

BATLIBOI & PUROHIT

Chartered Accountants

Independent Auditors' Report

To the Board of Directors of United Shippers Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of United Shippers Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries collectively referred to as "the Company" or "the Group"), which comprise the consolidated balance sheet as at 31 March, 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31 March, 2018 and its consolidated net profit (including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year then ended.

Emphasis of matter

In respect of one subsidiary group, namely, USL Shipping DMCEST Group incorporated outside India, where the consolidated financial statements have been audited by other auditors in their country; the other auditors have drawn emphasis of matter in their report in respect of trade receivables amounting to Rs. 773.79 lakhs outstanding since more than one year as on the reporting date and there is no subsequent recovery till the date of audit, however the management believes that the amount will be recovered in full and no provision is required.

Our opinion is not modified in respect of this matter.

Other Matters

The consolidated financial statements of the Group for the year ended 31 March, 2018 include total assets of Rs. 21,486.44 lakhs, total revenues of Rs. 14,493.93 lakhs and net cash flows of Rs. 145.07 lakhs in respect of 3 subsidiaries incorporated outside India and Group's share of net profit (including other comprehensive income) for proportionate period in respect of one of the aforesaid subsidiaries which was a joint venture until the acquisition of control by the Company during the year. The financial statements and other financial information of aforesaid subsidiaries have been prepared under generally accepted accounting principles in respective countries ('the Local GAAP') and are audited by their respective auditors in those countries. Audit reports issued by these auditors have been furnished to us by the management. For the purpose of preparation

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of consolidated financial statements of the Group, the aforesaid Local GAAP financial statements have been restated by the management of the Company to conform to Ind AS and the conversion adjustments are audited by us. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, apart from the aforesaid conversion adjustments, is based on the reports of other auditors.

The consolidated financial statements of the Company for the year ended 31 March, 2018 include total assets of Rs. 601.05 lakhs, total revenues of Rs.227.18 lakhs and net cash outflows of Rs.15.90 lakhs in respect of 1 subsidiary incorporated in India whose financial statements and other financial information have been audited by other auditor, whose audit report has been furnished to us by the management. Our opinion in so far as it relates to the balances and affairs of this subsidiary is based on the report of other auditors.

Our opinion on the above consolidated financial statements and our report on other Legal and Regulatory requirements below, is not modified in respect of the other matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, that
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary incorporated in India, none of the Directors of the Group companies incorporated in India, is disqualified as on 31 March, 2018 from being appointed as a Director of respective companies in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and



Chartered Accountants

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;(refer Note-42)
 - 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 outstanding amounts, required to be transferred, to the Investor Education and Protection Fund during the year by the Company and its subsidiary incorporated in India.

for **BATLIBOI & PUROHIT**
Chartered Accountants
Firm's Registration No.: 101048W

K. A. Mehta

Kaushal Mehta
Partner
Membership No.: 111749
Place : Mumbai
Date : 7th May, 2018



Annexure - A to the Auditors' Report**Report on the Internal Financial Controls over financial reporting 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 the Company as of and for the year ended 31 March, 2018, we have audited the internal financial controls over financial reporting of United Shippers Limited ("the Holding Company") and its subsidiary incorporated in India

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its subsidiary incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective countries 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary incorporated in India 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") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 internal financial controls system over financial reporting of the Company and its subsidiary companies.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable 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 Over Financial Reporting

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

Opinion

In our opinion, the Company and its subsidiary incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018 based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary incorporated in India is based on the corresponding reports of the auditor of the said subsidiary. Our opinion is not modified in respect of this matter.

for BATLIBOI & PUROHIT

Chartered Accountants

Firm's Registration No.: 101048W

**Kaushal Mehta**

Partner

Membership No.: 111749

Place : Mumbai

Date : 7th May, 2018

United Shippers Limited				
Consolidated Balance Sheet as at 31st March, 2018				
(Rs.in Lakhs)				
Assets	Note No.	As at 'March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current Assets				
(a) Property, plant and equipment	4	25,200.87	28,042.01	26,143.89
(b) Capital work-in-progress	5	111.71	108.97	1,453.40
(d) Goodwill		469.58	501.69	491.82
(e) Intangible assets	6	929.80	29.93	59.87
(f) Intangible assets under development		6.00	-	-
(g) Financial Assets				
(i) Investments	7	15,613.73	19,721.77	11,486.55
(ii) Others	8	335.38	1,735.54	1,771.51
(h) Income Tax Assets	9	1,028.69	642.60	849.73
(i) Other non-current assets	10	-	169.76	1,112.39
Total non-current assets		43,695.76	50,952.27	43,369.16
Current Assets				
(a) Inventories	11	243.31	352.97	139.04
(b) Financial Assets				
(i) Investments	12	8,291.14	5,655.83	5,358.13
(ii) Trade Receivables	13	8,299.02	8,766.24	5,698.77
(iii) Cash and cash equivalents	14	3,114.03	1,907.26	1,693.07
(iv) Loans	15	5.72	38.64	2,152.04
(v) Others	16	25.52	132.90	129.21
(c) Other current assets	17	1,044.48	968.64	1,327.57
Total current assets		21,023.22	17,822.48	16,497.83
Total Assets		64,718.98	68,774.76	59,866.99
Equity and Liabilities	Note No.	As at 'March 31, 2018	As at March 31, 2017	As at April 1, 2016
Equity				
(a) Equity Share capital	18	461.87	461.87	502.92
(b) Other Equity	19	44,465.12	43,981.19	44,135.81
Total Equity		44,926.99	44,443.06	44,638.73
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	2,136.39	3,238.41	4,495.91
(b) Provisions	21	80.61	72.69	60.89
(c) Deferred tax liabilities (Net)	22	3,017.96	2,660.72	2,039.95
Total non-current liabilities		5,234.96	5,971.82	6,596.75
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	9,000.09	12,783.72	4,991.42
(ii) Trade Payables	24	3,949.56	3,388.62	2,757.72
(iii) Other financial liabilities	25	1,356.89	1,413.72	796.81
(b) Other current liabilities	26	250.49	123.26	76.90
(c) Provisions	27	-	530.34	-
(d) Income Tax Liabilities	28	-	120.22	8.65
Total current liabilities		14,557.03	18,359.88	8,631.51
Total Liabilities		19,791.99	24,331.70	15,228.26
Total Equity and Liabilities		64,718.98	68,774.76	59,866.99

Significant accounting policies 3

The accompanying notes from 1 to 58 form an integral part of these financial statements.

As per our report of even date attached

For and on behalf of the Board

For BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Reg.No.101048W



Kaushal A. Mehta
Partner





Nagendra Agarwal
Company Secretary



Paras Dakalia
Director (Finance)



S.J. Parekh
Chairman cum...

United Shippers Limited

Consolidated Statement of Profit and loss for the year ended 31st March, 2018

(Rs.in Lakhs)

Particulars	Note No.	For the Year Ended	For the Year Ended
		March 31, 2018	March 31, 2017
INCOME			
Revenue from operations	29	47,286.79	38,707.13
Other Income	30	1,214.43	1,919.74
Total Revenue		48,501.22	40,626.87
EXPENSE			
Direct operating cost	31	37,638.72	27,837.15
Employee benefits expense	32	2,492.69	2,541.59
Finance Cost	33	613.70	443.34
Depreciation and Amortisation	34	4,293.59	3,709.85
Other Expenses	35	1,172.17	1,600.46
Total Expenses		46,210.87	36,132.38
Profit / (loss) before exceptional items and income tax		2,290.35	4,494.49
Exceptional item (net of tax)		-	-
Net Loss on changes in fair value of investments		404.69	
Profit / (Loss) before tax		1,885.66	4,494.49
Tax expense			
Current tax		565.44	897.38
MAT Credit Entitlement		-	(96.45)
Deferred Tax		33.84	717.23
Prior year tax adjustments		(2.08)	
Profit / (Loss) after tax for the year		1,288.46	2,976.34
Share of profit in joint venture		(2.94)	2.14
Profit/(loss) for the year		1,285.52	2,978.48
Other Comprehensive Income			
(i) remeasurement of defined benefit plans (net of taxes);		20.22	(46.62)
(ii) Equity Instruments through OCI (net of taxes);		(19.01)	17.66
(iii) Exchange differences in translating to financial statements of a foreign operation;		31.07	(275.15)
Other comprehensive income for the year after tax		32.29	(304.11)
Total comprehensive income for the year		1,317.81	2,674.37
Earnings per share attributable to the equity holders of the Company during the year			
Basic earnings per share	36	27.83	59.28
Diluted earnings per share	36	27.83	59.28

Significant accounting policies

3

The accompanying notes from 1 to 58 form an integral part of these financial statements.

