

	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair Value	Carrying value	Fair Value
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Liabilities:				
At amortised cost				
Borrowings	1,061.78	1,061.78	1,143.42	1,143.42
Other financial liabilities	41.34	41.34	25.00	25.00
Trade and other payables	56.23	56.23	45.30	45.30
Finacial liabilities at fair value through profit and loss		-		
Derivatives not designated as hedges	75.48	75.48	42.29	42.29
	1,234.84	**1,234.84**	**1,256.02**	**1,256.02**

Investments in mutual funds are valued at the NAV's considered at each reporting date

Derivatives instruments at fair value through profit or loss reflect the change In the fair value of interest rate swap (i.e. paying fixed interest and receiving variable interest) that is not designated in hedge relationship, but is, nevertheless, intended to reduce the level of interest rate risk for expected outflow of interest included in the repayments of borrowings.

The Group uses derivative instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. The Group uses cross currency swaps and interest rate swaps. At 31 March 2023, the Group had currency swaps and interest rate swap agreement in place for its local currency borrowing. The Group has contracted to pay fixed amount of foreign currency and receives fixed amount of indian currency. The Group receives a fixed rate of interest of 7 % - 9 % and pays interest at a variable rate equal to 6 Months LIBOR+2.75% to overnight SOFR plus 3.10% or a lower contracted fixed rate on the outstanding amount. The said swap is treated as a derivative and thus measured at fair value through profit or loss. further, being derivative, it is being mark to market as at March 31, 2023. the derivatives are classified as level 2 fair values in the fair value hierarchy due to inclusion of signaficant observable inputs including counterparty credit risk while arriving at the fair value.

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Fair value measurements recognised in the Balance Sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1		Level 2		Level 3	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Assets						
Finacial liabilities at fair value through profit and loss						
Investments in mutual funds units	25.04	100.26	-	-	-	-
Derivatives not designated as hedges	-	-	-	4.08	-	-
Financial Liabilities						
Borrowings	-	-	1,061.78	1,143.42	-	-
Finacial liabilities at fair value through profit and loss						
Derivatives not designated as hedges	-	-	75.48	42.29	-	-
	25.04	100.26	1,137.26	1,189.80	-	-

The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

All the current financial assets and liabilities have carrying amount which is equivalent to fair value.

The fair value of non-current borrowings is based on discounted cash flow using a current borrowing rate and is equivalent to its carrying amount. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

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39 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	for the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	2.67	6.26
Interest due on above	0.72	0.17
	3.39	6.44
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.72	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

40 Income tax Expense

A Tax expense recognised in the statement of profit & loss

	for the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Income Tax		
Tonnage tax	1.60	1.49
Current tax	4.70	3.34
Excess/(short) provision for tax of earlier year	(0.78)	-
Total Current tax expense	5.53	4.83
Effective tax rate	1.82%	5.54%

B Reconciliation between statutory Income Tax Rate applicable to the Group and the effective Income Tax rate is as follows :

	for the year ended	
	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
Profit before taxes	303.50	87.18
Effective tax rate in India *	-	-
Tax effect of adjustment for profit subject to tonnage tax regime / presumptive taxation	5.53	4.83
Income tax expense recognised in the profit and loss account	5.53	4.83

* Note: In case of Indian shipping companies, tax expense is computed based on the gross tonnage of the vessels for the income subject to tonnage tax. In case of income not subject to tonnage tax, the same is calculated based on the taxable profits calculated in accordance with the local tax laws.

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41 Financial risk Management objectives and policies

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Audit committee
The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits and loans and borrowings.
The Group manages market risk through Audit committee, which evaluates and exercises independent control over the entire process of market risk management. The committee recommends risk management objectives and policies, which are approved by Audit committee and Board.

a Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments.
The sensitivity analyses in the following sections relate to the position as at 31 March 2023 and 31 March 2022

The following assumptions have been made in calculating the sensitivity analyses:
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022

The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges at 31 March 2023 for the effects of the assumed changes of the underlying risk

i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rates.

Exposure to Interest rate risk

	As at March 31, 2023 Rs. in crs	As at March 31, 2022 Rs. in crs
Total Borrowings	1,061.78	1,143.42
% of Borrowings out of above bearing variable rate of Interest	21.48%	23.39%

The Group is exposed to interest rate risk as the Group borrow funds at floating interest rates. The interest rate risk is managed by monitoring the Group's level of borrowings periodically and structuring its borrowings on varying maturities and interest rate terms.
The sensitivity analysis below has been determined based on the exposure to interest rates at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year.
A 50 basis point increase or decrease is used when reporting interest rate risk and represents management's assessment of the reasonably possible change in interest rates.
If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended March 31, 2023 would increase/decrease by INR 0.11 crs (March 31, 2022: INR 0.13 crs).
This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

ii) Price risk

The Group is engaged in the business of commodity transportation of crude oil, petroleum products, coal, iron-ore etc. which involves a high level of dependence on the production of oil and gas. Thus, demand in these sectors will have a direct impact on the business of the Group. A decline in the demand for oil, coal or iron etc. will adversely affect the business of the Group. Thus, often, the factors affecting the supply and demand for the vessel are beyond the control of the Group as the nature, timing and degree of changes in the industry conditions cannot be foreseen and are unpredictable.

