

BY COURIER



**SHAHI SHIPPING LIMITED**

404, Abhay Steel House, Baroda Street, Mumbai - 400 009. India.  
Tel : 91 (22) 61454545 / 23487340 / 41 / 42 Fax : 91 (22) 23487350, 23487349  
Website : [www.shahilogistics.com](http://www.shahilogistics.com)

Orient Press Ltd. Tel. : 4028 5688



**SHAHI SHIPPING LIMITED**

*....connecting ports*

Since 1985



**ANNUAL REPORT 2014- 2015**





**Sarvesh Kumar Shahi**  
**Chairman & Managing Director**



**25<sup>TH</sup> ANNUAL REPORT 2014 - 2015**  
**SHAHI SHIPPING LIMITED**  
**(Formerly known SKS Logistics Limited)**

**Board of Directors**

Sarvesh Kumar Shahi    Managing Director  
Hema Thakur            Director  
V I Shivaraman        Additional Director (w.e.f. 25/04/2015)  
Lavina C Kripalani     Additional Director (w.e.f. 25/04/2015)

**Statutory Auditors**

M/s. N. D. Heda & Co.  
Chartered Accountants

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**Registered Office**

404, Abhay Steel House,  
Baroda Street,  
Mumbai - 400 009  
Tel.: 91 (22) 61454545 / 23487340/41/42  
Fax: 91 (22) 23487349 / 50  
*Website: www.shahilogistics.com*  
E-mail: shahi@bom3.vsnl.net.in

**CORPORATE OFFICE**

Shahi Marine House  
Plot No. 11 & 11/1, Sector-26  
Near Grain Market, Vashi,  
Navi Mumbai - 400 703  
Tel.: 2784 3047-49 / 2784 3051-53  
Fax: 91 (22) 2784 3041 & 2784 3044

**Registrar & Share Transfer Agent**

System Support Services  
209, Shivai Industrial Estate,  
89, Andheri Kurla Road,  
Sakinaka, Mumbai - 400 072  
Tel.: 2850 0835 / 3940  
Fax: 2850 1438  
E-mail: zip@sysss.com





## NOTICE

**Notice** is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Shahi Shipping Limited (Formerly Known SKS Logistics Limited) will be held at the registered office of the Company at 404, Abhay Steel House, 4<sup>th</sup> Floor, Baroda Street, Mumbai- 400 009 on Tuesday the September 29, 2015 at 10.00 a.m. to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2015 and statement of Profit and Loss for the year ended on that date, the Reports of Directors and Auditor's thereon.
2. To consider and if thought fit, to pass, the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of section 139, 142 and Audit and Auditors Rules, 2014, (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. N. D. Heda & Co, Chartered Accountants, Mumbai (Registration number 103604W with the Institute of Chartered Accountants of India), who have offered themselves for re appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rule 4 of the rules, be and is hereby re-appointed as Statutory Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the Twenty Seventh Annual General Meeting of the Company on such remuneration as may be agreed upon by the Audit committee/ Board of Directors in consultation with the Auditors”.

### Special Business:

3. **Appointment of Ms. Lavina C. Kripalani (DIN 07167579) as an Independent Director of the Company.**

*To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** Ms. Lavina Chatur Kripalani (DIN 07167579), who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 25,2015 under Section 161(1) of the Companies Act (“the Act”) and The Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Ms. Lavina Chatur Kripalani for the office of Director be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement. Ms. Lavina Chatur Kripalani (DIN 07167579), who has submitted a declaration that she meets the criteria of Independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director of the Company to hold the office for a term of five (5) consecutive years for a term upto April 24, 2020.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects”.

4. **Appointment of Mr. Venkatasubramanian Iyer Shivaraman (DIN 07165080) as an Independent Director of the Company.**

*To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** Mr. Venkatasubramanian Iyer Shivaraman (DIN 07165080), who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 25,2015 under Section 161(1) of the Companies Act (“the Act”) and The Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. Venkatasubramanian Iyer Shivaraman for the office of Director be and is hereby appointed as a Director of the Company.



**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Act, The Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement. Mr. Venkatasubramanian Iyer Shivaraman (DIN 07165080), who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director of the Company to hold the office for a term of five (5) consecutive years for a term upto April 24, 2020.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects”.

5. **Payment of managerial remuneration to Mr. Sarvesh Kumar Shahi (DIN 00359535) as Managing Director of the Company.**

*To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:*

“**RESOLVED THAT** pursuant to the provisions of sections 196 and 197 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 and Companies ( Appointment & remuneration of Managerial Personnel) Rules, 2014, Listing agreement of the stock exchanges including any other laws, rules etc as may be applicable from time to time and any statutory amendment by way of addition, deletion, modification, clarification, circular, notification etc thereto from time to time, and also subject to approval of any other authorities, if any, the consent of the members be and is hereby accorded for payment of remuneration to Mr. Sarvesh Kumar Shahi, Managing Director of the Company ( DIN-00359535) ₹ 42,00,000 (Rupees Forty Two Lacs) per annum with effect from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2017( Two years) excluding exempted perquisites and allowances, if any, which will not be included in calculating managerial remuneration as specified in Schedule V of the Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors / Nominations and Remuneration Committee be and is hereby authorised to alter and vary any such terms and conditions of the said appointment and remuneration or revise the remuneration in such manner as may be acceptable to between the Board and Mr. Sarvesh Kumar Shahi, subject to the same not exceeding limit or ceiling specified in Schedule V to the Companies Act, 2013 (or any statutory modifications or re- enactment thereof) and the agreement entered into, if any, between the Company and Mr. Sarvesh Kumar Shahi shall be suitably amended to give effect to such modification, relaxation or variation.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects”.

6. **Withdrawal of resolution towards Payment of managerial remuneration to Mr. Sarvesh Kumar Shahi (DIN 00359535) as a Managing Director of the Company.**

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*

“**RESOLVED THAT** with respect to an Ordinary Resolution passed at the Extra Ordinary General meeting of the members which was held on February 14, 2015, being approved by the members but was subject to central government approval and in respect of which central government was not needed pursuant to the provisions of the Companies Act 2013 and the Rules made there under, consent of members be and is hereby accorded for withdrawal of the said resolution as approved by members to cancel effect of ‘subject to central government approval’ forming part of that resolution for payment of managerial remuneration to Mr. Sarvesh Kumar Shahi (DIN 00359535) as Managing Director of the Company for the FY 2014-15.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects”.

7. **Ratification of Remuneration paid to Mr. Sarvesh Kumar Shahi (DIN 00359535), Managing Director of the Company for the Financial Year 2014-15.**

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*



“**RESOLVED THAT** pursuant to the provisions of the 197 of the Companies Act 2013 (“the Act”) and such other applicable provisions, if any, of the Act and rules made thereunder read with Schedule V (including provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the extent applicable), read with resolution proposed at Sr. 6 , of this meeting, consent of members granted towards ratification of remuneration paid to Mr. Sarvesh Kumar Shahi, Managing Director, (DIN: 00359535) of the Company be and is hereby accorded in respect of financial year 2014-15, as said remuneration of ₹ 42, 00,000 ( Rupees Forty Two Lacs) is within the limits prescribed under Schedule V of the Companies Act, 2013.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution.”

By order of the Board of Directors

Sarvesh Kumar Shahi  
Chairman and Managing Director  
(DIN: 00359535)

**Registered Office:**

404, Abhay Steel House,  
Baroda Street,  
Mumbai – 400 009

Place: Mumbai

Date: August 14, 2015

**Notes**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the business under Item Nos. 3 to 7 of the Notice, is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors under Items No.3 and 4 of the Notice, are also annexed.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.  
  
The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Transfer Books of the Company will be closed from Friday, September 25, 2015 to Tuesday, September 29, 2015, both days inclusive.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company’s records which will help the Company and the Company’s Registrars and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar.
5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar for assistance in this regard.
6. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.



7. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
9. Transfer of Unclaimed / Unpaid Dividend to the Investor Education and Protection Fund (IEPF):  
In terms of the provisions of Section 123 of the Companies Act, 2013 the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 was transferred to the IEPF in July, 2015. The unclaimed dividend in respect of financial year 2007-08 is in the process of being transferred to the IEPF in accordance with the provisions of Section 123 of the Companies Act, 2013.  
Unclaimed dividend for the year(s) 2007-08, 2010-11, 2011-12 are held in separate Bank accounts and Members who have not encashed their dividend warrants in respect of the above period are requested to make their claim(s) by surrendering the unencashed warrants immediately to the Company.
10. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Registrar / Depositories.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the clause 35B of the listing agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.
13. Mr. Rahul Padmakar Sahasrabuddhe, M/s. Rahul Padmakar Sahasrabuddhe & Associates, Practicing Company Secretaries (Membership No. F6254) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
14. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
15. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
16. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
17. The instructions for e-voting are as under:
  1. The procedure and instructions for the voting through electronic means is, as follows:
    - i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
    - ii. Click on "Shareholders" tab.
    - iii. Now, select the "Shahi Shipping Ltd/ (SKS Logistics Ltd)" from the drop down menu and click on "SUBMIT"
    - iv. Now, enter your User ID
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
      - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- vii. Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- xix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant < Shahi Shipping Ltd/ (SKS Logistics Ltd)> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.





- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) .
2. The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.
  3. E-voting period will commence from 26<sup>th</sup> September, 2014 at 9:00 a.m. and will end on 28<sup>th</sup> September, at 5.00 p.m.
  4. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.  
The Results shall be declared on or after the date of General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.shahilogistics.com> and on the website of CDSL within two (2) days of passing of the resolutions at the Annual general Meeting of the Company.
  5. The cut-off date for the purpose of E-voting is on Friday, 18<sup>th</sup> September, 2015. The Voting rights of members shall be in proportion to their equity shareholding in the paid up equity share capital of the company as on cut-off date.
18. Details of the Director seeking re-appointment at the forthcoming Annual General Meeting in pursuance of Clause 49 of the Listing Agreement.

1	Name of the Director	Ms. Lavina Chatur Kriplani	Mr. I V Shivaraman
2	Date of Birth	09 <sup>th</sup> December 1970	03 <sup>rd</sup> August 1949
3	Experience in specific functional area and Position held	Legal	Legal
4	Qualification	B.com , LLB	B.com, LLB, Diploma in Business Management
5	Directorship in other Companies (excluding Private and Foreign Companies)	Nil	Nil
6	Chairmanships / Memberships of Committee across other Companies	Nil	Nil
7	Shareholding of Non Executive Directors	Nil	Nil
8	Relationships between Directors interested	Nil	Nil

By order of the Board of Directors

S K SHAHI  
Chairman and Managing Director  
(DIN: 00359535)

Place: Mumbai

Date: 14<sup>th</sup> August 2015.

Registered Office:  
404, Abhay Steel House,  
Baroda Street,  
Mumbai – 400 009



## Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013

### Item No. 3 and 4

The Board had appointed Ms. Lavina Chatur Kriplani and Mr. I.V. Shivaraman as an additional Director with effect from April 25, 2015.

The Company have received a notice from the shareholder proposing the candidature of Ms. Lavina Chatur Kriplani and Mr. I.V. Shivaraman as an independent directors.

As per the provisions of Section 149(4) which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The Nomination and Remuneration Committee has recommended the appointments of these Directors as Independent Directors for a period of five years.

The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made thereunder for appointment as Independent Directors.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office of the Company on all working days, during business hours upto the date of the Meeting.

The Board commends the Ordinary Resolutions set out at Items Nos. 3 and 4 of the Notice for approval by the Members.

The above Independent Directors are interested in the Resolutions mentioned at Item Nos. 3 and 4 of the Notice with regard to their respective appointments. Other than the above Independent Directors, no other Director, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, in the Resolutions mentioned at Items Nos.3 and 4 of the Notice.

### Item No 5

Mr. Sarvesh Kumar Shahi was re-appointed as the Managing Director of the Company for a period of 3 years with effect from 1st April 2014 to 31<sup>st</sup> March 2017 at extra ordinary general Meeting held on February 14, 2015.