As per our report of even date attached

For and on behalf of the Board

For BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Reg.No.101048W

Kaushal A. Mehta

Kaushal A. Mehta
Partner

M.No. 111749
Mumbai

Date : 7th May, 2018

Nagendra Agarwal

Nagendra Agarwal
Company Secretary

Paras Dakalia

Paras Dakalia
Director (Finance)

S.J. Parekh

S.J. Parekh
Chairman-cum-
Managing Director



United Shippers Limited

Consolidated Statement of Cash Flow for the year ended March 31, 2018

(Rs.in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
I Cash Flow From Operating Activities		
Profit before income tax	1,885.67	4,494.49
Remeasurement of employee benefit	-	(46.62)
Depreciation and Amortization expenses	4,293.59	3,709.85
Loss on sale of Property, Plant & Equipment (net)	99.29	16.45
Provision on trade receivables based on Expected credit loss model	(16.35)	92.14
Minority Interest	-	2.14
Interest expenses	613.70	443.34
Interest received	(667.06)	(852.75)
Dividend Income	(199.56)	(221.20)
Profit on sale of current investment	(652.68)	(633.12)
Fair Value measurement	232.27	(188.73)
Unrealised foreign exchange (gain)/loss on borrowings	(2.96)	(157.83)
Unrealised foreign exchange (gain)/loss (net)	31.07	(275.15)
Operating cash flows before working capital changes	5,616.97	6,383.01
Changes in working capital		
(Increase)/Decrease in trade receivables	483.57	(3,159.61)
(Increase)/Decrease in inventories	109.66	(213.93)
Increase/(Decrease) in trade payables	560.94	630.90
(Increase)/Decrease in Loans	32.92	2,113.40
(Increase)/Decrease in other financial assets	1,497.67	21.69
(Increase)/Decrease in other current assets	95.12	358.92
Increase/(Decrease) in provisions	7.92	11.80
Increase/(Decrease) in other financial liabilities	(54.44)	616.90
Increase/(Decrease) in other current liabilities	127.22	46.36
(Increase)/Decrease in other financial assets	-	(3.70)
Cash generated from operations	8,477.55	6,805.74
Taxes paid (including tax deducted at source)	(746.29)	(578.68)
Net cash flows generated from operating activities	7,731.26	6,227.07
II Cash flows from investing activities		
Purchase of Fixed Assets, including CWIP, capital advance and other intangible assets	(4,915.51)	(3,510.61)
Proceeds from Sale of Fixed Assets	2,527.58	203.19
Sale/(Purchase) of current investments (net)	(12,048.51)	(41.95)
Sale/(Purchase) of non current investments (net)	13,951.83	(7,661.34)
Dividend Received from other Investments	199.56	221.20
Interest received	676.93	845.51
Maturity of/(investments in) margin money	-	21.52
Asset acquired on acquisition of Joint Venture	(53.38)	-
Net cash flows (used in) investing activities	338.51	9,922.48
III Cash flows from financing activities		
Buy back of equity shares	-	(2,339.70)
Tax on buy back	(530.34)	-
Interest paid	(592.83)	(443.34)
Dividend Paid	(833.88)	-
Proceeds/(Repayment) of long term borrowings	(1,122.32)	(1,099.67)
Proceeds/(Repayment) of short term borrowings	(3,783.63)	7,792.30
Net cash flows (used in) financing activities	(6,863.00)	3,909.59
IV Net increase (decrease) in cash and cash equivalents	1,206.77	214.19
V Cash and cash equivalents at the beginning of the financial year	1,907.26	1,693.07
VI Cash and cash equivalents at end of the year	3,114.03	1,907.26


Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

As per our report of even date attached

For BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Reg.No.101048W

For and on behalf of the Board


Kaushal A. Mehta
Partner


Nagendra Agarwal
Company Secretary


Paras Dakalia
Director (Finance)


S. J. Parekh
Chairman cum-



United Shippers Limited

Statement of Changes in Equity for the year ended 31st March, 2018

STATEMENT OF CHANGES IN EQUITY

Equity Share Capital

Particulars	Note No.	Amount
As at April 1, 2016		502.92
Changes in equity share capital		(41.05)
As at March 31, 2017	18	461.87
Changes in equity share capital		-
As at March 31, 2018	18	461.87

Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities premium account	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	
Balance as at April 1, 2016	0.83	673.56	824.00	7,538.74	30,716.25	4,338.07	44,135.81
Profit for the Year					2,978.48		2,978.48
Other Comprehensive Income of the year					(46.62)	(275.15)	(304.11)
Premium on buy back		(673.56)		(1,625.08)			(2,298.65)
Transfer to/from capital redemption reserve			41.05		(41.05)		
Tax on distributed income on buy back (us 115QA)					(530.34)		(530.34)
Balance as at March 31, 2017	0.83	-	865.05	5,913.66	33,076.72	4,062.93	43,981.19
Profit for the Year					1,285.52		1,285.52
Other Comprehensive Income of the year					20.22	31.07	32.29
Dividend					(692.81)		(692.81)
Tax on Dividend Distribution Tax					(141.06)		(141.06)
Balance as at March 31, 2018	0.83	-	865.05	5,913.66	33,548.59	4,094.00	44,465.12

As per our report of even date attached

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg.No.101048W

K.A. Mehta

Kaushal A. Mehta

Partner

M.No. 111749

Mumbai

Date : 7th May, 2018



For and on behalf of the Board

Nagendra Agarwal

Nagendra Agarwal

Company Secretary

S.J. Parekh

Paras Dakalia

Director (Finance)

Chairman cum-Managing Director

UNITED SHIPPERS LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(All amounts are in Rupees unless otherwise stated)

1. Corporate information

United Shippers Limited ('USL' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at 3rd floor, prospect chambers, D.N. Road, fort, Mumbai-400001, Maharashtra. Established in 1952, United Shippers Limited (USL) is a shipping company providing Shipping & Logistic services as stevedores, ship charterer, barge owners & rail/ road/ sea logistic services to its clients. Since 1995, it expanded into providing integrated services including stevedoring, the chartering of coastal vessels, rail road and sea logistic services to its customers.

The Consolidated financial statements are approved for issue by the Company's Board of Directors on May 7, 2018.

2. Application of new and revised Ind -AS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 to the extent applicable have been considered in preparing these financial statements.

Recent accounting pronouncements:-

a) Standards issued and effective after transition date

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The above amendment does not have any impact on the company.



Standard issued but not effective
Ind AS 115 Revenue Recognition

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified the Ind AS 115, Revenue from Contract with Customers. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

This standard has come into force from April 1, 2018. The management of the company is under process of evaluating the effect on adoption of Ind AS 115 on the financial statements of next reporting date.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment has come into force from April 1, 2018. As per the evaluation of the management of the company, the effect of this amendment will not be material.



3. Significant accounting policies

3.1. Basis of preparation

3.1.1. Compliance with Ind AS

In accordance with the notification *dated 16th February, 2015*, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016.

The Consolidated Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first Ind AS Consolidated Financial Statements. The date of transition to Ind AS is April 1, 2016. Refer Note 58 for details of First-time adoption - mandatory exceptions and optional exemptions availed by the Company.

Up to the year ended March 31, 2016, the Company had prepared the Consolidated Financial Statements under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India and the applicable Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

Reconciliations and descriptions of the effect of the transition has been summarized in note 54 (A,B,C,D,E & F).

3.1.2. Historical Cost Convention

The Consolidated Financial Statements have been prepared on the historical cost basis except for the followings:

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans plan assets measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded to the nearest Rupee except where otherwise stated.

3.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2018. 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



Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) 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 recognized in the consolidated financial statements at the acquisition date.
- (b) 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.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:



- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

3.3 Business combinations and goodwill

Business combination of entities under common control is accounted using pooling of interest method as per appendix c to Ind AS 103.

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non controlling interests in the acquiree at fair value or at the proportionate share of the acquire's identifiable net assets. Acquisition-related costs are expensed as incurred.

3.4 Investment in associates and joint ventures

. An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not



recognized. The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and Proceeds from disposal is recognized in profit or loss

3.5 Current and 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:

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



All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

3.6 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

Level 1 — Quoted (unadjusted)

This hierarchy includes financial instruments measured using quoted prices.

Level 2

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

- a) quoted prices for similar assets or liabilities in active markets.
- b) quoted prices for identical or similar assets or liabilities in markets that are not active.
- c) inputs other than quoted prices that are observable for the asset or liability.
- d) Market – corroborated inputs.

Level 3

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



3.7 Property Plant and Equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of its Property, Plant and Equipment (PPE) recognized as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready and available for their intended use.

Depreciation has been calculated on Straight Line method (SLM) based on the estimated useful life estimated in Schedule II of the Companies Act, 2013, on a pro-rata basis. Lease hold improvements are amortized over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Capitalized expenditure on dry dock are depreciated until the next planned dry-docking.

The useful life of property, plant and equipment are as follows:-

Asset Class	Useful Life
Freehold Buildings	Office Building : 60 years
	Factory Building : 30 years
Leasehold Improvements	Over the period of lease
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installations –	3-10 years
Computers, Printer and Laptop	3 – 6 years
Office Equipments	2-8 years
Vehicles –	8-10 years
Server, UPS	6 years
Barges & Speed Boat	14 years
Payloader	4- 9 years
Excavator	9 years



Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the shorter of the assets useful life and the lease term if there is an uncertainty that the company will obtain ownership at the end of the lease term. An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3.8. Intangible Assets

(i) Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognized as of April 1, 2016 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

(ii) Intangible assets

- Recognition of intangible assets

a. Computer software

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss. The said software is being amortized over a period of 3 years.

b. Right to use Navlakhi Jetty

The right to use Navlakhi Jetty is being amortized over a period of 10 years.

- De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(iii) Intangible assets under development

All costs incurred in development, are initially capitalized as Intangible assets under development - till the time these are either transferred to Intangible Assets on completion or expensed as Software Development cost (including allocated depreciation) as and when determined of no further use.



3.9. 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

3.9.1. Financial assets

Initial recognition and measurement

All financial assets are recognized 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 are recognized 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 following categories based on business model of the entity:

Debt instruments at amortized cost

Debt instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) 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 (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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

Equity investments

All equity investments are measured at fair value. 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. This amount is not recycled 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 is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, 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 amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17



- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables; and

All lease receivables resulting from transactions within the scope of Ind AS 17

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

3.9.2 Financial liabilities

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.



De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires.

3.10. Cash and Cash Equivalent

Cash and cash equivalent in balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalent consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management.

3.11. Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

3.12. Trade Payables

These amount represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using effective interest method.

3.13. 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) fair value less costs of disposal and its value in use.

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 Company's of assets.

When 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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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

A previously recognized impairment loss (except for goodwill) 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 to the carrying amount of the asset.

3.14 Inventories

Inventories being stores and spares are valued at the lower of cost and net realizable value. The cost is computed on First In First Out basis. The cost includes purchase price, inward freight and other incidental expenses net of taxes, wherever applicable.



3.15 Revenue recognition

The Company recognized revenue from rendering of services on percentage of completion method when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- © the stage of completion of the transaction at the end of the reporting period can be measured reliably;
- and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable.

Interest and dividends

Interest income is recognized on time proportionate basis using the effective interest method.

Dividend income is recognized when the entity's right (as a shareholder) to receive payment is established.

3.16 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

3.17 Foreign currency transactions

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

Transactions in currencies other than the Company's functional currency are recognized at the rates

of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non - monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.