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iii) Foreign currency risk

Foreign currency risk mainly arises from transactions undertaken by an operating unit denominated in currencies other than its functional currency. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group manages its foreign currency risk by converting the foreign currency exposure into INR on the date of entering into the transaction.

The carrying amounts of the Group's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

Particulars	March 31, 2023		March 31, 2022	
	USD	Others	USD	Others
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Trade Receivables	33.51	-	2.87	0.08
Cash and Cash equivalents	3.35	-	0.55	-
Other Financial Assets	-	-	4.08	-
Net Exposure for Assets	**36.86**	**-**	**7.51**	**0.08**
Financial Liabilities				
Borrowings	345.43	-	409.75	-
Trade payable	18.81	3.04	21.76	5.04
Derivatives not designated as hedges	75.48	-	42.29	-
Net Exposure for Liabilities	**439.72**	**3.04**	**473.81**	**5.04**
Net exposure (Assets-Liabilities)	(402.86)	(3.04)	(466.30)	(4.96)

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies of all the companies in the Group.

5% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative:

Effect in INR	March 31, 2023	March 31, 2022
	Rs. in crs	Rs. in crs
USD impact	(20.14)	(23.31)

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Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

Financial assets are written off when where there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. When such recoveries are made, these are then recognized as income in the statement of profit and loss.
The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

Maturity Analysis of Financial Liabilities

As at March 31, 2023	Contractual Cash Flows				
	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Instruments					
Borrowings	1,061.78	276.15	535.35	196.43	53.85
Trade Payables	56.23	56.23	-	-	-
Lease Liability (Note 30)	17.14	4.56	6.65	2.25	3.68
Other financial liabilities	41.34	38.04	-	-	-

As at March 31, 2022	Contractual Cash Flows				
	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs	Rs. in crs
Financial Instruments					
Borrowings	1,143.42	251.70	487.84	306.81	97.08
Trade Payables	45.30	45.30	-	-	-
Lease Liability (Note 30)	19.88	4.03	6.87	8.98	
Other financial liabilities	25.00	25.00	-	-	-

42 Relationship with Struck off Companies

Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560.

43 (A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

44 Ratios

Sr No.	Particulars	For the year ended March 31, 2023	March 31, 2022	% change	Reason for change
		Rs. in crs	Rs. in crs		
1	Current Ratio - in times	2.87	3.58	(19.89)	Due to increase in the current liability towards the derivative hedge and other current payables
2	Debt- Equity ratio in times	0.82	1.15	(28.52)	Due to increase in equity on account of increase in profit
3	Return on Equity (%)	23.02%	8.27%	64.10	Due to increase in the profit as compared to last year
4	Net profit margin	24.32%	10.52%	56.76	Due to increase in the profit as compared to last year
5	Return on Capital employeed (%)	16.71%	7.26%	56.53	Due to increase in the profit as compared to last year
6	Debtors turnover	18.40	11.56	37.20	Due to increase in the debtors as well as revenue as compared to last year
7	Trade payables turnover	6.77	6.38	5.81	
8	Net capital turnover	1.01	0.76	24.64	Due to increase in turnover and profit as compared to last year
9	Return on investment	1.60%	0.96%	39.70	Increase due to increase in interest income and sale of investment
10	Debt service coverage	0.34	0.12	63.16	Due to Increase in the profit as compared to last year

Notes:

i) **Derivation of Ratios**

Current ratio	Total Current Assets / Total Current Liabilities
Debt Equity ratio	Total debt including current maturities / Equity Share capital plus Other Equity
Return on Equity (%)	Profit for the period from operations / Equity Share capital plus Other Equity
Net profit margin	Profit for the period from operations / Total Income
Return on Capital employeed (%)	Earning before interest and tax / Capital Employeed
Debtors turnover	Total revenue / Average trade receivable
Trade payables turnover	Total Purchase / Closing trade payable
Net capital turnover	Total revenue / Average Equity share holding
Return on investment	Net return from investment / Total investment during the year
Debt service coverage	Profit after tax + Finance cost / Total debt + Finance cost

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45 Details of Corporate social responsibility expenditure