Mr. S. K. Shahi, is presently heading Shahi Shipping Limited (formerly known as SKS Logistics Ltd.). He has ventured in shipping business, way back in 1985 and established the Company in 1990. Being Managing Director of the Company since 26/10/1990, he has laid success story for the Company's business from its inception. He is being promoter of the Company has taken utmost care to maintain company's business moving forward all these years.

Mr. S. K. Shahi (DIN 00359535), aged 57, has wide experience and knowledge of shipping industry. He has successfully completed training a 'Cadet Officer' in 1976-77, on Training Ship "Rajendra". He has also completed training course in 'Container Distribution' with Cambridge University, London in 1991. He has completed training course on managing with Small Scale Industries. Mr. S.K. Shahi is also conducting training program in the field of shipping and logistics. He is regular speaker at various seminar and national and international conferences in field of shipping management.

He was member of National Shipping Board, Director on Indian National Ship Owner's Association (INSA), President of Indian Barge Owners Association and Trustee of Mormugao Port Trust, Goa.

Considering notable contributions of Mr. S. K. Shahi as Chairman and Managing Director and more particularly during the challenging times, the prevailing managerial remuneration in the industry for dynamic personality like that of Mr. S. K. Shahi, it is also proposed to pay remuneration of ₹ 42 Lacs per annum with such additional perquisites and retirement benefit, expressly permitted by Schedule V of the Companies Act, 2013 and the details of which set out in the resolution at item No. 5 of the Notice.





The Board of Directors at its Meeting held on 14<sup>th</sup> August 2015 and on the basis of recommendation of the Remuneration Committee (since re-named as Nomination and Remuneration Committee) approved the remuneration payable to Mr. S.K. Shahi from 1st April, 2015 to 31<sup>st</sup> March 2017. The material terms of revision of remuneration of Mr. S.K. Shahi are as under:-

- 1) Salary: ₹ 3,50,000/- per month with an authority to the Remuneration Committee (since re-named as Nomination and Remuneration Committee) and the Board of Directors to vary and/or fix in its absolute discretion the salary/perquisites payable to Mr. S.K. Shahi within the limit specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any amendment or modifications or re-enactment thereof
- 2) All other existing terms and conditions will remain unaltered.

**Disclosures:** The relevant disclosure as to remuneration package of Mr. S.K. Shahi has been referred in resolution and explanatory statement. Mr. S.K.Shahi holds 20,01,151 equity shares in dematerialized and in physical mode, in the Company.

Save and except Mr. Sarvesh Kumar Shahi and his relative, to the extent of their shareholding interest, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5, of the Notice.

#### **Item No. 6 and 7**

Pursuant to the provisions of sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Companies (Appointment & remuneration of Managerial Personnel) Rules, 2014, an Ordinary Resolution was passed by the members for payment of Remuneration to Mr. S K Shahi for Financial year 2014-15 at the extra ordinary general meeting held on February 14, 2015. The said resolution was passed as "Subject to Central Government" which was a mistake in terms of interpretation of New Companies Act. The proposed resolution to nullify the same mistake and seek members approval for ratification/ confirmation of remuneration paid within the limits prescribed under Schedule V, of the Companies Act, 2013 read with the rules made there under, consent of members is hereby sought for withdrawal of the said resolution passed at the Extra Ordinary general Meeting held on February 14, 2015 and ratify the same resolution by seeking cancellation of word '**subject to central government approval**'.

The resolution contained in Item no. 7 of the accompanying Notice accordingly, seek members' approval for ratification of remuneration of Mr. S.K.Shahi Managing Director of the Company for the financial year 2014-15.

Save and except Mr. Sarvesh Kumar Shahi and his relative, to the extent of their shareholding interest, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.6 and 7, of the Notice.



## DIRECTORS' REPORT

### To the members,

Shahi Shipping Limited

(Formerly known as SKS Logistics Limited)

The directors submit annual report of Shahi Shipping Limited (the "Company") along with the audited financial statements for the financial year ended March 31, 2015.

### 1. Financial results

Particulars	2014-2015 ₹ In Lacs	2013-2014 ₹ in Lacs
Profit Before Interest, Depreciation & Tax	260	150
Less: Interest and Finance Charges	244	290
Less: Provision for Depreciation	390	321
Profit/(Loss) before Tax	<b>(374)</b>	<b>(461)</b>
Less: Provision for Taxation:		
Current Tax	2	1
Deferred Tax	(32)	(111)
Profit/(Loss) After Tax	<b>(344)</b>	<b>(351)</b>

### 2. Dividend

In view of the losses incurred during the year under review, your Board of Directors has not recommended any dividend.

### 3. Company's performance

Income from operations during the current year was ₹ 18.44 Crore as against ₹19.40 Crore in the previous year. The decline in income was about 4.95% as compared to the previous year. During year under review, finance cost was further reduced to ₹ 2.44 Crores from ₹2.90 Crores. Your company continues with its task to rebuild business with long term goals based on its intrinsic strength in terms of its strong brand, quality of service, customer relationships and streamlining operations.

### 4. Human resource development

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### 5. Subsidiary companies

The Company has two subsidiaries, namely SKS waterways Ltd. & Royal Logistics (Ship) Ltd. which has not yet started their operations. Hence, the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS waterways Ltd, Royal Logistics (Ship) Ltd has not been prepared.

### 6. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;





- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15

## **7. Directors and key managerial personnel**

The Board approved the appointments of Mr. Venkatasubramanian Iyer Shivaraman and Ms. Lavina Chatur Kripalani as an Independent director of the Company, who will hold the office upto the date of ensuing Annual General Meeting and who have offered themselves for appointment.

The Company has received declarations from Mr. Venkatasubramanian Iyer Shivaraman and Ms. Lavina Chatur Kripalani, Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

During the period, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

The resolutions seeking approval of the Members for the appointment of Mr. Venkatasubramanian Iyer Shivaraman and Ms. Lavina Chatur Kripalani have been incorporated in the notice of the forthcoming annual general meeting of the Company along with brief details about them. The Company has received a notice under Section 160 of the Act along with the requisition towards proposing the appointment of Mr. Venkatasubramanian Iyer Shivaraman and Ms. Lavina Chatur Kripalani.

The members at their EOGM held on 14<sup>th</sup> February, 2015, have also re-appointed Mr. Sarvesh Kumar Shahi as the Managing Director of the Company for the period of three years with effect from April 01, 2014 to March 31, 2017.

Mr. Medioma Bhada, Mr. Bansilal Bhagchand Bhawsar, Mr. Subhash Kumar and Mr. Ghanshyam Choudhary, resigned as a Director of the Company with effect from March 14, 2015. The Directors placed on record their appreciation of their valuable contributions as member of the Board during their tenure as a Director of the Company.

### **Board Evaluation**

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

### **Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year Six Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **Policy on directors' appointment and remuneration and other details**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

## **8. Internal financial control systems and their adequacy**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

## **9. Audit committee**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

**10. Auditors**

The Auditors, M/s. N. D. Heda & Co. Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment for a period of Two Years from the conclusion of this Annual General Meeting [AGM] till the conclusion of 27<sup>th</sup> AGM.

**11. Auditors' report**

Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

**12. Particulars of loans, guarantees and investments**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement.

**13. Transactions with related parties**

All the Related Party Transactions are entered on arm's length basis and in ordinary course of business. All the transactions are in compliance with the applicable provisions of the relevant Acts. There are no related party transactions entered by the Company which may have potential conflict with the interest of the Company at large.

Your Directors draw attention of the members to Note No 22(Sub clause 17) of financial statement which sets out related party disclosures.

**14. Extract of annual return**

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure I** in the prescribed Form MGT-9, which forms part of this report.

**15. Particulars of employees**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, report and accounts are being circulated to all the shareholders excluding the aforesaid information. The Shareholders interested in obtaining this information may write to Compliance Officer of the Company.

**16. Disclosure requirements**

As per Clause 49 of the listing agreements entered into with the stock exchanges, corporate governance report given in **Annexure IV** with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

The Auditor Certificate on Corporate Governance Report do contains qualification with respect to the optimum combination of Board of Directors and other committee of the Board, the Board would like to clarified that the Company had appointed Two Directors (Mr. I.V. Shivraman and Ms. Lavina Kriplani) w.e.f. April 25, 2015 to comply with the optimum combination of Board of Directors and Minimum Numbers of Directors for other committee of the Board.

The Company has formulated and published a Vigil Mechanism Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges.

**17. Deposits from public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**18. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, M/s. Neville Daroga & Associates, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure II** to this report.

The Secreterial Auditors' Report do contains qualification with respect to that the Board would like to clarify that;

1. The Company is in process of Appointment of Company secretary as required under section 203(1) (ii) of the Companies Act 2013 and Clause 47(a) of the Listing Agreement.
2. The delays in effecting transfer of Unclaimed Dividend to IEPF were caused due to oversight in calculation of days.





3. Mr. Ghyamshayam Chaudhary has been appointed as director mistakenly which is being rectified by the Directors by filing relevant forms of Resignation with ROC.
4. The Company had appointed Two Directors (Mr. I V Shivraman and Ms. Lavina Kriplani) on April 25, 2015 to comply with the Minimum Numbers of Directors as per the Act.
5. The promoters will take effective steps for converting their shares in demat Form as required under

#### **19. Management Discussion and Analysis**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2015.

#### **20. Obligation of company under the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

#### **21. Transfer of Amounts to Investor Education and Protection Fund**

In terms of the provisions of Section 123 of the Companies Act, 2013 the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 was transferred to the IEPF in July, 2015. The unclaimed dividend in respect of financial year 2007-08 is in the process of being transferred to the IEPF in accordance with the provisions of Section 123 of the Companies Act, 2013.

#### **22. Conservation of energy, technology absorption, foreign exchange earnings and outgo.**

Pursuant to the notification No GSR 1029 dated 31-12-1988; companies are required to furnish prescribed information regarding conservation of energy and technology absorption. However this does not apply to your company as the shipping industry is not included in the schedule to the relevant rules. The details, however, as regards Foreign exchange earnings and out go are given below.

- |                             |            |
|-----------------------------|------------|
| (a) Foreign Exchange earned | ₹ NIL      |
| (b) Foreign Exchange outgo  | ₹ 23,193/- |

#### **23. Listing with Stock Exchanges:**

The Company confirms that it has paid the Annual Listing Fees for the year 2014-2015 to BSE where the Company's Shares are listed.

#### **24. Corporate Social Responsibility (CSR):**

During the year pursuant to the provisions of section 135 read with Schedule VII of the Companies Act, 2013 the company does not fall under the criteria of CSR Policy. Hence the company has not contributed towards CSR Activity.

#### **25. Code of Conduct:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.shahilogistics.com](http://www.shahilogistics.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.



**26. Internal Controls**

The Company has an adequate system of internal controls commensurate with size, scale and complexity of its operations. Conscious efforts are in place on a continuous basis to ensure that all its assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized, recorded and financial statements show a true and fair picture of the state of affairs of the Company. Compliance is in place as regards to statutory and regulatory requirements.

The internal controls system of the Company are monitored and evaluated by external and internal audit, reviewed by Management and Audit Committee of the Board of Directors. Auditor's observations in confirmation to policy in force have also been received.

**27. Acknowledgement**

The directors thank the Company's employees, customers, vendors, investors and various others stakeholders for their continuous support.

The directors also thank the government of India, the governments of various states in India and concerned government departments / agencies for their co-operation.