3.18 Employee Benefits

Short term employee benefits:-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

i. Defined contribution plans

Provident Fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India.

The Company's contribution is expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

ii. Defined benefit plans

Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Ind AS 19, "Employee Benefits". The Company makes annual contributions to the LIC of India for the Gratuity Plan in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Leave Encashment

The company provides for the liability at period end on account of un-availed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.



3.19 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.20 Provisions, Contingent Liabilities and Contingent Assets

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.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

3.21 Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

3.22 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.23 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

Property, Plant and equipment															(Rs.in Lakhs)
Costs	Building	Port Jetty	Vessel and Barges	Fleet Dry Dock	Furniture and Fixtures	Air Condition	Motor Car	Motor Trucks	Plant and Machinaries	Excavator and payloader	Office Equipment	Computer	Electrical Installation	Leasehold Improve ment	Total
As at April 1, 2016	366.79	541.36	24,040.58	-	182.87	55.45	717.12	3,298.04	1,469.07	5,563.73	169.69	147.08	17.74	45.64	36,615.16
Additions	-	-	3,810.98	1,377.46	39.07	1.41	69.93	12.22	46.68	416.57	16.90	6.44	-	-	5,797.67
Disposals / Adjustments	-	-	271.19	-	35.11	0.61	56.80	133.25	-	133.58	0.20	2.42	-	-	633.16
As at March 31, 2017	366.79	541.36	27,580.37	1,377.46	186.84	56.26	730.25	3,177.00	1,515.75	5,846.72	186.40	151.10	17.74	45.64	41,779.67
Additions	-	-	2,284.42	877.11	6.35	0.46	12.71	222.90	16.01	625.33	8.89	2.40	-	-	4,056.58
Disposals / Adjustments	-	-	3,228.37	-	36.71	26.14	22.95	398.50	274.07	355.59	128.13	104.98	-	-	4,575.44
As at March 31, 2018	366.79	541.36	26,636.42	2,254.57	156.48	30.57	720.01	3,001.40	1,257.69	6,116.46	67.16	48.52	17.74	45.64	41,260.81
Accumulated depreciation and impairment	Building	Port Jetty	Vessel and Barges	Fleet Dry Dock	Furniture and Fixtures	Air Condition	Motor Car	Motor Trucks	Plant and Machinaries	Excavator and payloader	Office Equipment	Computer	Electrical Installation	Leasehold Improve ment	Total
As at April 1, 2016	71.32	94.04	4,448.08	-	126.87	46.48	405.86	1,684.48	649.68	2,609.25	152.33	127.00	17.59	38.28	10,471.26
Depreciation for the year	5.92	22.11	2,323.24	171.52	13.98	3.30	65.15	356.78	154.19	532.73	12.26	11.24	0.14	7.36	3,679.91
Disposals / Adjustments	-	-	178.22	-	34.05	0.60	33.71	94.82	-	70.48	0.20	1.43	-	-	413.52
As at March 31, 2017	77.24	116.15	6,593.10	171.52	106.80	49.17	437.30	1,946.44	803.88	3,071.50	164.40	136.80	17.74	45.64	13,737.66
Additions	5.92	22.11	2,373.47	743.85	14.94	3.23	64.25	335.99	114.68	557.63	11.73	8.04	-	-	4,255.84
Disposals / Adjustments	-	-	930.02	-	35.97	26.14	18.45	261.31	53.12	375.91	127.80	104.83	-	-	1,933.56
As at March 31, 2018	83.15	138.26	8,036.55	915.36	85.77	26.26	483.10	2,021.12	865.44	3,253.22	48.33	40.02	17.74	45.64	16,059.94
Net Book Value	Building	Port Jetty	Vessel and Barges	Fleet Dry Dock	Furniture and Fixtures	Air Condition	Motor Car	Motor Trucks	Plant and Machinaries	Excavator and payloader	Office Equipment	Computer	Electrical Installation	Leasehold Improve ment	Total
As at April 1, 2016	295.47	447.33	19,592.50	-	56.00	8.98	311.26	1,613.55	819.38	2,954.49	17.36	20.08	0.14	7.36	26,143.89
As at March 31, 2017	289.55	425.22	20,987.27	1,205.94	80.04	7.09	292.95	1,230.56	711.87	2,775.22	22.01	14.30	0.00	-	28,042.01
As at March 31, 2018	283.64	403.11	18,599.87	1,339.21	70.71	4.32	236.91	980.27	392.25	2,863.24	18.84	8.50	0.00	-	25,200.87



5 Capital Work-in-Progress

(Rs.in Lakhs)

Costs	Vessel and Barge Dry Dock
As at March 31, 2016	1,453.40
Additions	108.97
Capitalised During the year	(1,453.40)
As at March 31, 2017	108.97
Additions	111.71
Capitalised During the year	(108.97)
As at March 31, 2018	111.71

6 Intangible Assets

(Rs.in Lakhs)

Costs	Online MIS Software	Right to use Navalkhi Jetty	Total
As at April 1, 2016 (Deemed Cost)	89.80	-	89.80
Addition During the year	-	-	-
Disposals / Adjustments	-	-	-
Disposals	-	-	-
As at March 31, 2017	89.80	-	89.80
Addition During the year	-	937.61	937.61
Disposals / Adjustments	-	-	-
Disposals	-	-	-
As at March 31, 2018	89.80	937.61	1,027.41
Accumulated amortisation and impairment losses	Online MIS Software	Right to use Navalkhi Jetty	Total
As at April 1, 2016	29.93	-	29.93
Amortisation for the year	29.93	-	29.93
Disposals	-	-	-
As at March 31, 2017	59.87	-	59.87
Amortisation for the year	29.93	7.81	37.75
Disposals / Adjustments	-	-	-
As at March 31, 2018	89.80	7.81	97.61
Net Book Value	Online MIS Software	Right to use Navalkhi Jetty	Total
As at April 1, 2016	59.87	-	59.87
As at March 31, 2017	29.93	-	29.93
As at March 31, 2018	0.00	929.80	929.80

United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

7 Non-Current Financial Assets - Investments

(Rs.in Lakhs)

Particulars	No of Shares/ Units	As at March 31, 2018	No of Shares/ Units	As at March 31, 2017	No of Shares/ Units	As at April 1, 2016
Investments						
A.) Investments in Equity instruments of Joint Venture (Equity Method)		-				
USL Lanka Logistic Pvt LTD		-	860,000	38.59	-	-
B.) Investments in Equity shares of other entities (FVTOCI)		-		-		-
Unquoted		-		-		-
Aluminium industries ltd	45,000	4.50	45,000	4.50	45,000	4.50
Great United Energy Pvt. Ltd.	3,600,000	360.00	3,600,000	360.00	3,600,000	360.00
Less: Provision for diminution in value of asset		(360.00)		(360.00)		(360.00)
Investments in Equity instruments of other entities - Quoted (FVTOCI)		-		-		-
Canara Bank Ltd.	5,700	15.04	5,700	17.26	5,700	10.83
Punjab National Bank Ltd.	18,410	17.54	18,410	27.60	18,410	15.59
Abott Laboratories Ltd	1,227	66.91	1,227	56.96	1,227	57.73
GMR Infrastructure Ltd.	50,000	84.25	-	-	-	-
B.) Investments in preference shares (Amortised Cost)						
8.15% L&T Finance Holding Ltd.	100,000	1,000.00	100,000	1,000.00	100,000	1,000.00
7.50% Tata Capital	100,000	1,000.00	50,000	500.00		-
C.) Investments in bonds (Amortised Cost)						
Housing & Urban Development Corporation Ltd.	3,012	30.77	3,012	30.12	3,012	30.12
Units of Indian Railway Fin. Corporation Ltd.	1,176	12.16	1,176	11.76	1,176	11.76
National Bank of Agriculture & Rural Development	1,002	10.04	1,002	10.02	1,002	10.02
National Highway Authority of India	1,542	15.99	1,542	15.42	1,542	15.42
D.) Investments in bonds (FVTPL)						
Capital Guarantee Bonds		13,044.01		15,489.04		7,376.17
E.) Investments in Mutual Funds (FVTPL)						
HDFC FMP 1184D Regular Growth		-	5,000,000	621.24	5,000,000	559.71
HDFC FMP Regular Growth		-	10,000,000	1,265.54	10,000,000	1,172.22
SBI Mutual Fund -SDFS- A 11 385 Days - Reg Growth		-	5,000,000	633.72	5,000,000	589.01
SBI Mutual Fund - SDFS 366 Days 34 Regular Plan Growth		-	-	-	3,000,000	379.96
SBI Mutual Fund - SDFS 366 Days 38 Regular Plan Growth		-	-	-	2,000,000	253.50
Aventus Absolute Return Fund	30,000	312.51		-		-
D.) Other Investments (Amortised Cost)						
Misc Investment		-		0.01		0.01
Total		15,613.73		19,721.77		11,486.55
Aggregate Value of Quoted Investment		13,540.27		18,111.35		10,414.72
Aggregate Value of Unquoted Investment		2,433.46		1,970.41		1,431.82
Provision for impairment		(360.00)		(360.00)		(360.00)



8 Non current - Other Financial Assets

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Security Deposit (i) Unsecured, considered good;	98.53	121.61	143.30
Bank deposits with more than 12 months maturity (Margin Money Deposits)	236.85	1,613.93	1,628.21
Total	335.38	1,735.54	1,771.51

9 Income Tax Assets

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Income Tax Assets	1,028.69	642.60	849.73
	1,028.69	642.60	849.73

10 Others Non-Current Assets

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Capital Advances;	-	169.76	1,112.39
Total	-	169.76	1,112.39



United Shippers Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
11 Inventories
(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Inventories Stores and Spares and Consumables	243.31	352.97	139.04
Total	243.31	352.97	139.04