Sr no.	Particulars	March 31, 2023 Rs. in crs	March 31, 2022 Rs. in crs
1	Amount required to be spent by the Group during the year	1.68	1.42
2	Amount of expenses incurred	1.63	1.44
3	Shortfall at the end of the year	0.05	Nil
		The Group's CSR initiatives usually involve helping the needy and genuine people either directly or through various implementing agencies to ensure maximum benefit to the community. However, as mandated by the Act, the Group shall give preference to the local area and the areas around it where it operates for spending the amount earmarked for CSR activities. Whoever approached, and found genuine was provided the contribution on the basis of their requirement. However, due to paucity of time in finding genuine modes to channelize CSR initiative preferably in local area, the Group's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013 before March 31, 2023. However, the unspent amount of Rs. 5,43,251/- has been transferred to 'Clean Ganga Fund' being a specified fund under Schedule VII of the Companies Act, 2013. Thus, the Group has spent the entire CSR Obligation amount, i.e., Rs. 1,67,71,982/- for Financial Year 2022-23 in the following manner: Amount in Rs. Amount spent on other than ongoing projects :1,62,28,731 Amount spent towards ongoing projects: Nil Unspent amount transferred to a specified fund (Clean Ganga Fund): 5,43,251 Total: 1,67,71,982	
4	Reason for Shortfall		N.A.
5	Nature of CSR activities	(i) Promoting healthcare, including preventive healthcare (ii) Promoting Education (iii) Eradicating Hunger (iv) Improving Livelihood (v) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	(i) Promoting healthcare, including preventive healthcare (ii) Promoting Education (iii) Eradicating Hunger (iv) Improving Livelihood (v) Various other permitted activities under Schedule VII of the Companies Act, 2013
6	**Details of Related party transactions**		
	Seven islands shipping foundation	Nil	Nil
	Fairfax India Charitable Foundation	0.51	1.00
7	No provision is made for any contractual obligation	N.A.	N.A.

46 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Estimates and assumptions

Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful life and residual values of property and equipment
On initial recognition, the cost of property and equipment acquired is allocated to each component of the asset and depreciated separately.
Maintenance costs are recognized as expenses for the year, with the exception of mandatory dry-docks required to maintain vessel navigation certificates, which constitute an identifiable component upon the acquisition of a vessel and which are thereafter capitalized when the following dry-docks occur. Dry-docks are depreciated over the remaining useful life of the related vessel or to the date of the next dry-dock, whichever is sooner.
Useful lives are estimated based on past experience. Management decides from time to time to revise the estimates for individual assets or groups of assets with similar characteristics due to factors such as quality of maintenance and repair, technical development and environmental requirements. Refer to note 2(d) for the useful lives typically used for new assets.
During the year ended March 31, 2023, Group has changed the useful life of their two Gas vessels from 30 years to 25 years. Above changes have resulted in an additional depreciation of Rs. 26.70 crs
Residual values are difficult to estimate given the long lives of vessels, the uncertainty as to future economic conditions and the future price of steel, which is considered as the main determinant of the residual price. Management continually reassesses the residual value of the assets based on changes in the economic environment and revises the values to reflect the impact of any significant changes.

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47 The Group has sanctioned working capital limits in excess of Rs. 5 Crs in aggregate from bank or Financial institution during any point of time in the year on the basis of security of current assets however the Group has not availed the same during the year. Consenquently the Group has not submitted quarterly returns/statements with such banks or financial institutions.

48 **Statutory Group Information**

	Seven Islands Shipping Ltd.		Seven Islands Maritime Training		Total	
	Balance as at 31 March, 2023	Balance as at 31 March, 2022	Balance as at 31 March, 2023	Balance as at 31 March, 2022	Balance as at 31 March, 2023	Balance as at 31 March, 2022
Net Assets, i.e., total assets minus total liabilities						
As % of consolidated net assets	100.25	100.00	(0.25)	-	100.00	100.00
INR Crs	1,297.51	997.22	(3.20)	(0.94)	1294.31	996.28
Share in profit and loss						
As % of consolidated of profit and loss	99.73	100.00	0.27	-	100.00	100.00
INR Crs	297.16	82.39	0.81	(0.04)	297.98	82.35
Share in other Comprehensive income						
As % of consolidated other comprehensive income	100.00	100.00	-	-	100.00	100.00
INR Crs	0.06	-	-	-	0.06	-
Share in total Comprehensive income						
As % of total comprehensive income	99.73	100.00	0.27	-	100.00	100.00
INR Crs	297.22	82.39	0.81	-	298.04	82.39

49 **Events after the reporting period**

The board of directors have proposed final dividend on 5,72,27,550 shares of Rs. 18 per share amounting to Rs. 103.01 crs after the balance sheet date which are subject to approval by the shareholders at the annual general meeting.

50 The Group has defined process to take back-up of books of accounts maintained electronically and maintain the logs of the back up of such books accounts

51 The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

52 No proceeding have been initiated on or are pending against the Group for holding of benami property under benami

53 The Group has not been declared wilful defaulter by any bank or financial institution or Government or Government Authority.

54 There is no income surrendered or disclosed as income during the current or previous year in the tax assessment under Income Tax Act, 1961 that has not been recorded in the books of accounts.

As per our Report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number : 324982E/E300003

per Firoz Pradhan
Partner
Membership No. 109360

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of Seven Islands Shipping Limited

Capt. Thomas W. Pinto
Chairman & Managing Director
DIN: 00053721

Mr. Clayton Pinto
Chief Executive Officer

Mr. Sujit Parsatwar
Director
DIN: 01174288

Mr. Jay Parekh
Company Secretary
Membership No. A47580

Mr. Warren Pinto
Chief Financial Officer

Place: Mumbai
Date: 26 September 2023

Place: Mumbai
Date: 26 September 2023

SEVEN ISLANDS SHIPPING LIMITED MUMBAI

Registered Office

SEVEN ISLANDS SHIPPING LIMITED

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