**On behalf of the board of directors**

**Sarvesh Kumar Shahi**  
**Chairman and Managing Director**  
**(DIN: 00359535)**

Mumbai  
August 14, 2015

**Annexure I**  
**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

<b>I REGISTRATION &amp; OTHER DETAILS:</b>		
i	CIN	L61100MH1990PLC058680
ii	Registration Date	26/10/1990
iii	Name of the Company	Shahi Shipping Limited
iv	Category/Sub-category of the Company	Company Limited By Shares Indian-Non Government Company
v	Address of the Registered office & contact details	404 Abhay Steel House, 4th Floor, Baroda Street, Mumbai-400 009
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	System Support Services ,209, Shivai Industrial Estate, Near Park-Davis, 89, Andheri Kurla Road, Saki Naka, Andheri (E),Mumbai,Maharashtra,400072

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

<b>SL No</b>	<b>Name &amp; Description of main products/services</b>	<b>NIC Code of the Product /service</b>	<b>% to total turnover of the company</b>
1	Sea and coastal freight water transport	50120	100

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

<b>SI No</b>	<b>Name &amp; Address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
1	SKS Waterways Limited Karnani Estate, 209, A.J.C.Bose Road, 1st Floor, Room No.-22b, Kolkata- 700 017	U63012WB2008PLC125911	Subsidiary	70	2 (87)
2	Royal Logistics (SHIP) Limited Karnani Estate, 209, A.J.C.Bose Road, 1st Floor, Room No.-22b, Kolkata- 700 017	U61100WB2007PLC117112	Subsidiary	Nil	2 (87)





IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	18,76,151	32,82,498	51,58,649	35.59	18,78,351	34,07,498	52,85,849	36.47	0.88
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other (Persons Acting in Concert)	50,54,721	2,29,200	52,83,921	36.45	50,54,721	2,29,200	52,83,921	36.45	-
		-				-			-
<b>SUB TOTAL:(A) (1)</b>	<b>69,30,872</b>	<b>35,11,698</b>	<b>1,04,42,570</b>	<b>72.04</b>	<b>69,33,072</b>	<b>36,36,698</b>	<b>1,05,69,770</b>	<b>72.92</b>	<b>0.88</b>
		-				-			-
<b>(2) Foreign</b>		-				-			-
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
		-				-			-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		-				-			-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>69,30,872</b>	<b>35,11,698</b>	<b>1,04,42,570</b>	<b>72.04</b>	<b>69,33,072</b>	<b>36,36,698</b>	<b>1,05,69,770</b>	<b>72.92</b>	<b>0.88</b>
		-				-			-
		-				-			-
<b>B. PUBLIC SHAREHOLDING</b>		-				-			-
		-				-			-
<b>(1) Institutions</b>		-				-			-
a) Mutual Funds	-	200	200	0.00	-	200	200	0.00	-
b) Banks/FI	200	-	200	0.00	200	-	200	0.00	-
c) Cenntal govt	-	-	-	-	50	-	50	0.00	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
		-				-			-
<b>SUB TOTAL (B)(1):</b>	<b>200</b>	<b>200</b>	<b>400</b>	<b>0.00</b>	<b>250</b>	<b>200</b>	<b>450</b>	<b>0.00</b>	<b>-</b>
		-				-			-



<b>(2) Non Institutions</b>			-							-
a) Bodies corporates	3,51,878	2,400	3,54,278	2.44	3,20,671	2,400	3,23,071	2.23	(0.21)	
i) Indian										-
ii) Overseas										-
b) Individuals										-
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	17,79,251	4,12,195	21,91,446	15.12	17,75,012	4,08,195	21,83,207	15.06	(0.06)	
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	5,67,529	7,80,250	13,47,779	9.30	5,94,972	7,80,250	13,75,222	9.49	0.19	
c) Others (specify)										-
Non Resident Indians	32801	1,25,600	158401	1.1	42554	600	43154	0.30	(0.80)	
<b>SUB TOTAL (B)(2):</b>	<b>27,31,459</b>	<b>13,20,445</b>	<b>40,51,904</b>	<b>27.96</b>	<b>27,33,209</b>	<b>11,91,445</b>	<b>39,24,654</b>	<b>27.08</b>	<b>(0.88)</b>	
										-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>27,31,659</b>	<b>13,20,645</b>	<b>40,52,304</b>	<b>27.96</b>	<b>27,33,459</b>	<b>11,91,645</b>	<b>39,25,104</b>	<b>27.08</b>	<b>(0.88)</b>	
										-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>										-
										-
<b>Grand Total (A+B+C)</b>	<b>96,62,531</b>	<b>48,32,343</b>	<b>1,44,94,874</b>	<b>100.00</b>	<b>96,66,531</b>	<b>48,28,343</b>	<b>1,44,94,874</b>	<b>100.00</b>		-

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	*Anjana Shahi	10,30,419	7.11	-	10,30,419	7.11	-	0
2	Dolicie F. Koli	1,90,000	1.31	-	1,90,000	1.31	-	0
3	Francis Budhaji Koli	4,000	0.03	-	4,000	0.03	-	0
4	Koli Finance Pvt Ltd	2,29,000	1.58	-	2,29,000	1.58	-	0
5	Ranjana Francis Koli	1,38,000	0.95	-	1,38,000	0.95	-	0
6	*Sarvesh Kumar Shahi	8,46,234	5.84	-	9,71,234	6.70	-	0.86
7	Shahi Finance P.Ltd	200	0.00	-	200	0.00	-	0
8	Shahi Gasol Ltd	50,54,721	34.87	-	50,54,721	34.87	-	0
9	Trupti F. Koli	1,90,000	1.31	-	1,90,000	1.31	-	0
10	Veena Joseph Koli	1,10,000	0.76	-	1,10,000	0.76	-	0
11	Vikas F Koli	1,88,000	1.30	-	1,88,000	1.30	-	0
12	Vikas Koli	24,61,996	16.99	-	24,61,996	16.99	-	0
13	Ranjana Francis Koli	0.00	0.00	-	2,200	0.02	-	0.02
	<b>Total</b>	<b>1,04,42,570</b>	<b>72.04</b>	<b>-</b>	<b>1,05,69,770</b>	<b>72.92</b>	<b>-</b>	<b>0.88</b>

\*On Account of Death of Mrs. Anjana Shahi, the shares were transferred to Mr Sarvesh Kumar Shahi in the Month of July 2015



(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Name	Share holding at the beginning of the Year(As on 1st April 2014)		Cumulative Share holding during the year(From 1st April 2014 to 31st March 2015)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Sarvesh Kumar Shahi	8,46,234	5.84	9,73,434	6.72
2	Ranjana Francis Koli	-	0	2,200.00	0.02

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	kashmir Marvel Zelka	180000	1.24	180000	1.24
2	vishesh Polyimpex Pvt Ltd	146100	1.00	146100	1.00
3	Samiresk Kumar	117105	0.80	117105	0.80
4	Rupina Joseph Koli	90000	0.62	90000	0.62
5	Rupesh Joseph Koli	61600	0.42	61600	0.42
6	Wilson Anthony Embrose	60000	0.41	60000	0.41
7	Shah Pulin Hashmukh	58761	0.40	54992	0.37
8	Ragina Josepk Koli	50400	0.34	50400	0.34
9	Noble Josepk Koli	48000	0.33	48000	0.33
10	Thomas Joseph Koli	47500	0.32	47500	0.32

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Sarvesh Kumar Shahi	8,46,234	5.84	9,71,234	6.70

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>					
i)	Principal Amount	155908415	79714759	-	235623174
ii)	Interest due but not paid	23218690	-	-	23218690
iii)	Interest accrued but not due	-	-	-	-
	<b>Total (i+ii+iii)</b>	<b>179127105</b>	<b>79714759</b>	-	<b>258841864</b>
<b>Change in Indebtedness during the financial year</b>					
	Additions	4200000	1700000	-	5900000
	Reduction	11500315	28237174	-	39737489
	<b>Net Change</b>	<b>(7300315)</b>	<b>(26537174)</b>	-	<b>(33837489)</b>
<b>Indebtedness at the end of the financial year</b>					
i)	Principal Amount	148608100	53177585	-	201785685
ii)	Interest due but not paid	25768127	-	-	25768127
iii)	Interest accrued but not due	-	-	-	-
	<b>Total (i+ii+iii)</b>	<b>174376227</b>	<b>53177585</b>	-	<b>227553812</b>



**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl. No	Particulars of Remuneration	MR S K SHAHI, C&MD	MR B B BHAVSAR, WTD	Total Amount
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	4200000	126452	4326452
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	180000	0	180000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>4380000</b>	<b>126452</b>	<b>4506452</b>
	<b>Overall Cieling as per the Act.</b>	<b>8400000</b>		

**B. Remuneration to other directors:**

Sl. No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	<b>Cmdr M Bhada</b>	<b>Hema Thakur</b>	
	(a) Fee for attending board committee meetings	60000	50000	110000
	(b) Commission	-	-	-
	(c) Others, please specify	-	-	-
	<b>Total (1)</b>	<b>60000</b>	<b>50000</b>	<b>110000</b>
2	Other Non Executive Directors	-	-	-
	(a) Fee for attending board committee meetings	-	-	-
	(b) Commission	-	-	-
	(c) Others, please specify.	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>60000</b>	<b>50000</b>	<b>110000</b>
	<b>Total Managerial Remuneration</b>	<b>-</b>	<b>-</b>	<b>-</b>



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Rajendra Godinho, CEO	Meena Asati, CFO	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	569981	300533	870514
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
		-	-	-
	<b>Total</b>	<b>569981</b>	<b>300533</b>	<b>870514</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	N.A	N.A
Punishment	NIL	NIL	NIL	N.A	N.A
Compounding	NIL	NIL	NIL	N.A	N.A
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	N.A	N.A
Punishment	NIL	NIL	NIL	N.A	N.A
Compounding	NIL	NIL	NIL	N.A	N.A
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	N.A	N.A
Punishment	NIL	NIL	NIL	N.A	N.A
Compounding	NIL	NIL	NIL	N.A	N.A



## Annexure II

## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
Shahi Shipping Ltd.,  
404, Abhay Steel House,  
Baroda Street,  
Mumbai - 400 009

We have conducted the Secretarial Audit for the compliance of applicable statutory provisions and adherence to good corporate practices of your Company M/s. SHAHI SHIPPING LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its

officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the aforesaid period, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') namely:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is not applicable since the Company has not issued Capital during the year under review.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is not applicable since the Company has not issued securities under ESOP.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable since the Company has not issued Debt Securities during the year under review.
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable.
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable.
- (vi) Merchant Shipping Act, 1958 and the other Acts as prescribed by the Directorate General of Shipping under Ministry of Shipping, Government of India.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified to be effective from 1<sup>st</sup> July, 2015 and hence compliance thereof is not to be considered/not required to be certified.





- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observation:

#### **QUALIFICATIONS**

- 1) *The Company does not have a Whole time Company Secretary as required under section 203(1)(ii) of the Companies Act 2013 and Rules made thereunder.*
- 2) *The Company does not have Whole time Company Secretary as Compliance Officer as required under **Clause 47(a)** of the Listing Agreement as entered between the Company and the Bombay Stock Exchange.*
- 3) *There was a delay of 8 months in filing Form INV 1 with the Registrar of Companies (ROC) for transferring the unpaid Dividend to the Investor Education and Protection Fund.*
- 4) *As per SEBI Circular no Cir/ISD/ 3/2011 dated 17<sup>th</sup> June, 2011, 100% of promoter's and promoter group's shareholding should be dematerialized. However the Promoter's and Promoter's group's shareholding of the Company is **NOT** 100% held in Dematerialized Form.*

#### **We further report that**

*The Board of Directors of the Company was duly constituted with Six Directors namely Mr S K Shahi, Mr B B Bhawsar, Commodore Mediona Bhada, Captain Subhash Kumar, Mr Ghanshyam Choudhary and Ms Hema Thakur. However during the year under review, Mr Mediona Bhada, Mr B B Bhawsar and Captain Subhash Kumar Resigned from Directorship with effect from 14<sup>th</sup> March, 2015. Further a Resignation letter was received by the Company from Director Ghanshyam Choudhary on 10<sup>th</sup> February 2015 intimating his resignation from the Board, which was approved by the Board Of Directors by way of a Circular Resolution on 14<sup>th</sup> March 2015 accepting his resignation with effect from 14<sup>th</sup> March 2015. The Form DIR 12 for his resignation was not filed by the Company till 31<sup>st</sup> March 2015. Therefore effectively there were only 2 Directors from the period of 10<sup>th</sup> March, 2015 to 31<sup>st</sup> March, 2015.*

*Also Mr. Ghanshyam Choudhary is shown as Director of the Company on the MCA website under view signatory details, however neither his attendance nor leave of absence is recorded in any of the minutes of the Meeting of the Board of Directors during the year under review. His name also does not appear as a Director in the Annual Report of the Company for the 24<sup>th</sup> Annual General Meeting for the year ended 31<sup>st</sup> March, 2014.*

Adequate notices were given to the Directors to schedule the Board Meetings and the agenda and detailed notes on agenda together with the notice were sent at least seven days in advance. The Company has a proper system in existence to enable the Directors to seek and obtain further information and clarifications on the agenda items before the meeting, as also for meaningful participation at the meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company, except for those qualified above, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period the Company has not undertaken any specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For example:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Merger / Amalgamation / Reconstruction, etc.
- (iv) Foreign Technical Collaborations

For NEVILLE DAROGA & ASSOCIATES

Practicing Company Secretary  
Neville K. Daroga

Proprietor  
ACS No.8663  
C.P No. 3823

Place: Mumbai  
Date: 14<sup>th</sup> August, 2015



## MANAGEMENT DISCUSSION, ANALYSIS AND REVIEW

### (a) INDUSTRY STRUCTURE AND DEVELOPMENT

#### i] WORLD SCENARIO

The world GDP grew by an average of 3.3% in 2014, with growth estimates for 2015 and 2016 at 3.5% and 3.8% respectively. The year 2014 witnessed uneven global recovery on the back of falling prices, and strengthening of the US Dollar in particular while geopolitical tensions weighed heavily on the downside risk limiting upside prospects. The US in particular gained from lower commodity prices and currency gains while Europe and Japan continued to struggle with deflationary pressures. China fared well in the process of managing the slowdown, while unable to settle on an equilibrium growth rate commensurate with central planning and private investment. The prospects for the year 2015, rests largely on the developing Asian economies, mainly China and India. The growth pattern in Europe is expected to be volatile.