12 Current Financial Assets - Investments
(Rs.in Lakhs)

Particulars	No of Units/ Shares	As at March 31, 2018	No of Units/ Shares	As at March 31, 2017	No of Units/ Shares	As at April 1, 2016
Investments (FVTPL)						
A.) Investments in capital guaranteed bonds		3,198.71		3,532.51		1,310.81
B.) Investments in Mutual Funds						
Canara Robeco Savings Plus Fund- Regular Growth -FR-GP	5,683,895.41	1,545.22	542,500.64	138.30	701,073.64	165.38
Canara Robeco Liquid - Regular Growth -LI-SG		-	2,092.58	41.15	37,405.87	687.05
Canara Robeco Treasury Advantage Fund- Regular Growth -TA-SG		-	44.43	1.09	25.09	0.58
ICICI Prudential Mutual Fund Banking & PSU Debt Fund- Growth	209,182.89	41.79	209,182.89	39.24	209,182.89	35.34
ICICI Prudential Mutual Fund Savings Fund Growth	7,567.52	19.71	7,567.52	18.51	7,567.52	17.00
Canara Robeco Savind Plus Fund Regular Growth		-	252,418.48	64.35	253,419.46	59.78
Canara Robeco Treasury Advantage Fund -Regular Growth -TA SG		-	2.86	0.07	13.49	0.31
Canara Robeco Savings Plus Fund- Regular Growth -FR-GP		-	1,695,447.28	432.22	1,274,838.10	300.72
ICICI Prudential Flexible Income Plan		-	-	-	35,025.29	100.25
IDFC Arbitrage fund- Dividnd (Regular Fund)		-	-	-	5,972,394.55	752.89
ICICI Prudential Ultra Short Term Plan -Growth	9,846,470.03	1,754.64	6,940,794.09	1,160.69	6,940,794.09	1,062.40
ICICI Prudential Ultra Short Term Plan -Growth	1,297,844.48	226.76	1,297,844.48	217.03		-
ICICI Prudential Equity Arbitrage Fund Regular Dividend		-	-	-	5,443,308.04	748.43
L & T Triple Ace Bond Fund		-	-	-	804,557.01	117.19
Canara Robeco Medium Term Opp.Fund Reg.Gr-MO- GP	80,746.50	11.25	80,746.50	10.67		-
Canara Robeco Yield Advantange Fund- Regular Growth -CY-GP	4,424,830.98	727.19		-		-
HDFC FMP 1184D	5,000,000.00	665.23		-		-
ICICI Prudential FMP -Series 82-103 Days Plan	1,000,000.00	100.64		-		-
Total		8,291.14		5,655.83	-	5,358.13

Aggregate Value of Quoted Investment		8,291.14		5,655.83		5,358.13
Aggregate Value of Unquoted Investment		-		-		-



13 Current Financial Assets - Trade Receivables

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Trade Receivable	8,655.44	9,139.01	5,979.40
Less: Expected Credit Loss	(356.42)	(372.77)	(280.63)
Total	8,299.02	8,766.24	5,698.77

*Trade receivables of subsidiary USL Shipping DMCEST, includes receivable of USD 1,187,709/-from a customer since more than 1 year as on the reporting date. There is no subsequent recovery against this receivable till the date of consolidated financial statements. However, management believes that this amount will be received in full and does not require any provision.

14 Current Financial Assets - Cash & cash equivalents

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Cash & Cash Equivalents			
Balance with banks;	2,940.45	1,900.20	1,673.89
Cheques, drafts on hand;	-	-	-
Cash on hands;	9.21	7.06	19.18
Margin Money deposit with original maturity within 3 months	164.37	-	-
Total	3,114.03	1,907.26	1,693.07

15 Current Financial Assets - Loans

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Loans			
A.) Loans to related parties			
Unsecured, considered good;			
(i) Oricon Properties Pvt Ltd	-	-	2,116.88
B.) Other Loans			
Unsecured and Considered Good			
(i) Loans to employees	5.72	38.64	35.16
Total	5.72	38.64	2,152.04

16 Current Financial Assets -Other Assets

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
A.) Capital Advances;			
B.) Advances other than capital advances;			
a.) Security Deposits			
(i) Unsecured, considered good;	25.52	132.90	129.21
Total	25.52	132.90	129.21

17 Other Current Assets

(Rs.in Lakhs)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Advance to suppliers	571.43	438.08	437.14
Pre-paid expenses	168.23	208.23	294.07
Balance with revenue authorities	145.59	194.10	422.87
Employee benefit plan assets -Leave			121.02
Encashment	133.64	105.34	
Employee benefit plan assets -Gratuity	25.59	22.91	52.48
Total	1,044.48	968.64	1,327.57



United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

18 Equity Share Capital

Authorized

A) Equity Shares of Rs.10 each

	No of Shares	(Rs.in Lakhs)
As at April 1, 2016	8,000,000	800.00
Increase during the year	40,500,000	4,050.00
As at March 31, 2017	48,500,000	4,850.00
Increase during the year	-	-
As at March 31, 2018	48,500,000	4,850.00

B) Preference Shares

	No of Shares	(Rs.in Lakhs)
Preference Shares of Rs. 100 each		
As at April 1, 2016	200,000	200.00
Increase during the year	-	-
As at March 31, 2017	200,000	200.00
Increase during the year	-	-
As at March 31, 2018	200,000	200.00
Preference Shares of Rs. 10 each		
As at April 1, 2015	7,000,000	700.00
Increase during the year	-	-
As at March 31, 2017	7,000,000	700.00
Increase during the year	-	-
As at March 31, 2018	7,000,000	700.00

C) Unclassified Shares

	No of Shares	(Rs.in Lakhs)
As at April 1, 2016	3,000,000	300.00
Increase during the year	-	-
As at March 31, 2017	3,000,000	300.00
Increase during the year	-	-
As at March 31, 2018	3,000,000	300.00

Issued and Subscribed and fully paid up shares of Rs.10/- each

Movement in Equity Share Capital

	No of shares	(Rs.in Lakhs) Equity Share Capital par
As at April 1, 2016	5,029,218	502.92
As at March 31, 2017	4,618,745	461.87
As at March 31, 2018	4,618,745	461.87

Rights, preference and restrictions attached to the shares

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company.

In the event of liquidation, the equity shareholders are entitled to receive remaining assets of Company (after distribution of all preferential amounts) in the proportion of equity shares held by the Shareholders.



Issued

Movement in Equity Share Capital

(Rs.in Lakhs)

Particulars	No of shares	Equity Share Capital par
As at April 1, 2016	5,029,218	502.92
Less: Share bought back during the year	(410,473)	(41.05)
As at March 31, 2017	4,618,745	461.87
Less: Share bought back during the year		
As at March 31, 2018	4,618,745	461.87

The Board of Directors, in their meeting held on May 7, 2018 recommended, a dividend of INR 10 per equity share for the year ended 31 March 2018, subject to the approval of members in the Annual General Meeting. The total dividend outgo shall be aggregating to Rs. 555.92 Lakhs including corporate dividend tax of Rs.94.04 Lakhs.

(i) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder		As at March 31, 2018 No. of share held	As at March 31, 2017 No. of share held	As at April 1, 2016 No. of share held
Oricon Enterprises Limited	% of Holding	2,969,552 64.29%	2,969,552 64.29%	2,969,552 59.05%
Logiscor Ltd	% of Holding	547,297 11.85%	547,297 11.85%	547,297 10.88%
Sujata Parekh Kumar (Parekh Family Trust)	% of Holding	368,647 7.98%	368,647 7.98%	368,647 7.33%

19 Other Equity

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Capital Reserve	0.83	0.83	0.83
Securities premium account	-	-	673.56
Capital Redemption Reserve	865.05	865.05	824.00
General Reserve	5,913.66	5,913.66	7,538.74
Retained Earnings	33,548.59	33,076.72	30,716.25
Through OCI			
Equity Instruments	43.00	62.01	44.35
Foreign Currency Translation Reserve	4,094.00	4,062.93	4,338.07
	44,465.12	43,981.19	44,135.81

(i) Capital Reserve

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Balance	0.83	0.83	
Increase during the year	-	-	
Closing Balance	0.83	0.83	0.83

(ii) Securities Premium account

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Balance	-	673.56	
Increase during the year	-	-	
Less : Premium on buy back	-	(673.56)	



(iii) Capital Redemption Reserve

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Balance	865.05	824.00	
Transfer transferred from profit & loss for buy back u/s 69 of the Companies Act, 2013	-	41.05	
Closing Balance	865.05	865.05	824.00

(iv) General Reserve

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Balance	5,913.66	7,538.74	
Premium on buy back of shares	-	(1,625.08)	
Closing Balance	5,913.66	5,913.66	7,538.74

(v) Retained Earnings

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Balance	33,076.72	30,716.25	
Add :			
Profit And Loss Account-Current year			
Other Comprehensive Income	1,285.52	2,978.48	
tax on Proposed final Equity Dividend w/back on buy back	20.22	(46.62)	
Proposed final Equity Dividend w/back on buy back			
Excess dividend distribution tax written off			
Dividend Paid	(692.81)		
Tax on Dividend	(141.06)		
Less:	-		
Interim dividend	-	-	
Tax on equity dividend	-	-	
Tax on distributed income on buy back (us 115QA)	-	(530.34)	
Transfer to capital redumption reserve	-	(41.05)	
Closing Balance	33,548.59	33,076.72	30,716.25

(vi) Foreign Currency Translation Reserve

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Reserve	4,062.93	4,338.07	
During the year	31.07	(275.15)	
Closing Balance	4,094.00	4,062.93	4,338.07

(vii) Equity Instruments through OCI

(Rs.in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at 1st April, 2016
Opening Reserve	62.01	44.35	
During the year	(19.01)	17.66	
Closing Balance	43.00	62.01	44.35



United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

20 Non-Current Financial Liabilities - Borrowings

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Borrowings			
a.) Bonds and debentures			
b) Term Loans			
(i) from Banks			
Indian rupee loan (Refer Note c)	875.57	970.69	965.80
ECB Loan (Refer Note a and b)	1,260.81	2,267.72	3,530.11
Total	2,136.39	3,238.41	4,495.91

- a. ECB Loan from ICICI Bank are secured against Exclusive charge over the vessel Floating Crane Pontoon Barge - "Uniglorry", assignment of insurance policies of vessel and lien on fixed deposit of Rs. 29.43 Lakhs.
- b. ECB Loan from State Bank of India are secured against Exclusive charge over two barges of the company and Floating Crane Pontoon - "Unipride", assignment of insurance policy of barges and floating crane hypothecated, and lien on fixed deposit of Rs. 163.28 Lakhs.
- c. Rupee Loan from ICICI Bank is secured against Exclusive charge over the floating crane 'Unicrown', assignment of insurance policies of the crane and lien on fixed deposit of Rs. 25 Lakhs. Tenure for the loan is 7 years.

Maturity Profile

(Rs.in Lakhs)

Maturity between April 1 to March 31 of	ECB Loan from Bank	Rupee Term loan from Bank
FY 2019-20	518.71	100.00
FY 2020-21	518.71	162.50
FY 2021-22	259.35	350.00
FY 2022-23	-	287.50
Total	1,296.77	900.00

21 Provisions

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions			
a.) Provisions for Employee Benefits			
- Provision For Gratuity	80.61	72.69	60.89
Total	80.61	72.69	60.89

22 Deferred Tax Liabilities (Net)

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax liabilities			
Property, Plant and Equipment	2,953.77	2,837.15	2,269.89
Investment Measured at FV	165.24	245.63	180.31
Processing Fees	22.29	30.34	38.40
Deferred tax Assets			
Expected Credit Loss	(123.36)	(129.02)	(97.12)
On account of provision for investment	-	-	(124.59)



United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

23 Current Financial Liabilities - Borrowings

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Loans repayable on demands (i) Short Term Borrowings	9,000.09	12,783.72	4,991.42
Total	9,000.09	12,783.72	4,991.42

a) These term loans are secured by investments in bonds held with banks. These term loans are expected to be repaid within 12 months from the dates these loans are withdrawn and bear interest ranging from 1.70% to 2.55% per annum.

24 Current Financial Liabilities - Trade Payables

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade Payables			
a) Total outstanding dues of Micro and small enterprises	-	-	-
b) Total outstanding dues of trade payable other than Micro and small enterprises	3,949.56	3,388.62	2,757.72
Total	3,949.56	3,388.62	2,757.72

25 Current Financial Liabilities - Other Liabilities

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other Financial Liabilities			
a) Current maturities of long-term debts;	1,132.51	1,199.51	588.70
b) Interest accrued but not due on borrowings	14.48	16.86	16.78
c) unpaid dividends;	0.06	0.07	0.08
d) Salary Payable	209.84	197.27	191.25
Total	1,356.89	1,413.72	796.81

26 Other Current Liabilities

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other Current Liabilities			
Statutory Dues	250.49	123.26	76.90
Total	250.49	123.26	76.90

27 Provisions

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions			
Provision for Tax u/s 115QA	-	530.34	-
Total	-	530.34	-

28 Income Tax Liabilities (Net)

(Rs.in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for current tax	-	120.22	8.65



United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

29 Revenue from operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
<u>Rendering of services</u>		
Port Services	6,615.34	23,651.43
Transportation	1,809.45	4,565.86
Supply of tangible goods for services	14.86	75.41
Business Support Service	-	-
Port Service - Sri Lanka Division	248.88	2,194.00
Freight	13,639.31	8,220.43
Goods Transport Service-Road*	4,633.15	-
Leasing / Rental Services (Barges)*	31.96	-
Leasing / Rental Services (Shore Equipments)*	162.68	-
Water Transport Service*	18,123.39	-
Water Transport Service - Sri Lanka Division*	2,007.77	-
Total	47,286.79	38,707.13

* These services were included in port services/ transportation as per classification under service tax regime upto June 30, 2017.

wef. July 1, 2017, these services are classified under GST regime.

30 Other Income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
<u>Interest Income</u>		
Bank Deposits	20.56	31.49
Loans & Advances	646.50	821.26
<u>Dividend received</u>		
Long term investment	0.55	7.45
Short term investment	199.01	213.75
Profit on sale of Property, Plant and Equipment (net)	(99.29)	(16.45)
Profit On sale of Investment	652.68	633.12
Change in fair value measurement	(232.27)	188.73
Other Non operating income	12.37	40.39
Expected Credit Loss reversal	16.35	-
Total	1,214.43	1,919.74

31 Direct Operating Cost

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
Consumption of stores and spares parts	1,251.88	601.53
Vessel Expense	1,869.43	1,794.32
Port Expense	138.86	250.62
Repairs and maintenance	738.88	1,084.73
Dumper & Tipper, Payloader & Excavator Expenses	837.07	978.46
Fuel Charges	7,639.94	6,350.72
Port dues and other expense	3,853.46	2,164.17
Barges and tug hire charges	1,249.46	1,528.21
Machinery Charges	845.02	123.93
Transportation	5,334.96	2,864.69
Railway Freight	2.39	3.65
Demurrage Charges	930.12	306.82
Shortages	326.22	352.11
Stevedoring Charges	541.12	2,493.41
Handling Charges	264.64	1,288.89
Storage Charges	211.33	162.56
Water Charges	76.61	73.92
Security Charges	59.93	54.31
Weightmen Charges	87.61	80.65
Jetty Utilisation Charges	156.08	120.00
Jetty Repairing & Maintenance	3.90	13.15
Insurance	292.66	242.04
Charter Freight Charges	10,927.13	4,689.27
Contract Damages	-	208.60
Bad Debts	-	6.39



32 Employee benefits expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
Salaries and allowances	1,790.19	1,760.44
Contribution to Provident and other funds	196.87	153.15
Staff welfare expenses	18.89	23.81
Managerial remuneration	486.74	604.19
Total	2,492.69	2,541.59

33 Finance costs / Finance Income (Net)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
Finance Costs:		
Interest Expenses		
Interest paid on Term loans	487.68	364.98
Interest paid on Other borrowings	89.95	18.05
Bank & other finance Charges	12.80	37.04
Processing Fees amortised	23.26	23.26
Total	613.70	443.34

34 Depreciation and Amortisation

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
Depreciation	4,255.84	3,679.91
Amortisation	37.75	29.93
Total	4,293.59	3,709.85

35 Other expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
Rent	167.17	148.35
Repairs and maintenance -Building	14.60	4.65
Computer and software expenses	30.98	32.16
Insurance	17.76	32.03
Postage, courier and telephone charges	5.86	5.74
Vehicle Expenses	132.34	136.81
Rates & taxes	81.70	91.51
Director sitting Fees	1.42	2.60
Donation	2.22	2.72
Brokerage & Commission	1.10	1.14
Legal & Professional charges	210.76	180.50
Foreign Exchange Fluctuations	7.70	16.27
Goodwill Impairment	32.12	-
Payment to Auditors	17.00	16.80
Conveyance Expense	24.45	31.07
Travelling expenses	146.24	192.11
Advertisement Charges	11.71	30.59
Miscellaneous expenses	7.21	27.93
Printing & Stationery	19.02	22.95
Corporate Social Responsibility Expensese	110.00	350.00
Communication Expense	54.17	79.60
Office Expense	27.95	31.84
Conference Participation fees	0.48	2.04
Entertainment Expense	3.95	7.91
Gift Expense	6.76	9.32
Books, Periodicals & Subscriptions	1.58	2.08
Amalgamation Expenses	3.97	6.12
Bad Debts	-	2.26
Electricity Charges	31.59	40.79
Interest on late payment of TDS	0.36	0.44
Expected Credit Loss	-	92.14
Total	1,172.17	1,600.46



United Shippers Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018

36 Earning Per Share

Particulars	As at March 31,2018	As at March 31,2017
	(Rs.in Lakhs)	(Rs.in Lakhs)
Profit/(Loss) for the year	1,285.52	2,978.48
Weighted average number of shares for basic profit per	4,618,745	5,024,720
Weighted average number of shares for diluted profit per	4,618,745	5,024,720
Basic earning per Share	27.83	59.28
Diluted earning per Share	27.83	59.28

Basic Profit/(loss) per share is calculated by dividing the Profit/(loss) for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted Profit/(loss) per share are calculated by dividing the Profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.



The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

1. Estimation of useful life of tangible asset and intangible assets

Property, plant and equipment and intangibles represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

2. Estimation of defined benefit obligation

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

3. Estimation of Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

38 Business Combination

During the year, the National Company Law Tribunal, Mumbai (NCLT) vide its order dated June 8, 2017 has approved the scheme of amalgamation of USL Logistics Private Limited, (Formerly Known as USL Coeclerici Logistics Private Limited), the First Transferor Company, USL NMM Logistics Limited, the Second Transferor Company and USL Packaging Limited, the Third Transferor Company, the wholly owned subsidiaries of the Company with United Shippers Limited (USL) the Transferee Company. The scheme was approved by the board on August 10, 2016. The said order was filed with registrar of companies, Mumbai on June 30, 2017.

The appointed date for the Scheme of Amalgamation is 1st July, 2016. However, since the control was existing as on transition date, the effect of merger has been given in the opening balance sheet for accounting purposes.

As this is a business combination of entities under common control, the amalgamation has been accounted using 'pooling of interest' method (in accordance with the approved scheme) as laid down in appendix c of Ind AS 103, Business Combination. Since the control was existing as on the date of transition, the effect of the merger has been given in the opening balance sheet as at April 1, 2016 for accounting purpose.



Particulars	USL NMM Logistics Limited	USL Packaging Limited	USL Logistics Private Limited
Equity and Liabilities			
Share Capital	200.00	300.00	2,901.25
Reserves & Surplus	55.12	(202.65)	2,613.06
Borrowings	-	-	5,106.85
Deferred tax liabilities	-	-	469.24
Trade payables	0.27	0.15	127.79
Current Financial Liabilities	-	-	605.48
Other current liabilities	0.72	-	4.84
Current Provisions	-	-	8.65
Total	256.11	97.50	11,837.17
Property, Plant and Equipment	121.08	25.25	7,767.04
Capital Work-in-progress	-	-	1,453.40
Deferred tax Assets	3.99	-	1.80
Non Current loans and advances	-	1.56	1,345.00
Other non-current assets	-	-	95.95
Current Financial Investments	49.40	55.32	400.00
Inventories	-	-	139.04
Trade Receivables	7.05	-	118.50
Cash and cash equivalents	7.82	0.28	270.41
Current loans and advances	66.77	15.09	240.88
Other current financial assets	-	-	5.14
Total	256.11	97.50	11,837.17

Particulars	Principal Activity	Date of Appointment	Proportion of voting equity interest merged	Consideration Transferred
USL NMM Logistics Limited	Transportation and Logistic	July 1, 2016	100%	-
USL Packaging Limited	Transportation and Logistic	July 1, 2016	100%	-
USL Logistics Private Limited	Transportation and Logistic	July 1, 2016	100%	-

* since this is merger of wholly owned subsidiary with parent company no consideration is transferred.