#### Global GDP

According to IMF, Global GDP growth has been 3.3% in 2014 and expected to be around 3.5% in 2015. The decline in commodity prices is expected to boost world GDP by shifting 'real income' from producing to consuming nations such as the US, China and India. The US economy is riding on the advantages of a strong currency and lower commodity prices, where growth is expected to exceed 3% in 2015-16. Amongst the emerging economies the growth is projected to be broadly stable at 4.5% - 4.7%, although China continues to face hurdles in stimulating domestic demand with lagging export opportunities and is expected to grow at 6.8%. On the other hand India is expected to surpass China with a growth rate of 7.5% driven mainly by a stable and pro reform Government and radical policy changes. IMF's World Economic Outlook states that global output will expand by 3.5% in 2015 and increase further to 3.8% in 2016, as against 3.4% in 2014. The economy of developed nations is expected to improve by 2.4% in 2015 and 2016. The report forecasts global trade to grow from 3.4% in 2014 to 3.7% and 4.7% in 2015 and 2016 respectively, on the back of increasing demand from developing economies for commodities and demand stability from developed economies, although growth is expected to be moderate and uneven in distribution amongst individual countries. The global GDP growth directly affects the international trade (export and imports) and in turn affects the shipping industry as about 80% of the international trade by volume is carried out by shipping.

#### ii] INDIAN SCENARIO

As per Central Statistical Organization (CSO), Indian economy grew by a robust 7.3% in 2014-15, compared to 6.9% growth in 2013-14 on the backdrop of improvement in both services and manufacturing sector marked by confidence in the markets owing to the newly elected stable Government. India is expected to overtake China in GDP growth this year. The farm sector grew at annual 0.2% compared with a 3.7% expansion in the earlier period. The power and utility sectors also posted a growth rising an annual 7.9% in 2014-15 compared with a 4.8% growth in 2013-14. The manufacturing sector reversed the declining trend and clocked 7.1% growth as against 5.3% during the previous year. The mining sector fell to 2.4% year-on-year in 2014-15 compared with 5.4% in the year earlier period. According to sources from Ministry of Commerce, India's exports in value terms fell by 1.23% to US\$ 310.53 billion in 2014-15, while imports fell by 0.59% to US\$ 447.54 billion. As per Indian Port Association (IPA), the quantum of Cargo Traffic at India's 12 major ports rose by 4.65% in 2014-15 i.e. from around 555 million tons in 2013-14 to 581 million tons in 2014-15. The largest commodity group in the total traffic was POL with around 32% share, followed by Container traffic and 'Other cargo' (21% each), Coal (20%), Iron ore and Fertilizers - Finished & Raw (3% each). On the other hand, the existing non-major ports, especially private ports, continue to grow due to factors such as a diversified cargo portfolio, superior operating efficiency and infrastructure, and the presence of captive cargo streams.

### (b) OUTLOOK ON OPPORTUNITIES

Indian economy has been and continues to be the preferred destination for the foreign investors. The reasons are not far to seek. Firstly, country's reserves are strong and growing. Second, the rupee has held up against major global currencies. Third the exports are surging and finally, growth is robust.



India has emerged as one of the leading economic power house on the International arena. Its success story has redefined the International business environment, with service sector contributing handsomely to the Gross Domestic Product (GDP) of the country. The economic sentiments of India Inc are positive as most sectors are registering growth and the capital market is growing each passing day.

The world sea-borne-trade constituting 95% of the total merchandise trade and has been growing at around 2.5 percent the past one decade. In terms of value, the global shipping industry is estimated to be more than USD 300 billion and constitutes a significant part of the world GDP.

As India makes transition from an “import-substitution” closed economy model, to an outward oriented trade regime, the importance of shipping as an enablers of trade and economic growth cannot be over emphasized.

**(c) THREATS, RISKS AND CONCERNS**

Indian shipping industry is exposed to risks arising from political instability and changes in government policies from time to time.

Shipping is a global business, whose performance is closely linked to the state of the global economy. Besides, shipping finance has, to a large extent, remained a specialized sector on account of characteristics like volatile markets, international service, mobile assets etc. Despite the intricacies involved in shipping finance, sophisticated financial instruments are conspicuous by their absence. In contrast asset based financing in industries like airways etc have had sophisticated instruments matching the risk-return structure. The industry is also capital intensive and needs huge funds to acquire the barges at advanced rates. In such a scenario, the ship owner or potential ship owner wishing to acquire a vessel finds finding difficulties to arrange funds to acquire barges equipped with latest technology and facilities. The presence of large size shipping companies also makes it difficult to sustain share for smaller and medium size companies, in these competitive service segment.

**(d) SEGMENT WISE PERFORMANCE**

The Company operates in only one segment i.e. shipping, and therefore, has no separate reportable segments. Your company continued to provide services in the areas of Container Liquid Cargo lighter age operations of Petroleum & Chemical Products, lighter age operations of Bulk Cargo, Tug services for port related activities, supply of bunkers to vessels and Container Feeder Service on Indian Coasts through its fleet of vessels. The business development period provides an opportunity to create value and lean period provide to undertake major repairs and maintenance of vessels. The fleet utilization during the period under review was efficient.

**(e) OUTLOOK**

The shipping industry is poised for growth in the coming years. Your company with some inherent advantages such as low operation cost, committed professional manpower and proper upkeep of vessels is expected to cash on the opportunities provided.

Your Company has since last few years taken initiatives to broaden its fleet base to minimize the risks and maximize the gains.

**(f) PROJECT**

1. The process of setting up dry-dock facility at Alibaug, in the state of Maharashtra, is in its advance stage ment of work will take place soon. The project is spread over 35 Acres of land.
2. Your Company has carried out a market survey on Indian costal business opportunities and based on its finding proposing to acquire suitable petroleum and allied carrying vessels, which if commenced, will significantly grow the profitability of the Company.



**(g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Much of the success of your company is attributed to the quality of its people, their dedication and contribution. The dedicated team of shore and floating staff provides continuous support to the operations of the company, which is reflected in the operational efficiency. Voyage operations are managed professionally, ensuring high productivity levels, thus increasing the revenues. Your Company employs skilled personnel to monitor and maintain its oil-spill and other emergency response plans.

**(h) QUALITY & SAFETY**

Your company continues to focus on the safety, training and development of the employees. The company also conducts frequent training sessions including onboard drills to enhance the effectiveness of the safety of the staff. Your company firmly believes that pursuit of excellence is one of the critical components for competitive success in the global market. Your Directors take pleasure in informing you that your company has upgraded ISO to latest gradation standards. The Company has also obtained Trade mark certificate from Trade mark Registry Certification to safeguard the interest of the Company and is on continuous journey towards continual improvement to make its Quality Management System more effective.

**(i) HUMAN RESOURCES**

The Company considers its employees as partners in growth. They have played a significant role and enabled the Company to deliver superior performance year after year.

**(j) ADEQUACY OF INTERNAL CONTROLS**

Your company believes in formulating adequate and effective internal control systems and implementing the same strictly to ensure that assets and interests of the company are adequately safeguarded as also reliability of accounting data and accuracy are ensured with proper checks and balances. The internal control system is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

The Audit Committee of the Board of Directors, the Statutory Auditors as also the heads of business are periodically appraised of the internal findings and corrective actions are taken. Internal audit is being carried out extensively throughout the year in areas such as Income, Expenditure, Financial Accounting and Statutory Compliances. The primary objective of such audit is to test the adequacy and effectiveness of all internal controls lay down by the Management and to suggest improvements.

**(k) CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's strategies on business, projections and estimates are forward looking statements within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The actual results may vary from those expressed or implied, depending upon economic conditions, Government policies, regulations, tax laws and other incidental factors.



## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Shahi Shipping Limited (SSL) (Formerly Known SKS Logistics Ltd) is committed to good corporate governance in order to enhance the shareholders' value and promote national interest.

In order to achieve the objectives of good corporate governance, SSL follows the principles of transparency, disclosure, fairness, independent supervision, healthy competition, compliance with all the relevant laws, regulations, improvement in quality of life and meeting social responsibility.

The Company complies with the requirements as laid down in clause 49 of the Listing Agreement and the detailed report on implementation of Corporate Governance Code is set out herein below.

It is expected that good corporate governance by Shahi Shipping Ltd would protect and enhance the trust of shareholders, customers, suppliers, financiers, employees, government agencies and the society at large.

### 2. BOARD OF DIRECTORS

The company has Executive Chairman who is a promoter director. The company has three independent Directors drawn from diverse fields. The composition of the Board of Directors meets the requirements of clause 49 of the listing agreement.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies is given in separate tables below.

Name of Directors	Category	No. of Directorships in other companies @	No. of other Committee Directorship	
			Chairman	Member
Mr. S. K. Shahi (DIN No.00359535)	Promoter, Executive Chairman & Managing Director	5	-	-
Mr. B. B. Bhawsar* (DIN No.00107014)	Non Promoter, Wholetime Director	-	-	-
Cmde. M. Bhada* I.N.(Retd.) (DIN No.00035423)	Non Promoter, Non Executive Independent Director	3	-	-
Capt. Subhash Kumar* (DIN No.02715172)	Non Promoter, Non Executive, Independent Director	-	-	-
Hema K Thakur** (DIN No.01363454)	Non Promoter, Non Executive, Independent Director	1		

@This includes directorships in private limited companies but excludes directorships held in Foreign Companies and Companies formed under section 8 of the Companies Act, 2013.

\* Ceased/ resigned to be Director w.e.f. 14/03/2015

\*\*Appointed as a Additional Director w.e.f. 12/08/2014 and subsequently reappointed as Independent Director W.e.f. 04/10/2014

Note: - Lavina Chatur Kripalani (DIN No. 07167579) and Mr Venkatasubramanian Iyer Shivaraman (DIN No. 07165080) appointed as Additional Directors and Independent Directors w.e.f. 25/04/2015.

It is to be noted that the non executive Independent Directors of the company have no stake in the shareholding of the company.



**ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING**

A total of six meetings of the Board of Directors were held during the year under review on 29<sup>th</sup> May 2014, 12<sup>th</sup> August 2014, 13<sup>th</sup> November 2014, 29<sup>th</sup> November 2014, 29<sup>th</sup> December 2014 and 13<sup>th</sup> February 2015.

The maximum time gap between two board meetings was less than four months.

Attendance of each director at the Board meetings and the last Annual General Meeting (AGM) is as under.

Name of Directors	Meetings held during the tenure of the said Director	Meetings attended	Attendance during the General Body Meeting
Mr. S. K. Shahi	6	6	YES
Mr. B. B. Bhawsar	6	1	YES
Cmdr M Bhada	6	6	NO
Capt. Subhash Kumar	6	0	NO
Mrs Hema Thakur	5	5	YES

**3 INDEPENDENT DIRECTORS MEETING**

A separate meeting of the Independent Directors of the Company was held on 13<sup>th</sup> February 2015 without the attendance of Non-Independent Directors and Members of the management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Board taking into account the views of the Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonable perform their duties and have expressed satisfaction.

**4. AUDIT COMMITTEE**

The Audit Committee of the Company inter alia performs all the functions specified under the Companies Act, 2013 & clause 49 of the listing agreement. The committee comprises three directors. The primary objective of the Audit Committee is to monitor and effectively supervise the company's financial reporting process with a view to providing accurate, timely and proper disclosures and integrity and quality of the financial reporting. The terms of reference of the Audit Committee are in accordance with Clause 49 of the Listing Agreement and inter alia cover the following:

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee/records of the company.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- v. Overseeing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- vi. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval of payment for any other services.
- vii. Reviewing with management quarterly/half yearly/annual financial statements before submission to the Board.
- viii. Reviewing the adequacy of internal audit function including discussions with internal auditor any significant findings and follow up thereon.
- ix. Discussion with external auditors before the commencement of audit, the nature and scope of audit and also to discuss the areas of concern on basis of audit findings.
- x. Reviewing the company's financial and risk management policies including any other item referred to it by the Board of directors.

**COMPOSITION**

Composition, name of members and Chairman and attendance details of the Audit Committee are as under:

Name of Director	Designation	Status	No. of meeting held	No. of meeting attended
Comde M. Bhada I.N. (Retd.)*	Chairman	Non Executive, Independent Director	4	4
Mr. B. B. Bhawsar**	Member	Non Promoter, Whole time Director	4	1
Capt. Subhash Kumar**	Member	Non Executive, Independent Director	4	0
Mrs Hema Thakur ***	Member	Non Executive, Independent Director	3	3

\*Ceased / Resigned as Chairman of the Audit Committee w.e.f.14/03/2015

\*\* Ceased / Resigned w.e.f. 14/03/2015

\*\*\* Nominated and Appointed as Chairperson W.e.f 28/05/2015

Note: - Lavina Chatur Kripalani and Mr Venkatasubramanian Iyer Shivaraman nominated and Appointed as Member of the Audit Committee w.e.f. 28/05/2015.

During the year 2014-15, four meetings of the Audit Committee were held on the following dates: 29<sup>th</sup> May 2014, 12<sup>th</sup> August 2014, 13<sup>th</sup> November 2014 and 13<sup>th</sup> February 2015.

**5. NOMINATION AND REMUNARATION COMMITTEE**

In line with the provisions of the Companies Act, 2013 and the new clause 49 of the listing agreement with the stock exchange the committee was reconstituted on 12<sup>th</sup> August 2014, the nomenclature of Remuneration committee changed to as Nomination and Remuneration Committee.

**TERMS OF REFERENCE**

The terms of reference of the Nomination and Remuneration Committee are:

- (1) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- (2) Formulate criteria for evaluation of Independent Directors and the Board.
- (3) Identify person who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- (4) To carry out evaluation of every Directors performance.
- (5) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (6) To recommend to the Board policy relating to remuneration for Directors , Key Management Personnel and Senior Management.
- (7) Ensure that level and composition of remuneration is reasonable and sufficient , relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (8) To devise a policy on Board diversity.
- (9) To carry out any other function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.

**COMPOSITION, MEETINGS AND ATTENDANCE**

The Nomination and Remuneration committee comprises of 4 directors, Three are Independent Non Executive Directors and one Whole Time Director. The Chairman of the committee is an Independent Non Executive Director nominated by the Board.



The Composition of the Nomination & Remuneration Committee is as follows.

Name of Director	Designation	Status
Cmde. M. Bhada I. N. (Retd)*	Chairman	Independent, Non Executive
Mr. B. B. Bhawsar **	Member	Non Promoter, Whole time Director
Capt. Subhash Kumar **	Member	Independent, Non Executive
Mrs Hema Thakur ***	Member	Independent, Non Executive

\*Ceased / Resigned as Chairman of the Nomination and Remuneration Committee w.e.f.14/03/2015

\*\* Ceased / Resigned w.e.f. 14/03/2015

\*\*\* Appointed as a Member of the Committee w.e.f. 14/08/2014

Note: - 1) Lavina Chatur Kripalani nominated and appointed as chairperson of Nomination and Remuneration Committee w.e.f. 28/05/2015.

2) Mr Venkatasubramanian Iyer Shivaraman nominated and Appointed as Member of Nomination and Remuneration Committee w.e.f. 28/05/2015.

During the year 2014-2015, two meeting of the committee were held on the following dates: 12<sup>th</sup> August 2014 and 29<sup>th</sup> November 2014.

## DIRECTORS' REMUNERATION

### (A) REMUNERATION TO NON-EXECUTIVE DIRECTORS

The Non Executive Directors were paid sitting fees @ ₹ 5000/- for each meeting/Sub-committee Meeting of the Board

The compensation of Non Executive Directors is approved unanimously by the Board None of the Non Executive Directors has any material pecuniary relationship or transactions with the company.

Details of Remuneration paid to all Directors:

Name of Directors	Category/Status	Sitting Fees (₹)	Salary (₹)	Bonus/ Commission (₹)	Service Contract
Mr. S. K. Shahi	Promoter, Executive Chairman and Managing Director	-	4200000/*#	-	1 years w.e.f 1 <sup>st</sup> April 2014
Mr. B. B. Bhawsar	Non Promoter, Whole time Director	-	126452/-#	-	1 year w.e.f. 16/2/14
Cmde. M. Bhada I. N. (Retd.)	Non Executive Independent Director	60000/-	-	-	No service contract
Mrs Hema Thakur	Non Executive Independent Director	50000/-	-	-	No service contract

\*In Addition to this sum of ₹ 180000/- Contribution made to Provident Fund

#Refer Note No 22 XIII of Notes to Accounts forming Part of Financial Statement.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

In line with the provisions of the Companies Act, 2013 and the new clause 49 of the listing agreement with the stock exchange the committee was reconstituted on 12<sup>th</sup> August 2014, the nomenclature of Shareholders and Investor Grievance Committee changed to as stakeholder Relationship Committee

### TERMS OF REFERENCE

- To consider and resolve the grievances of security holders of the Company including complaints related to:-
  - Transfer of Shares
  - Non-receipt of Balance Sheet
  - Non-receipt of declaration dividend and
  - Any other investors grievance raised by any security holders



- 2 Such other matters as May from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- 3 To approve request received for transfer, transmission, demat etc. of securities of the Company

The Stakeholder Relationship Committee consists of the following:

Name of Directors	Designation	Status
Mr. B. B. Bhawsar*	Chairman	Whole time Director
Cmde. M. Bhada I. N. (Retd.)**	Member	Independent, Non-Executive
Capt. Subhash Kumar**	Member	Independent, Non-Executive
Mrs Hema Thakur ***	Member	Independent, Non-Executive

\* Ceased / Resigned as Chairman of the Stakeholder Relationship Committee w.e.f. 14/03/2015

\*\* Ceased / Resigned w.e.f. 14/03/2015

\*\*\*Appointed as a Member of the Committee w.e.f. 14/08/2014

Note :- 1) Mr Venkatasubramanian Iyer Shivaraman nominated and appointed as chairman of Stakeholder Relationship Committee w.e.f. 28/05/2015.

- 2) Lavina Chatur Kripalani nominated and Appointed as Member of the Stakeholder Relationship Committee w.e.f. 28/05/2015.

During the year 2014-15, one meeting of the Stakeholder Relationship committee was held on 10<sup>th</sup> March 2015.

During the year under review, 1 complaint were received from investor which were replied / resolved to the satisfaction of the investor.

#### **NAME & ADDRESS OF COMPLIANCE OFFICER**

Mr. Nutan kumar Duragkar,  
404, Abhay Steel House, Baroda Street,  
Mumbai – 400 009.  
E-mail: [admin@shahilogistics.com](mailto:admin@shahilogistics.com)

#### **CEO/CFO CERTIFICATION**

The requisite CEO/CFO certification pursuant to Sub- clause IX of the Clause 49 of the Listing Agreement has been placed before the board at the meeting of Directors held on 28/05/2015.

#### **RISK MANAGEMENT**

The Company has set in motion a system for management of risks associated with the orderly functioning of the Company. The audit committee has been mandated the accountability for integration of risk management practices into day to day activities

#### **7. GENERAL BODY MEETINGS**

- A) The venue and time where last three Annual General Meetings were held is given below.

Financial Year	Meeting	Date	Time	Location
2011-2012	AGM	26.09.2012	3.00 P.M	Kilachand Conference Room, Indian Merchants Chamber, Mumbai
2012-2013	AGM	30.09.2013	11.00 A.M	Kilachand Conference Room, Indian Merchants Chamber, Mumbai
2013-2014	AGM	04.10.2014*	10.30 A.M.	404, Abhay Steel House, Baroda Street, Masjid, Mumbai

\* Called on 27.09.2014 but due to lack of quorum adjourned & held on 04.10.2014



## B) Information about special resolutions passed in previous three Annual General Meeting:

Year	Date of AGM	Time	Special Resolution Passed
2011-12	26.09.2012	3.00 P.M.	Approval of continuation of the Remuneration to Mr S K Shahi as Chairman & Managing Director of the Company for the period of 3 (Three) years w.e.f.01.04.2011
2012-13	30.09.2013	11.00 P.M	No Special Resolution were passed in the Meeting
2013-14	04.10.2014*	10.30 P.M	No Special Resolution were passed in the Meeting

\* Called on 27.09.2014 but due to lack of quorum adjourned & held on 04.10.2014

**8. SUBSIDIARIES**

The Company has two subsidiaries Company namely SKS waterways Ltd & Royal Logistics (Ship) Ltd which have not yet started their operations. Hence the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS waterways Ltd Royal Logistics (Ship) Ltd has not been prepared.

**9. DISCLOSURES****I. Related Party Transaction**

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interest of the Company at large.

The details of the related party transaction entered during the year and disclosures as required by the Accounting Standard (AS 18) were made in Note No 22(XVII) of notes to accounts forming part of the financial statements.

**II. Whistle Blower Policy**

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern. The policy broadly cover instances of unethical behavior , actual or suspected fraud or violation of the Company's code of conduct , alteration of documents , fraudulent reporting , misappropriation / misuse of Company's assets , manipulation of Company's data, pilferage of proprietary information, abuse of authority etc. The Policy provides adequate safeguard against victimization of directors, Employees who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism.

**III. Any Non- compliance, Penalties or Strictures Imposed**

During the last three years, no penalty or strictures have been imposed on the Company by the Stock Exchange/SEBI/Statutory Authorities on matters related to capital markets.

**10. CODE OF CONDUCT**

The Board of Directors has adopted a Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the directors and Senior Management. The code is also uploaded on the company's website [www.shahilogistics.com](http://www.shahilogistics.com).

**11. MEANS OF COMMUNICATION**

The approved financial results are forthwith sent to the Listed Stock Exchange and are published in the leading national newspapers namely Free Press Journal and Navshakti (Marathi) within forty-eight hours of approval thereof. These results and other official releases are also available at the company's website [www.shahilogistics.com](http://www.shahilogistics.com) and of the Bombay Stock Exchange Ltd, Mumbai at [www.bseindia.com](http://www.bseindia.com)

**12. COMPLIANCE CERTIFICATE OF THE AUDITORS**

The statutory auditors have certified that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement with the stock exchange and the same is annexed to the Directors Report.

The certificate from the auditors will be sent to the stock exchange where company's shares are listed.