- (ii) On July 27, 2016; the company entered in to joint venture with USL Lanka Logistic Private Limited and acquired 40% stake. During the year ended March 31, 2018 the company acquired 60% and obtained control for consideration of Rs.53.38 Lakhs.

The fair values of the identifiable assets and liabilities of Lanka Logistic Private Limited as at the date of acquisition were:

Purchase Consideration	(Rs.in Lakhs)
Cash Paid	53.38
Contingent Consideration	-
Total Purchase Consideration	53.38

Particulars	(Rs.in Lakhs)
Cost of 40% of Stake in USL Lanka Logistic	39.63
Consideration paid	53.38
Total	93.01
Net Value of Assets Recognised	
Property, Plant and Equipment	72.41
Current Assets	20.90
Current Liabilities	(10.30)

39 **Navlakhi Jetty Project:**

The Company had entered into an agreement with Gujarat maritime Board (GMB) vide agreement dated 7th October, 1998 and was obtained license to develop, complete, construct, renovate and use existing jetty/wharf including construction of offshore and onshore goods facilities and right to use jetty for 10 years on guarantee of minimum cargo to be handled 4.00 lakhs M.T. p.a. or minimum wharfage of Rs. 120/- lakhs p.a. payable to GMB. GMB had extended the right to use jetty for a further period of 5 years i.e. 23.02.2010, with stipulation of minimum guaranteed wharfage of Rs. 120 lakhs p.a.. The GMB vide letter dated 18/12/2015 had granted extension of the license period for 5 years from 23.02.2015 for the use of 101 M jetty at Navlakhi. As per the latest terms of the agreement, there is stipulation of minimum cargo of 4.00 lakhs tonnes to be handled by the company and if there is a short fall in handling the minimum cargo, then in that case, the company will have to pay additional wharfage at prevailing wharfage rate for the short fall of such minimum guaranteed cargo.

40 Balances of certain debtors, creditors and advances for which confirmations have not been received, are subject to reconciliation / settlement. However the management is of the opinion that the impact on such reconciliation will not be material.

41 During the year, Company has recognised the following amounts in the financial statements as per Indian Accounting Standard 19 "Employees Benefits" issued by the ICAI :

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged off for the year as under :

	For the year ended March 31, 2018	For the year ended March 31, 2017
Employer's Contribution to Provident Fund	105.37	130.70

b) Defined Benefit Plan

The employees' gratuity fund scheme and leave encashment is managed by LIC which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognised in the same manner as gratuity.

The Company's Leave Encashment Scheme is also managed by LIC

Actuarial assumptions	(Rs.in Lakhs) Gratuity (Funded)		(Rs.in Lakhs) Leave Encashment	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate (per annum)	7.50%	7.50%	7.50%	7.50%
Withdrawal Rate	1.00%	1.00%	1.00%	1.00%
Normal Retirement Age	60 Years	60 Years	60 Years	60 Years
Average Future Service	15	19.03	15.00	19.00
Salary Escalation	5.00%	5.00%	5.00%	5.00%

Mortality rate as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 58 year

Table showing changes in present value of obligations :

Present value of obligation as at the beginning of the year	289.98	271.08	122.06	89.05
Current Service Cost	26.95	23.76	13.05	14.78
Interest Cost	20.20	19.83	8.32	6.02
Benefits payments from planned assets	(41.26)	(46.52)	(22.37)	(27.48)
Actuarial (gain)/ loss on obligations	50.17	21.83	(9.90)	39.69
Present value of obligation as at the end of the year	346.04	289.98	111.15	122.06



Table showing changes in the fair value of plan assets :

Fair value of plan assets at beginning of the year	312.89	323.56	227.39	210.06
Employer Contribution	56.27	-	22.37	27.48
Interest Income	24.03	22.52	17.05	15.75
Benefit payments from planned assets	(41.26)	(46.52)		
Benefit payments from employer		-	(22.37)	(27.48)
Remeasurements - Return on Assets	19.71	13.33	0.34	1.58
Fair value of plan assets at year end	371.63	312.89	244.79	227.39

Table showing actuarial gain /loss - plan assets :

Actual return of plan assets	24.03	22.52	17.05	15.75
Expected return on plan assets	23.00	24.00	17.00	16.00
Excess of actual over estimated return on plan assets	1.03	(1.48)	0.05	(0.25)
Actuarial (gain) / loss-plan assets	30.47	8.51	(10.24)	38.11

Actuarial Gain / loss recognised

Actuarial (gain) / loss for the period - Obligation	50.17	21.83	(9.90)	39.69
Actuarial (gain) / loss for the period - Plan assets	(19.71)	(13.33)	(0.34)	(1.58)
Total (gain) / loss for the period	30.47	8.51	(10.24)	38.11
Actuarial (gain) / loss recognized in the period	30.47	8.51	(10.24)	38.11

The amounts to be recognized in Balance Sheet and Statement of Profit and Loss:

Present value of obligation as at the end of the period	346.04	289.98	111.15	122.06
Fair value of plan assets as at the end of the period	371.63	312.89	244.79	227.39
Funded Status	25.59	22.91	133.64	105.34
Net asset / (liability) recognised in Balance Sheet	25.59	22.91	133.64	105.34

Maturity profile of defined benefit obligation :

Year 1	70.63	46.53	32.26	29.93
Year 2	18.74	26.10	15.16	36.33
Year 3	24.90	15.92	12.23	13.28
Year 4	16.01	21.46	9.82	10.61
Year 5	18.85	18.15	9.49	8.22
Year 6	13.66	15.71	7.97	7.68
Year 7	31.57	12.54	9.53	6.50
Year 8	20.44	28.57	7.83	8.12
Year 9	13.52	17.55	6.48	6.14
Year 10	26.69	11.50	7.18	5.32

Investment Details

The company's planned assets are managed by Life Insurance Corporation of India.

Note-1: The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.



42 Commitments and Contingencies

(a) Contingent Liabilities not provided for in respect of :

(Rs.in Lakhs)

Sr No	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i)	Income Tax Matters	2.29	71.75	77.80

(b) Capital Commitments

(Rs.in Lakhs)

Sr No	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	Estimated amount of contracts remaining	304.33	218.83	367.00



43 As required by Ind AS - 24 "Related Party Disclosures"

(i) Name and description of related parties

Relationship	Name of related party
(a) Holding Company	Oricon Enterprise Limited
(c) Joint Venture	USL Lanka Logistic Private Ltd (upto 8th January 2018)
(d) Key management personnel	Mr. S J Parekh (Chairman Cum Managing Director) Mrs. Sujata Parekh Kumar (Jt. Managing Director) Mr. Paras Dhakalia (Director Finance) Captain Dinyar P Karai (Director & CEO) Mr. Rajiv V Merchant (KMP of USL DMCEST) Mr. Nagendra Agarwal (Company Secretary)
(e) Where KPM has controlling interest	Eliaan Trading Company Private Ltd (KMP has controlling interest) Practical Financial Ser Pvt Ltd (KMP has controlling interest)) Sunil Family Trust (Relative of KMP are beneficiary)

Note : List of Related parties are identified by the Company and relied upon by the auditors.

(ii). Nature of transactions - The transactions entered into with the related parties during the year along

	(Rs. in Lakhs)	
Particulars	As at March 31, 2018	As at March 31, 2017
Dividend		
Oricon Enterprise Limited	445.43	-
Interest		
Oricon Properties Pvt. Ltd.	-	50.96
Rent Paid		
Sunil Family Trust	1.05	4.20
Practical Financial Ser. Pvt. Ltd.	8.16	8.16
Purchase of Goods, Services & Facilities		
Eliaan Trading Co. Pvt. Ltd	34.80	35.39
Reimbursement of Expenses		
Sunil Family Trust	0.76	0.57
Practical Financial Ser. Pvt. Ltd.	0.31	0.33
Remuneration to key managerial personnel		
Mr. Sevantilal J. Parekh	124.70	233.72
Mrs. Sujata Parekh Kumar	70.75	70.68
Mr. Rajiv V. Merchant	101.89	105.95
Capt. Dinyar P Karai	92.40	92.40
Mr. Paras Dhakalia	81.58	90.52
Mr. Nagendra Agarwal	48.33	31.84

* The above remuneration excludes provision for gratuity and leave encashment which is provided on an overall basis for the

(iii). Nature of transactions - The transactions entered into with the Holding Company during the year

	(Rs. in Lakhs)	
Particulars	2017-18	2016-17
Final Dividend	445.43	-

(iv) Balances with Related Parties:

	(Rs. in Lakhs)	
Particulars	2017-18	2016-17
Trade payable		
Eliaan Trading Co. Pvt. Ltd	10.09	-
Practical Financial Services Pvt. Ltd.	0.03	-



44 Corporate social responsibility expenses:

(Rs.in Lakhs)

Particulars	for the year ended March 31, 2018	for the year ended March 31, 2017
Gross amount to be spent by the Company	106.83	139.23
Unspent amount of earlier years	3.76	214.53
Amount spent during the year in cash	(110.00)	(350.00)
Unspent amount of current year	0.59	3.76

45 Payment to Auditors (excluding service tax and GST)

(Rs.in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Fees for statutory audit	15.50	14.34
Other Services	-	1.46
Tax Audit Fees	1.50	1.00
	17.00	16.80

46 Segment Information

The Company, subsidiary are in the business of operations of ships, logistic and/or related services incidental to shipping, due to nature of business, risks and return profile: the business of the company, subsidiary and joint venture is considered as a single segment. Under geographical sector within India Revenue is Rs. 31390.82 Lakhs (PY Rs. 28292.70 Lakhs) and out side India is Rs. 15895.97 Lakhs (PY Rs.10414.43 Lakhs).