**13. GENERAL SHAREHOLDER INFORMATION****(a) ANNUAL GENERAL MEETING:**

Date and time: 29<sup>th</sup> September 2015 at 10.00 A M  
Venue: 404, Abhay Steel House, Baroda Street,  
Masjid (East), Mumbai - 400009

**(b) FINANCIAL CALENDAR**

Financial reporting for

Quarter ending 30th June 2015 On or Before August 14<sup>th</sup>, 2015  
Quarter ending 30th September 2015: On or Before November 14<sup>th</sup>, 2015  
Quarter ending 31st December 2015: On or Before February 14<sup>th</sup>, 2016  
Year ending 31st March 2016: On or Before May 30<sup>th</sup>, 2016

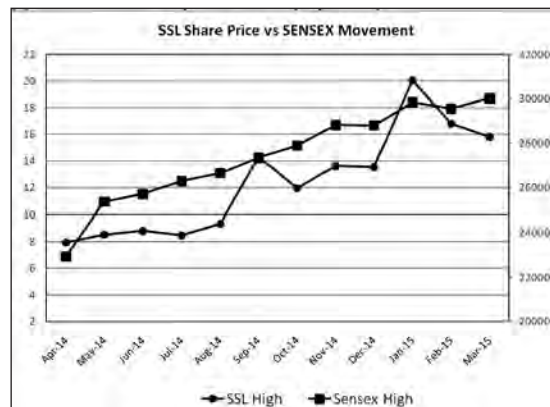
**(c) DATE OF BOOK CLOSURE: 25 September, 2015 to 29 September 2015 (both days inclusive)****(d) Listing of Equity shares: Bombay Stock Exchange Limited**

The equity shares of the company are listed on Bombay Stock Exchange Limited (BSE). Annual listing fees have been paid to the Bombay Stock Exchange Limited as and when it fall due for payment.

**(e) Scrip code: 526508 SKS LOGISTICS LIMITED****(f) Demat ISIN No: INE825D01016****(g) Stock market data:**

The month-wise movement (High & Low) of the equity shares of the Company at the Bombay Stock Exchange Limited, Mumbai, during each month for the year ended 31st March 2015 is as under:

Month	High (₹)	Low (₹)
April 2014	7.95	6.39
May 2014	8.55	6.18
June 2014	8.82	7.17
July 2014	8.48	6.8
August 2014	9.35	7.11
September 2014	14.35	8.02
October 2014	11.98	8.75
November 2014	13.65	10.15
December 2014	13.56	10.10
January 2015	20.05	11.77
February 2015	16.80	13.15
March 2015	15.82	13.03

**(h) Performance of Share price of the Company in comparison to the BSE SENSEX:**

**(i) Registrar and Share Transfer Agent:****System Support Services**

209, Shivai Industrial Estate,  
89, Andheri-Kurla Road,  
Sakinaka, Mumbai – 400 072.  
Telephone: 28500835.  
Fax 2850143, E-mail: [zip@sysss.com](mailto:zip@sysss.com)

**(j) Distribution of shareholding as on 31st March 2015:**

Shareholding	No of Share holders	% to no of Share holders	No. of Shares	% to paid up Capital
Up to 500	4872	84.85	927073	6.40
501 – 1000	468	8.15	390648	2.70
1001 – 2000	186	3.24	293369	2.02
2001 – 3000	55	0.96	140949	0.97
3001 – 4000	34	0.59	124499	0.86
4001 – 5000	25	0.44	117119	0.81
5001 – 10000	46	0.80	326833	2.26
10001 and above	56	0.975	12174384	83.99
<b>Total</b>	<b>5742</b>	<b>100.00</b>	<b>14494874</b>	<b>100.00</b>

**(k) Distribution of shareholding as on 31<sup>st</sup> March 2015:**

Category	No. of Shares	Percentage
Promoters	10569770	72.92
Mutual fund	200	0.004
Bank/Financial/ Institutions/ Governments	250	0.006
Corporate bodies	323071	2.23
FII / NRI / OCB	43154	0.29
Indian Public	3558429	24.55
<b>Total</b>	<b>14494874</b>	<b>100.00</b>

**(l) Dematerialization of shares**

The Company's shares are compulsorily traded in dematerialized form. As on 31st March 2015, 96, 66, 531 shares were in dematerialisation form with the NSDL & CDSL. This work out to 66.69% of the total number of shares.

**(m) Share Transfer System**

Share transfer in physical form are processed and returned to the shareholders within stipulated time. Half yearly Transfer Audit and Quarterly Secretarial Audits are carried out by a Practicing Company Secretary.

**(n) Plant Locations**

The Company does not have any plant since it is engaged in the business of Shipping.

**(o) Investors Correspondence**

System Support Services,  
209 Shivai Industrial Estates  
89, Andheri Kurla Road,  
Sakinaka, Mumbai- 400072.  
E-mail: [zip@sysss.com](mailto:zip@sysss.com)

**S K SHAHI**  
CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai

Date: 14<sup>th</sup> August 2015

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**Shahi Shipping Ltd.**  
Mumbai.

We have examined the compliance of the conditions of Corporate Governance by Shahi Shipping Ltd. (the Company), (Formerly known as SKS Logistics Ltd) for the year ended 31<sup>st</sup> March 2015, as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the mandatory conditions of the clause 49 of the Listing Agreement *except that it has not fulfilled the requirement for the period 14/03/2015 to 24/04/2015 of Clause 49 of Listing Agreement in respect of optimum combination of Board of Directors and other Committees of the Board shall have minimum three directors as a members*

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For N. D. HEDA & CO.**  
Firm Registration No. 103604W  
Chartered Accountants.

**N. D. HEDA**  
Proprietor  
Membership No. 32450

Place : Mumbai  
Date : 14/08/2015

**SHAHI SHIPPING LIMITED**  
*(Formerly Known as SKS Logistics Limited)*

**CERTIFICATE OF COMPLIANCE TO BE GIVEN BY THE CEO/CFO OF THE COMPANY**

I, Sarvesh Kumar Shahi, Managing Director [Chief Executive Officer] of Shahi Shipping Limited [the Company], do hereby certify on behalf of the Company/ Board of Directors that:

1. In the preparation of the annual accounts of the Company, the applicable accounting standards have been followed.
2. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or losses of the Company for the year under review.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The directors have prepared the annual accounts on a going concern basis.
5. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Place: Mumbai  
Date: 28/05/2015

Sarvesh Kumar Shahi  
Managing Director/CEO



**SHAHI SHIPPING LIMITED**  
*(Formerly Known as SKS Logistics Limited)*

**CERTIFICATE OF COMPLIANCE TO BE GIVEN BY THE CEO/CFO OF THE COMPANY**

I, Meena Asati, Chief Financial Officer of Shahi Shipping Limited [the Company], do hereby certify on behalf of the Company/ Board of Directors that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The directors have prepared the annual accounts on a going concern basis.
5. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Place: Mumbai  
Date: 28/05/2015

Meena Asati  
Chief Financial Officer

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**Compliance with Code of Business Conduct and Ethics**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2015.

**For *Shahi Shipping Limited***  
***(Formerly known as SKS Logistics Limited)***

**Sarvesh Kumar Shahi**  
**Managing Director**

Date: 14/08/2015  
Place: Mumbai



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SHAHI SHIPPING LIMITED

#### Report on the Financial Statement

We have audited the accompanying financial statement of the **Shahi Shipping Ltd.**, (The Company), (Formally known as SKS Logistics Ltd) which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and Cash Flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("The Act") with respect to the preparation of these financial statements that gives a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards referred under section 133 of the Companies Act 2013, ("The Act") read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility.

Our responsibility is to express an opinion on these financial statements based on our 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 there under .

We conducted our audit in accordance with the Standard on Auditing specified under section 143(10) of the Companies Act 2013. Those standard requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedure to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company Directors, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> march 2015 and its Loss and its Cash Flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

- (1) As required by The Companies (Auditors Report) Order, 2015 (the Order) issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order.
- (2) As required by section 143(3) of the Company Act 2013, 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 purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the company, so far as it appears from our examination of such books.
  - (c) The Balance Sheet and Statement Profit and Loss and Cash Flow statement, dealt with by this report are in agreement with books of accounts.





- (d) In our opinion, the financial statements comply with the Accounting Standards specified under section 133 of the act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
- (f) With respect to other matters to be included in the Auditors Report in accordance with rules 11 of the Companies (Audit and Auditors) Rules 2014 in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as refer in Note 22 (I) (b) of the financial statements.
  - (ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long term contracts including derivative contracts and
  - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company except a sum of ₹ 1.99 lacs, which are required to be transfer in the above stated fund.

For N. D. HEDA & CO.  
Firm Registration No. 103604W  
Chartered Accountants

(N. D. HEDA)  
Proprietor  
M. N. 32450

**Place : Mumbai**

Date : 28/05/2015

**ANNEXURE TO THE AUDITOR REPORT :-**

(Referred to in paragraph 3 of our Report of even date on the accounts of Shahi Shipping Ltd (Formerly Known as SKS Logistics Ltd) for the year ended 31<sup>st</sup> March, 2015).

1. a) The Company has maintained on year to year basis the records showing particulars including quantitative details of fixed assets and company is in process of updating the fixed assets register.  
b) Some fixed assets have been physically verified by the management during the year in accordance with phased program of verification adopted by the company. No material discrepancies between the book records and physical inventory were noticed in respect of assets physically verified during the year.
2. The Company is in Shipping business, therefore Clause of the above mentioned order regarding inventory and its physical verification, etc., do not apply in its case. The Company does purchase stores and spare parts for its ships & barges which are directly treated as consumed as and when supplied to its ships & barges. Thus paragraph 2 (i), (ii) and (iii) of the order is not applicable.
3. The Company has not given any Loans, secured or unsecured to companies, firm or other parties listed in the register maintained under section 189 of Companies Act, 2013.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchases of stores, spare parts, fixed assets and services rendered. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provision of section 73 to 76 of the Act and Rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the company.
7. a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed material statutory dues in respect of provident fund, employees state insurance, sales-tax, income-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable, have been generally regularly deposited by the Company during the year with the appropriate authorities except due in respect of Income Tax & Service Tax. The extent of the arrears of statutory dues outstanding as at 31/03/2015 for a period of more than six months from the date became payable in respect of Income Tax and Service Tax pertaining to financial years 2010-11 & 2011-2012 ₹ 56.27 Lacs.  
b) According to the information & explanation given to us , the Commissioner of Income Tax (Appeal) & the Income Tax Appellate Tribunal has passed the Appellate Order in favour of Company in respect of the Income Tax Demand under the Income Tax Act, 1961 sum of ₹ 73.79 Lacs for the financial year 2004-05 and sum of ₹ 166.33 Lacs for the financial year 2005-06, however the Income Tax Department has preferred appeals against above said order before the High Court which have not been deposited by the Company on account of dispute with concerned authorities.  
c) According to the Information and explanations given to us the amount sum of ₹ 1.99 Lacs the unclaimed dividend of Financial Year 2006-07, which were required to be transferred to the investor education and protection fund, due and outstanding in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
8. The Company does not have any accumulated losses nor has it incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.