47 Movement in financial liabilities included under financing activities in statement of cash flows:

(Rs.in Lakhs)

Particulars	Balance as on April 1, 2016	Cash Inflow/(Outflow)	Non Cash Movement		Balance as on March 31, 2017
			Amortisation of	Foreign Exchange	
Non current Borrowings	4,495.91	(1,099.67)	(87.68)	(157.83)	3,238.41
Current Borrowings	4,991.42	7,792.30			12,783.72
Current Maturities of long term debt	588.70	610.81			1,199.51

(Rs.in Lakhs)

Particulars	Balance as on March 31, 2017	Cash Inflow/(Outflow)	Non Cash Movement		Balance as on March 31, 2018
			Amortisation of	Foreign Exchange	
Non current Borrowings	3,238.41	(1,122.32)	(64.41)	(2.96)	2,136.39
Current Borrowings	12,783.72	(3,783.63)			9,000.09
Current Maturities of long term debt	1,199.51	(67.00)			1,132.51



48 Income Tax

a Income Tax Expense

(Rs.in Lakhs)

Particulars	31st March 2018	31st March 2017
Current Tax		
Current Tax expense	565.44	897.38
Deferred Tax		
Increase (decrease) in Deferred tax	33.84	717.23
Total Deferred Tax Expense	33.84	717.23
Total Income Tax Expenses	599.29	1,614.61

(Rs.in Lakhs)

Particulars	31st March 2018	31st March 2017
Profit before tax as per financials	1,885.67	4,494.49
Ind AS adjustment (temporary difference)	-	1,421.56
Profit as per computation	1,885.67	3,072.93
Statutory Tax rate	34.61%	34.61%
Tax at the Indian Statutory tax rate	652.59	1,063.48
Tax deductible		
Dubai profit not taxable in India	53.83	0.15
Srilanka subsidiary loss not allowed	(0.88)	-
Intercompany loss eliminated	19.48	54.30
	-	-
Less : profit of NMM and packaging taxed at zero rate	-	2.15
Less MAT on USL logistics	-	74.13
Less: Diff.between dep.as per books & IT	14.42	(119.98)
<u>Tax effect on amounts non-deductible in calculating taxable income</u>	-	-
a) Dividend ,Interest on tax free bonds	51.95	205.37
b) Amalgamation exp. Allowable	0.70	-
c) Deduction under 80 G & 35AC	19.32	(38.51)
d)rounding off	4.84	(6.04)
Dubai Dividend tax @ 15 %	-	(5.47)
e)on a/c of CSR, Amalg.exp.&loss on sale of assets etc.	(76.49)	-
Income tax expense	565.44	897.38

d Movement in Deferred Tax (asset) / Liability

(Rs.in Lakhs)

Movement in deferred tax assets/ liability	Mat Credit adjustment	Property Plant & Equipment	Financial assets at Fair Value	Others	Total
As at 1st April 2016	(226.94)	2,269.89	180.31	(183.32)	2,039.95
<u>Charged / (Credited)</u>					
- To profit or loss		567.26	65.32	84.65	717.23
- To Other comprehensive income					
- To adjusted against opening balance	(96.45)				(96.45)
As at 31st March 2017	(323.39)	2,837.15	245.63	(98.67)	2,660.72
<u>Charged / (Credited)</u>					
- To profit or loss		116.63	(80.39)	(2.39)	33.84
- To Other comprehensive income					
- To adjusted against opening balance	323.39				-
As at 31st March 2018	-	2,953.77	165.24	(101.06)	3,017.96



49 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables, . The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, investments in Mutual Fund and equity shares and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework.

Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Rs.in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2018				
Borrowings	11,136.48	9,000.09	2,136.39	11,136.48
Trade payables	3,949.56	3,949.56	-	3,949.56
Other financial liabilities	1,356.89	1,356.89	-	1,356.89
As at March 31, 2017				
Borrowings	16,022.13	12,783.72	3,238.41	16,022.13
Trade payables	3,388.62	3,388.62	-	3,388.62
Other financial liabilities	1,413.72	1,413.72	-	1,413.72
As at April 1, 2016				
Borrowings	9,487.33	4,991.42	4,495.91	9,487.33
Trade payables	2,757.72	2,757.72		2,757.72
Other financial liabilities	796.81	796.81		796.81



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 equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. Price Risk		
<p>The group is mainly exposed to the price risk due to its investment in equity instruments and mutual fund. The price risk arises due to uncertainties about the future market values of these investments.</p> <p>The price risk arises due to uncertainties about the future market values of these investments.</p> <p>(i) As at 31st March 2018, the investment in equity amounts to 188.24lakhs (31st March 2017: 106.31 lakhs and 1st April 2016 : 88.66 lakhs)</p> <p>(ii) As at 31st March 2018, the investment in mutual fund amounts to 5404.94 Lakhs (31st March 2017: 4643.81 lakhs and 1st April 2016 7001.70 lakhs)</p> <p>(iii) As at 31st March 2018, the investment in capital guarantee bonds amounts to 16242.72Lakhs (31st March 2017: 19021.55lakhs and 1st April 2016 8686.98 lakhs)</p>	<p>In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.</p> <p>The use of any new investment must be approved by the Director Finance.</p>	<p>As an estimation of the approximate impact of price risk investments in equity instruments, the company has calculated the impact as follows.</p> <p>(i) For equity instruments, a 10% increase in prices would have led to approximately an additional gain of Rs.18.8 Lakhs for year ending March 2018 (Rs.10.6lakh for year ending March 2017) in other comprehensive income. A 10% decrease in prices would have led to an equal but opposite effect.</p> <p>(ii) For mutual fund, a 10% increase in prices would have led to approximately an additional gain of Rs.540.4 lakh for year ending March 2018 (Rs.464.38 lakh lakh for year ending March 2017) in profit and loss. A 10% decrease in prices would have led to an equal but opposite effect.</p> <p>(iii) For capital guarantee bonds, a 10% increase in prices would have led to approximately an additional gain of Rs.1624.2 lakh for year ending March 2018 (Rs.1902.15 lakh lakh for year ending March 2017) in profit and loss. A 10% decrease in prices would have led to an equal but opposite effect.</p>
2. Interest Rate Risk		
<p>Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.</p> <p>1)Libor :- Group has Foreign currency loan with Banks amounting to Rs. 1260.81 lakh as at March 31, 2018 (Rs. 2267.72 lakh as at March 31st , 2017 & Rs. 3530.11 lakh as at April 1, 2016).</p> <p>2) INR :- Group has Indian Rupee loan from banks amounting to Rs. 875 lakh as at March 31st, 2018 (Rs. 970 lakh as at March 31st , 2017 & Rs.965 lakh as at April 1, 2016).</p> <p>3) The group has short term borrowing from bank of Rs.9000 lakhs which is to be repaid within 12 months from the dated when these loans are withdrawn. (Rs. 12783.72 lakhs as at March 31, 2017 and Rs. 4991.41 lakhs as at April 1, 2016)</p>	<p>In order to manage its interest rate risk The Company diversifies its portfolio in accordance with the risk management policies.</p>	<p>1) Libor :- A 0.25 increase in interest rates would have led to approximately an additional Rs. 7.74 lakh loss for year ended March 31st, 2018 (Rs.10.25 lakh loss for year ended March 31st 2017) due to additional interest cost. A 0.25% decrease in interest rates would have led to an equal but opposite effect.</p> <p>2) INR :- A 0.25% increase in interest rates would have led to approximately an additional Rs. 0.25 lakh loss for year ended March 31, 218 (Rs.2.5 lakh loss for year ended March 31st 2017 & Rs. 9.65 lakh as at 31st March, 2016) due to additional interest cost. A 0.25% decrease in interest rates would have led to an equal but opposite effect.</p> <p>3)Short Term Loans: A 0.25% increase in interest rates would have led to approximately an additional Rs. 20.93 lakhs loss for year ended March 31, 2018 (Rs.22.78 lakh loss for year ended March 31st 2017)due to additional interest cost. A 0.25% decrease in interest rates would have led to an equal but opposite effect.</p>



Group has Fixed deposits with Banks amounting to Rs.401.22 lakh as at March 31st, 2018 (Rs.1613.93 lakh as at March 31st, 2017 and 1628.20 lakh as at March 31, 2016).
Interest Income earned on fixed deposit for year ended March 31st, 2018 is Rs. 20.56 lakh (Rs. 31.49 lakh at March 31, 2017)

Fixed Deposits with banks have fixed interest rate. Hence are not subject to interest rate risk

3. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities, borrowings and the company's net investments in foreign subsidiaries.

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which the company is exposed to risk are USD.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract and interest rate swap.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs. is given below

(Rs.in Lakhs)

Nature of Transaction	Currency	Equivalent INR in lakhs
Borrowings	USD	2,333.31
Payables	USD	2,364.41
Receivables	USD	369.54
Investment in subsidiaries	USD	270.19



51 Capital management

Management of Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivables :

Company's exposure to credit risk primarily arises on account of its Trade receivables. Trade receivables consist of few of customers spread across diverse geographical areas. A default on a trade receivable is considered when the customer fails to make contractual payments within the credit period. This credit period has been determined by considering the business environment in which the Company operates. The Company considers dealing with creditworthy customers, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Provision for expected credit loss

The Company provides for expected credit loss on trade receivables based on a provision matrix. This matrix is a simplified basis of recognition of expected credit losses in case of trade receivables. The model uses historical credit loss experience for trade receivables i.e. this model uses aging analysis of trade receivables as at the reporting date and is based on the number of days that a trade receivables is past due. Receivables that are more than 3 years old are considered uncollectible. Further, customers declaring bankruptcy or failing to engage in repayment plan with the Company, 100% provisioning is made i.e. such customers do not form part of this impairment exercise and provided for separately.

Reconciliation of Trade Receivables

	(Rs.in Lakhs)		
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Gross Amount of trade receivables	8,655.44	9,139.01	5,979.40
Less: Expeced Credit Loss	(356.42)	(372.77)	(280.63)
Carrying amount of trade receivables	8,299.02	8,766.24	5,698.77

Capital Management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity

holders. The primary objective of the Company's capital management is to maximize the shareholder value.

	(Rs.in Lakhs)		
Particulars	31-Mar-18	31-Mar-17	1-Apr-16
Borrowings	11,136.48	16,022.13	9,487.33
Current Maturities of Long Term Borrowings	1,132.51	1,199.51	588.70
Less : Cash and Cash equivalents	(3,114.03)	(1,907.26)	(1,693.07)
Total Debt	9,154.96	15,314.38	8,382.96
Equity	44,926.99	44,443.06	44,638.73
Total Capital	44,926.99	44,443.06	44,638.73
Capital and Total debt	54,081.95	59,757.45	53,021.70
Gearing ratio	0.20	0.34	0.19



52 Fair Value Measurement

(Rs.in Lakhs)

Particulars	March 31, 2018			March 31, 2017			April 1, 2016		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
1) Financial Assets (Current & Non Current)									
I) Investments									
A) Equity Instruments excluding equity shares of joint venture		188.24			106.32			88.66	
B) Mutual funds	5,404.94			4,643.81			7,001.72		
C) Debentures & Bonds	16,242.72		68.96	19,021.55		67.32	8,686.99		67.32
F) Preference Shares			2,000.00			1,500.00			1,000.00
II) Trade receivables			8,299.02			8,766.24			5,698.77
III) Cash and Cash equivalents			3,114.03			1,907.26			1,693.07
IV) Loan			5.72			38.64			2,152.04
V) Other receivables			360.90			1,868.44			1,900.71
Total financial assets	21,647.66	188.24	13,848.63	23,665.36	106.32	14,147.90	15,688.70	88.66	12,511.92
2) Financial liabilities (Current & Non Current)									
I) Borrowings									
A) From Banks			11,136.48			16,022.13			9,487.33
I) Trade payables			3,949.56			3,388.62			2,757.72
II) Other liabilities			1,356.89			1,413.72			796.81
Total Financial liabilities	-	-	16,442.93	-	-	20,824.47	-	-	13,041.87



53 Fair value hierarchy

Fair Value Hierarchy and valuation technique used to determine fair value

A) As at 31st March 2018

Financial Assets measured at Fair Value - recurring fair Value measurements at 31-03-2018	Level 1	Level 2	Level 3
Financial instrument measured at FVTPL			
Mutual Fund	5,404.94		
Capital Guaranteed Bonds	16,242.72		
Financial instrument measured at FVTOCI			
Equity Instrument	188.24		-
Total	21,835.91		-

B) As at 31st March 2017

Financial Assets measured at Fair Value - recurring fair Value measurements at 31-03-2017	Level 1	Level 2	Level 3
Financial instrument measured at FVTPL			
Mutual Fund	4,643.81		
Capital Guaranteed Bonds	19,021.55		
Financial instrument measured at FVTOCI			
Equity Instrument	106.32		-
Total	23,771.68		-

C) As at 1st April 2016

Financial Assets measured at Fair Value recurring fair Value measurements at 31-03-2016	Level 1	Level 2	Level 3
Financial instrument measured at FVTPL			
Mutual Fund	7,001.72		
Capital Guaranteed Bonds	8,686.99		
Financial instrument measured at FVTOCI			
Equity Instrument	88.66		-
Total Financial Assets	15,777.36	-	-

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes equity instruments and mutual funds that have a quoted price. The mutual funds are valued using the closing NAV and equity instruments are valued at share price as at reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.



United Shippers Limited

54 Reconciliations as per Ind AS 101

A) Reconciliation of total equity as at April 1, 2016

(Rs.in Lakhs)

Particulars	Note No.	As at April 1,2016
Total equity under previous GAAP		44,364.67
Previous Year Impact		-
Adjustments:		-
Dry Dock	1	-
Non Current Investment measured at fairvalue	4	454.39
Current investments measured at fair value	4	66.60
Equity instruments measured at fair value	4	44.35
Processing Fees	3	110.94
Expected Credit Loss	2	(280.63)
Deferred Tax Impact on above		(121.59)
Total adjustment to equity		274.06
Total equity under Ind AS		44,638.73

B) Reconciliation of profit for the year ended March 31, 2017

(Rs.in Lakhs)

Particulars	For the period ended 31.03.2017
Net Profit as per IGAAP	2,024.10
Adjustments During the year:	-
Remeasurement of defined benefit plans;	46.62
Non-current investments measured at fair value	66.10
Current investments measured at fair value	122.63
Processing Fees	(23.26)
Dry Dock	1,486.43
Depreciation	(171.52)
Expected Credit Loss	(92.14)
Deferred Tax Impact	(480.47)
Total adjustment to equity	954.38
Net Profit as per IND-AS	2,978.49
Other Comprehensive Incomes	
(i) remeasurement of defined benefit plans;	(46.62)
(ii) Equity Instruments through OCI;	17.66
(iii) FCTR	(275.15)
Total of Other Comprehensive Incomes	(304.11)



United Shippers Limited

C) Reconciliation of total equity as at March 31, 2017 (Rs.in Lakhs)

Particulars	Note No.	As at 31.03.2017
Total equity under previous GAAP		43,243.58
Previous Year Impact		274.06
Adjustments:		
Dry Dock	1	1,314.91
Non Current Investment measured at fairvalue	4	66.10
Current investments measured at fair value	4	122.63
Equity instruments measured at fair value	4	17.66
Processing Fees	3	(23.26)
Expected Credit Loss	2	(92.14)
		-
Deferred Tax Impact on above		(480.47)
Total adjustment to equity		1,199.49
Total equity under Ind AS		44,443.06



United Shippers Limited

D) Reconciliation of Statement of Profit & Loss as at March 31, 2017

(Rs.in Lakhs)

Assets	Note No.	March 31, 2017		
		Previous GAAP	Ind-AS Adjustments	Ind - AS
Income				
Revenue from Operation		38,707.13	-	38,707.13
Other Income		1,731.01	188.73	1,919.74
Total Income		40,438.14	188.73	40,626.87
Expenses				
Other Direct cost		29,323.57	(1,486.43)	27,837.15
Employee benefits expense		2,588.21	(46.62)	2,541.59
Finance Cost		420.08	23.26	443.34
Depreciation		3,538.33	171.52	3,709.85
Other Expenses		1,508.31	92.14	1,600.46
Total Expenses (II)		37,378.50	(1,246.12)	36,132.38
Profit / (loss) before exceptional items and income tax (I-II)		3,059.64	1,434.85	4,494.49
Exceptional item (net of tax)		-	-	-
Profit / (Loss) before tax (III - IV)		3,059.64	1,434.85	4,494.49
Tax expense				
Current tax		897.38	-	897.38
MAT Credit entitelment		(96.45)	-	(96.45)
Current Tax for earlier years		-	-	-
Deferred Tax		236.76	0.00	717.23
Profit/(loss) for the year		0.02	0.01	2,976.34
Share of Joint Venture		0.00	-	2.14
Other Comprehensive Income				
(i) remeasurement of defined benefit plans;		-	(46.62)	(46.62)
(ii) Changes in fair value of FVOCI equity instruments;		-	17.66	17.66
(iii) Exchange differnces in translating to financial statements of a foreign operation;		-	(0.00)	(275.15)
Other comprehensive income for the year after tax		-	(0.00)	(304.11)
Total comprehensive income for the year		0.00	0.00	2,674.37



4 Fair Value of Investment

Under the previous GAAP, investment in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments are valued at cost less provision for other than temporary decline in the value of such investments and current investments were carried at lower of cost and market value at balance sheet date. Under Ind AS, same are required to be fair valued and subsequently to be measured at Fair value through P&L/ OCI. Consequent to above, the company has fair valued its investments in equity instruments through OCI and mutual fund through Profit and Loss which has resulted in increase in total equity by Rs. 771.72 lakh as at 31st March 2017 and Rs. 565.34 lakh as at April 1, 2016.

5 Deferred Tax

Under Ind AS, deferred taxes are required to be recognised using the Balance Sheet approach for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases.

Consequent to Ind AS adjustments relating to the carrying amount of assets and liabilities the company has recognised corresponding effects of these adjustments on deferred taxes. Accordingly, the total equity as at 31 March 2017 is decreased by Rs. 602.05 lakh (1 April 2016 – Rs. 121.59 lakh) with corresponding adjustment of ` 121.58 lakh to retained earnings as at April 1, 2016 and profit for the year ended 31 March 2017 is decreased by Rs. 480.46 lakhs.

6 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 decreased by Rs. 46.62 lakh.

7 Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and change in fair value of equity instrument. The concept of other comprehensive income did not exist under previous GAAP.



56 Goodwill on Consolidation

Particulars	(Rs.in Lakhs)
	Amount
Opening Balance as on 01.04.2016	491.82
Add: Stamp duty paid on intra group share transfer	9.88
Balance as on 31.03.2017	501.69
Less: Impairment of Goodwill	32.12
Balance as on 31.03.2018	469.58

57 Overall Principles used in first time adoption:

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below.

58 First time adoption of Ind AS

These are the Company's first Standalone Financial Statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2016. These Financial Statements for the year ended 31st March, 2018 are the first Financial Statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Company prepared its Financial Statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS Financial Statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Financial Statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2016, the date of transition to Ind AS.

In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

The accounting policies set out in Note 3 have been applied in preparing the Financial statements for the year ended March 31, 2018 and March 31, 2017.

Exemptions and exceptions availed :

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2016.

A.1 Ind- AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.



A.1.2 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated instead have been accounted as per previous GAAP. The Company has applied same exemption for investment in joint ventures.

A.1.3 Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity instruments of entities other than investment in joint ventures which are accounted as per equity method.

A.1.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

A.1.5 Long term foreign currency monetary item

IND AS 101 allows a first time adopter to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The company has elected this item for long term foreign currency monetary item.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of financial asset has been based on the facts and circumstances that exist at the date of transition to Ind AS.