9. According to the information and explanations given by the management, the Company has overdue repayment of loan installment of Bank Term Loans aggregating to ₹ 530.32 Lacs and overdue installment of Interest on Bank Term Loans aggregating to ₹ 207.49 Lacs relating to Financial Year 2013-14 & 2014-2015. There are no Debenture Holders.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. In our opinion and according to the information and explanations given to us and on an overall examination, the term loans have been applied for the purpose for which they were raised.
12. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

For N. D. HEDA & CO.  
Firm Registration No. 103604W  
Chartered Accountants

(N. D. HEDA)  
Proprietor  
M. N. 32450

**Place : Mumbai**

Date : 28/05/2015

**Balance Sheet as at 31st March 2015**

Particulars	Note No.	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	14,49,48,740	14,49,48,740
(b) Reserves and surplus	3	9,28,98,471	12,81,02,336
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	2,42,89,911	4,03,17,993
(b) Deferred tax liabilities (Net)	5	3,48,36,675	3,84,56,979
(c) Long-term provisions	6	28,30,705	26,23,298
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	10,77,35,513	13,90,92,587
(b) Trade payables	8	3,45,91,141	4,72,19,400
(c) Other current liabilities	9	11,19,99,784	10,39,36,764
<b>TOTAL</b>		<b>55,41,30,940</b>	<b>64,46,98,097</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
1 (a) Fixed assets	10		
(i) Tangible assets		20,95,57,133	25,45,21,398
(ii) Capital work-in-progress		4,08,14,358	4,03,88,476
(b) Non-current investments	11	7,19,930	8,07,413
(c) Long-term loans and advances	12	2,86,06,762	2,48,47,170
<b>2 Current assets</b>			
(a) Trade receivables	13	20,17,22,318	25,32,63,961
(b) Cash and cash equivalents	14	57,83,000	32,84,700
(c) Short-term loans and advances	15	22,85,956	30,11,991
(d) Other current assets	16	6,46,41,483	6,45,72,988
<b>TOTAL</b>		<b>55,41,30,940</b>	<b>64,46,98,097</b>

The Notes are an Integral part of these financial statements

**AS PER REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

FOR N. D. HEDA & CO  
Firm Registration No. 103604W  
Chartered Accountants

**S. K. SHAHI**  
Chairman & Managing Director  
(DIN No. 00359535)

**N. D. HEDA**  
PROPRIETOR  
MEMBERSHIP NO. 32450

**Mrs. Hema Thakur**  
(Director)  
(DIN No. 01363454)

**Ms. Meena Asati**  
(CFO)

**PLACE : MUMBAI**  
**DATED: 28/05/2015**

**Statement of Profit and loss for the year ended 31st March, 2015**

Particulars	Refer Note No.	For the year 2014-15 ₹	For the year 2013-14 ₹
I. Revenue from operations	17	18,44,13,621	19,39,84,608
II. Other income	18	1,78,23,015	2,33,948
<b>III. Total Revenue (I + II)</b>		<u>20,22,36,636</u>	<u>19,42,18,556</u>
IV. Expenses:			
Employee benefits expense	19	1,77,96,665	1,61,43,422
Finance costs	20	2,43,56,620	2,90,42,574
Depreciation and amortization expense	10	3,90,10,889	3,20,54,414
Operation and Other expenses	21	15,85,36,232	16,31,17,474
Total expenses		<u>23,97,00,406</u>	<u>24,03,57,884</u>
<b>V. Profit before tax (III- IV)</b>		<u>(3,74,63,770)</u>	<u>(4,61,39,328)</u>
VI. Tax expense:			
(1) Current tax		1,87,700	69,160
(2) Taxation of Earlier Years		-	(650)
(3) Deferred tax		(32,40,773)	(1,11,39,738)
<b>VII Net Profit for the period (V-VI)</b>		<u><b>(3,44,10,697)</b></u>	<u><b>(3,50,68,100)</b></u>
VIII Earnings per equity share:			
(1) Basic		<u>(2.37)</u>	<u>(2.42)</u>
(2) Diluted		<u>(2.37)</u>	<u>(2.42)</u>

The Notes are an Integral part of these financial statements

**AS PER REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

FOR N. D. HEDA & CO  
Firm Registration No. 103604W  
Chartered Accountants

**S. K. SHAHI**  
Chairman & Managing Director  
(DIN No. 00359535)

**N. D. HEDA**  
PROPRIETOR  
MEMBERSHIP NO. 32450

**Mrs. Hema Thakur**  
(Director)  
(DIN No. 01363454)

**Ms. Meena Asati**  
(CFO)

**PLACE : MUMBAI**  
**DATED: 28/05/2015**



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015**

	Amount in ₹ 2014-15	Amount in ₹ 2013-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	(3,74,63,770)	(4,61,39,328)
<b>Adjustment for</b>		
Depreciation	3,90,10,889	3,20,54,414
Sundry Credit Balance written back	(1,76,77,202)	(1,45,512)
Bad Debt Written off	4,01,05,709	4,56,08,951
Profit / loss on sale of Assets (Net)	88,76,184	3,49,28,074
Dividend Income	(2,905)	(3,589)
Interest Income	(1,42,908)	(82,703)
Foreign Exchange Rate difference	-	(2,144)
Interest Expenses	2,35,66,934	2,80,98,115
<b>Operating Profit before working Capital Changes</b>	<b>5,62,72,931</b>	<b>14,04,55,606</b>
<b>Adjustment for</b>		
Trade & Other receivables	1,26,00,023	(1,68,54,802)
Trade Payables	(70,26,458)	(4,23,60,412)
<b>Cash generated from operation</b>	<b>6,18,46,496</b>	<b>3,51,01,064</b>
Interest paid	(2,10,70,252)	(1,42,24,521)
<b>Net cash from operating Activities(A)</b>	<b>4,07,76,244</b>	<b>2,08,76,543</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(73,88,399)	(1,20,31,173)
Sale of Fixed Assets	28,69,942	2,87,99,999
Dividend Received	3,589	3,589
Interest Received	74,413	72,541
<b>Net Cash used in Investing Activities(B)</b>	<b>(44,40,455)</b>	<b>1,68,44,956</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	(3,38,37,489)	(4,09,73,432)
Foreign Exchange Rate Difference	-	2,144
<b>Net Cash used in Financing Activities( C )</b>	<b>(3,38,37,489)</b>	<b>(4,09,71,288)</b>
<b>Net Changes in cash &amp; cash equivalents(A+B+C)</b>	<b>24,98,300</b>	<b>(32,49,789)</b>
<b>Cash &amp; cash equivalents in - opening Balance</b>	<b>32,84,700</b>	<b>65,34,489</b>
<b>Cash &amp; cash equivalents in - Closing Balance</b>	<b>57,83,000</b>	<b>32,84,700</b>
	<b>24,98,300</b>	<b>(32,49,789)</b>

**Note:**

1. Purchase of Fixed Assets are stated inclusive of capital work- in progress and advances for capital goods, between beginning and end of the year and is treated as part of investing activities.
2. Proceeds from borrowings are shown as net of repayments.
3. Figures in brackets indicates cash outflow

The Notes are an Integral part of these financial statements

**AS PER REPORT OF EVEN DATE**

FOR N. D. HEDA &amp; CO

Firm Registration No. 103604W

Chartered Accountants

N. D. HEDA

PROPRIETOR

MEMBERSHIP NO. 32450

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**S. K. SHAHI**

Chairman &amp; Managing Director

(DIN No. 00359535)

**Mrs. Hema Thakur**

(Director)

(DIN No. 01363454)

**Ms. Meena Asati**

(CFO)

PLACE : MUMBAI

DATED: 28/05/2015

**NOTE No.-1 SIGNIFICANT ACCOUNTING POLICIES****I Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention except for accounting for bonus, leave encashment and receipt of insurance claims which are accounted on cash basis.

All the assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**II Use Of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual and estimates are recognised in the period in which the results are known/ materialised.

**III Tangible Assets and Depreciation**

Tangible Assets are stated at cost of acquisition including interest during construction period if any, less accumulated depreciation.

Depreciation on the Fixed Assets added /disposed off /discarded during the year is provided on pro rata basis with reference to the day of addition / disposal/discarding .

Depreciation is provided on the Written Down Value Method . Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act 2013 except assets costing ₹ 5000/- or less are fully depreciated in the year of purchase.

**IV Investments**

All Investments are considered as long term Investments and are stated at cost.

**V Foreign currency transactions and translations**

The difference in translation of all other monetary assets and liabilities and realised gains and losses on other foreign currency transactions are recognized in the Profit and Loss Account.

**VI Revenue Recognition**

Income from operation of vessel hire charges on time charter and spot charter are recognised on completed voyage basis and are recorded net off Service Tax . In certain cases, time charter hire charges are billed at a composite rate, which includes reimbursement of incidental expenses.

Dividend income is recognised when the right to receive payment is established .

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

**VII Retirement and other Employee Benefit**

Company's contribution to Employees Provident Fund and Employees State Insurance are being charged to the Profit & Loss Account. Liability for gratuity in case of shore staff is determined on accrual basis and is provided in the books of accounts. In case of crew members, gratuity is accounted on cash basis.

**VIII Treatment Of Major Repairs**

Major repairs including survey expenses carried out on vessels are written off to revenue in the year the expenses are incurred.

**IX Stores & Spares**

Stores & Spares purchased are directly issued to the Vessels and the values of such purchases are charged to the Revenue and are included in Repairs and Maintenance Account.



**X Current & Deffered Tax**

Tax expense for the period, comprising Current Tax and Deferred Tax are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Defferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

**XI Borrowing Costs**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

**XII Provisions & Contingent Liabilities**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Contingent Liabilities are disclosed unless the possibility of outflow of resources is remote.

**XIII Cash Flow Statement**

Cash Flows has been prepared using the indirect method , whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature ,any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**NOTE 2 : SHARE CAPITAL**

<u>Particulars</u>	<b>As at 31 March 2015</b> ₹	<b>As at 31 March 2014</b> ₹
<b><u>Authorised</u></b>		
3,00,00,000 Equity Shares of ₹ 10 each (Previous year 3,00,00,000 Equity Shares of ₹ 10/- each)	30,00,00,000	30,00,00,000
	<b><u>30,00,00,000</u></b>	<b><u>30,00,00,000</u></b>
<b><u>Issued, Subscribed &amp; Paid up</u></b>		
1,44,94,874 Equity Shares of ₹ 10 each, fully paid (Previous year 1,44,94,874 Equity shares of ₹ 10/- each fully paid)	14,49,48,740	14,49,48,740
<b>Total</b>	<b><u>14,49,48,740</u></b>	<b><u>14,49,48,740</u></b>

**(a) Reconciliation of Equity Share Capital**

Particulars	As at 31st March 2015		As at 31st March 2014	
	No of Equity Shares	Amount ₹	No of Equity Shares	Amount ₹
<b>At the beginning of the year</b>	1,44,94,874	14,49,48,740.00	1,44,94,874	14,49,48,740.00
<b>Add : Issued During the year</b>	-	-	-	-
<b>Closing balance</b>	1,44,94,874	14,49,48,740.00	1,44,94,874	14,49,48,740.00

**(b) Details of Shareholders holding more than 5% of Equity shares in the Company**

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shahi Gasol Ltd	50,54,721	34.87%	50,54,721	34.87%
Sarvesh Kumar Shahi	9,71,234	6.70%	8,46,234	5.84%
Vikas Koli	24,61,996	16.99%	24,61,996	16.99%
Anjana Shahi	10,30,419	7.11%	10,29,917	7.11%

**(c) Terms / Rights - Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India.



**NOTE 3 : RESERVES AND SURPLUS**

<u>Particulars</u>	<b>As at 31 March 2015 ₹</b>	<b>As at 31 March 2014 ₹</b>
<b>a. General Reserve</b>		
As per last Balance Sheet	10,78,91,271	10,78,91,271
Add: Transfer from Tonnege Tax Reserve Account	15,50,000	-
	(A) <u>10,94,41,271</u>	<u>10,78,91,271</u>
<b>b. Other Reserve</b>		
Reserve U/s 115VT of Income Tax Act, 1961 As per last Balance Sheet	15,50,000	15,50,000
Less: Amount transfered to General Reserve (Unutilised)	(15,50,000)	-
	(B) <u>-</u>	<u>15,50,000</u>
<b>c. Surplus in Statement of Profit and Loss</b>		
As per last Financial Statements	1,86,61,065	5,37,29,165
Less: Net Profit /(Loss) after tax transferred from Statement of Profit and Loss	(3,44,10,697)	(3,50,68,100)
<b>Adjustment Relating To Fixed Assets (Refer Note No. 22 XII)</b>		
Less: Depreciation	(11,72,699)	-
Add: Deferred Tax Liability Reversed	3,79,531	(7,93,168)
Closing Balance	(C) <u>(1,65,42,800)</u>	<u>1,86,61,065</u>
<b>Total (A)+(B)+(C)</b>	<u><b>9,28,98,471</b></u>	<u><b>12,81,02,336</b></u>

**NOTE 4 : LONG TERM BORROWINGS**

<u>Particulars</u>	<b>As at 31 March, 2015 ₹</b>	<b>As at 31 March, 2014 ₹</b>	<b>As at 31 March, 2015 ₹</b>	<b>As at 31 March, 2014 ₹</b>
	Non Current		Current	
<b>SECURED</b>				
<b>Term Loan From Banks</b>	1,50,23,589	3,26,72,298	6,78,15,668	5,44,02,756
<b>Vehicle Loan From Bank</b>	-	3,96,818	-	4,59,213
	<u>1,50,23,589</u>	<u>3,30,69,116</u>	<u>6,78,15,668</u>	<u>5,48,61,969</u>
<b>Vehicle Loan from Others</b>	92,66,322	72,48,877	19,44,593	13,50,625
	<u>92,66,322</u>	<u>72,48,877</u>	<u>19,44,593</u>	<u>13,50,625</u>
<b>Amount Disclosed under the head "Other Current Liabilities" (Note 9)</b>	-	-	(6,97,60,261)	(5,62,12,594)
<b>TOTAL (₹)</b>	<u><b>2,42,89,911</b></u>	<u><b>4,03,17,993</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

**Terms of Borrowing and other details****Outstanding  
Balance as on  
31/03/2015 (₹)**

<b>Term Loan From Bank</b>		
a) Repayable in monthly 60 equal installments, Last Installment falling due 31st March 2018, Interest Rate 16.40%. There is no Overdue interest and principal exist as on 31-03-2015 Term loan are secured by hypothecation on Office Premises and personal guarantee of director.		3146246
b) Repayable in Monthly 60 equal installments, Last Installment falling due 31st March 2018, Interest Rate 16.40%. There is no Overdue interest and principal exist as on 31-03-2015 Term loans are secured by hypothecation on Office Premises & specific Barges and personal guarantee of director.		7728932
c) Repayable in Monthly 60 equal installments, Last Installment falling due 31st March 2018, Interest Rate 16.40%. There is no Overdue interest and principal exist as on 31-03-2015 Term loans are secured by hypothecation on Office Premises & specific Barges and personal guarantee of director.		9820355
d) Repayable in Monthly 120 equal installments, Last Installment falling due on 31 Oct 2022, Interest Rate 15%.Overdue Interest sum of ₹ 3841509/- exist as on 31-03-2015. Term loan are secured by hypothecation on Office Premises and personal guarantee of a director.		9112249
e) Repayable in quartely 28 equal installments, Last Installment was due 1st Sept 2013 ,Interest Rate 14.75%.Overdue installment of loan sum of ₹ 19729831/- and interest sum of ₹ 6452967/- exist as on 31-03-2015 Term Loan is Secured by hypothecation of specific Barges & Personel Guarantee of a Director.		19729831
f) Repayable in quartely 20 equal installments, Last Installment was due 1st Sept 2013, Interest Rate 14.75%. Overdue installment loan sum of ₹ 16386123/- and interest sum of ₹ 5254868/- exist as on 31-03-2015 Term Loan is Secured by hypothecation of specific Barges and personal guarantee of a director.		16386123
g) Repayable in quartely 30 equal installmentsLast Installment falling due 30th June 2016 ,Interest Rate 14.75%, overdue installment of Loan sum of ₹ 16915521/- and overdue interest sum of ₹ 5200151/- exist as on 31-03-2015 Term Loan is Secured by hypothecation of specific Barges and personal guarantee of a director.		16915521
<b><u>Loan From Others (Vehicle)</u></b>		
h) Repayable in monthly 84 equal installments,Last Installment falling due 1st March 2019, Interest Rate 12.00%. Loan is secured by hypothecation of specific vehicle		2311679
i) Repayable in monthly 83 equal installments,Last Installment falling due 16th March 2019, Interest Rate 11.25% Loan is secured by hypothecation of specific vehicle		4937199
j) Repayable in monthly 84 equal installments,Last Installment falling due 30th September 2021, Interest Rate 11.85% Loan is secured by hypothecation of specific vehicle		3962037
		<b>94050172</b>

**NOTE 5 : DEFERRED TAX LIABILITY (NET)**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
Deferred Tax Liability :		
Difference between Book and Tax Depreciation	3,52,29,839	4,02,93,596
Less : Deferred Tax Assets :		
Disallowance U/S 43B of Income Tax Act, 1961	3,93,164	18,36,617
<b>Total</b>	<b>3,48,36,675</b>	<b>3,84,56,979</b>



**NOTE 6 : LONG TERM PROVISIONS**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>Provision for Employees benefit</b>		
Provision for Gratuity	28,30,705	26,23,298
<b>Total</b>	<b>28,30,705</b>	<b>26,23,298</b>

**NOTE 7 : SHORT TERM BORROWINGS**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>Secured</b>		
<b>(a) From Bank</b>		
Working capital Borrowings repayable on demand *	5,45,57,928	5,93,77,828
<b>Unsecured</b>		
<b>(b) Loans and advances from related parties</b>		
From Related parties	4,18,77,585	6,69,14,759
From Others	1,13,00,000	1,28,00,000
<b>Total</b>	<b>10,77,35,513</b>	<b>13,90,92,587</b>

\* Working Capital Borrowings repayable on demand is secured by principal security of hypothecation of Book Debts & collateral security of: 1) extension of mortgage on the Registered Office Premises 2) Exclusive 1st charge over specific barges of the company by way of mortgage/hypothecation.3) Personal guarantee of Chairman & Managing Director.

**NOTE 8 : TRADE PAYABLES**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
Trade payables	3,45,91,141	4,72,19,400
<b>Total</b>	<b>3,45,91,141</b>	<b>4,72,19,400</b>

**NOTE 9 : OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>a) Current Maturities of Long Term Debt (refer Note .4)</b>	6,78,15,668	5,48,61,969
<b>b) Current Maturities of Other Loans (refer Note .4)</b>	19,44,593	13,50,625
<b>c) Interest Accrued and Due</b>	2,57,68,127	2,32,18,690
<b>d) Unclaimed dividends*</b>	6,92,932	6,92,531
<b>e) Other payables</b>		
(i) Trade / security deposits received	14,50,000	14,50,000
(ii) Others		
- Salary & Remuneration	28,92,804	69,01,290
- Other Outstanding Expenses	6,22,530	16,70,331
- Statutory Dues	83,31,605	1,13,09,803
- Other Payable	24,81,525	24,81,525
<b>Total</b>	<b>11,19,99,784</b>	<b>10,39,36,764</b>

\* Includes of sum of ₹ 199622/- (Previous Year. NIL) to be credited to Investors Education & Protection Fund.



**NOTE 10 : FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 31st March 2014	Addition during the year	Deduction during the year	As at 31st March 2014	Depreciation / Amortisation for the year	Adjustment in respect of assets sold	Adjusted in Retain Profit **	As at 31st March 2015	As at 31st March 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>a Tangible Assets</b>									
Freehold Land	8,45,316			-	-			8,45,316	8,45,316
Leasehold Land	47,09,760			8,01,520	4,87,599			12,89,119	39,08,240
Buildings *	1,79,66,036			78,04,622	5,02,384			83,07,006	1,01,61,414
Plant and Machinery	1,14,39,358	83,898		86,34,314	7,24,121		1,10,756	94,69,191	28,05,044
Furniture & Fixtures	1,10,75,132			86,63,096	6,95,454		17,173	93,75,723	24,12,036
Vehicles	4,67,17,138	67,73,819	67,74,147	3,46,05,615	36,14,940	56,90,050	25,847	3,25,56,352	1,21,11,523
Office Equipments	1,27,63,957	88,300	54,102	1,08,41,113	4,12,001	51,160	10,15,991	1,22,17,945	19,22,844
Electrical Instalments	20,32,505	16,500		15,73,167	1,19,581			16,92,748	4,59,338
Tankers	16,15,728			15,91,068	-			15,91,068	24,660
Fleets	62,60,55,711		3,88,84,800	40,61,84,726	3,24,54,809	2,82,25,711		41,04,13,824	17,67,57,087
<b>Total (a)</b>	<b>73,52,20,641</b>	<b>69,62,517</b>	<b>4,57,13,049</b>	<b>48,06,99,241</b>	<b>3,90,10,889</b>	<b>3,39,66,921</b>	<b>11,69,767</b>	<b>48,69,12,976</b>	<b>25,45,21,398</b>
<b>b Capital Work-in-progress</b>	4,03,88,476	4,25,882							4,08,14,358
<b>Total (b)</b>	<b>4,03,88,476</b>	<b>4,25,882</b>							<b>4,08,14,358</b>
<b>TOTAL</b>	<b>77,56,09,117</b>	<b>73,88,399</b>	<b>4,57,13,049</b>	<b>48,06,99,241</b>	<b>3,90,10,889</b>	<b>3,39,66,921</b>	<b>11,69,767</b>	<b>48,69,12,976</b>	<b>25,03,71,491</b>
Previous year	<b>98,90,56,462</b>	<b>1,20,31,173</b>	<b>22,54,78,519</b>	<b>61,03,95,274</b>	<b>3,20,54,414</b>	<b>16,17,50,446</b>		<b>48,06,99,241</b>	<b>29,49,09,874</b>

\* The Building includes ₹ 1750/- (Previous year ₹ 1750/-) being the value of shares held in Co-operative societies.

\*\* Pursuant to the enactment of the Companies Act, 2013 ("the Act") and its applicability for the accounting periods commencing on or after 1, April 2014, the Company has reviewed and revised the useful lives of Fixed Assets as prescribed in PART-C of Schedule II of the Act. Accordingly where the remaining useful life of an fixed asset have expired as at 1st April, 2014, the carrying amount of those assets amounting to ₹ 11,69,767/- has been adjusted in the opening balance of Profit & Loss Account.

**NOTE 11 : NON CURRENT INVESTMENTS**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
Investments (At cost):		
A. Trade Investment		
<b>Equity share - Unquoted</b>		
Subsidiaries		
SKS waterways Ltd	3,49,940	3,49,940
(34994 Equity shares of ₹10 each Fully paid)		
Royal Logistics (Ship) Ltd	3,49,940	3,49,940
(34994 Equity shares of ₹10 each Fully paid)		
Shahi Shipping (Bangladesh) Ltd	-	87,483
(997 Equity shares of 100 Bangladesh Takka each Fully Paid)		
B. Non Trade Investment		
<b>Equity share - Unquoted</b>		
Shamrao Vithal Co-op Bank	10,000	10,000
(400 Equity shares of ₹25 each Fully paid)		
Saraswat Co-op Bank Ltd	10,050	10,050
(1005 Equity shares of ₹10 each Fully paid)		
<b>Total</b>	<b>7,19,930</b>	<b>8,07,413</b>

Note: All the above Investments are intended to be held on a long term basis and have been classified accordingly.

**NOTE 12 : LONG TERM LOANS AND ADVANCES**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>Unsecured, considered good</b>		
(a) Security deposits	1,15,48,166	1,03,01,677
(b) Loans and advances to related parties *	25,48,474	25,48,474
(c) To Others		
Electricity Deposits	57,166	57,166
Telephone Authorities	82,650	82,650
Others (Operating in nature)	54,55,179	55,20,578
(d) Advance tax (₹ 260822/- Net of Provision)	89,15,127	63,36,625
<b>Total</b>	<b>2,86,06,762</b>	<b>2,48,47,170</b>

\* Advances have been given for business purpose to Subsidiaries and Other Companies where Directors are interested

**NOTE 13 : TRADE RECEIVABLES**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding six months from the date they are due for payment	11,59,55,762	21,80,04,456
Others	8,57,66,556	3,52,59,505
<b>Total</b>	<b>20,17,22,318</b>	<b>25,32,63,961</b>

**NOTE 14 : CASH AND CASH EQUIVALENTS**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
(a) Cash on hand	4,97,460	8,47,565
(b) Balances with banks		
(i) In current accounts	28,77,300	6,26,709
(ii) In earmarked accounts		
Unpaid dividend accounts	6,92,932	6,92,532
Margin Money deposit	17,15,307	11,17,894
<b>Total</b>	<b>57,83,000</b>	<b>32,84,700</b>

**NOTE 15 : SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>Unsecured, Considered good</b>		
(a) Loans and advances to employees	3,55,443	13,50,875
(b) Prepaid expenses	5,63,674	3,39,577
(c) To Others		
Advance for Operative expenses	6,18,841	6,08,541
Others	7,47,998	7,12,998
<b>Total</b>	<b>22,85,956</b>	<b>30,11,991</b>

**NOTE 16 - OTHER CURRENT ASSETS**

Particulars	As at 31 March 2015 ₹	As at 31 March 2014 ₹
<b>(a) Accruals</b>		
Interest accrued on Fixed deposit	1,18,339	49,844
<b>(b) Others</b>		
Interest Subsidy Receivable (refer note (III) on Note.22)	6,45,23,144	6,45,23,144
<b>Total</b>	<b>6,46,41,483</b>	<b>6,45,72,988</b>

**NOTE 17- REVENUE FROM OPERATIONS**

Particulars	2014-2015 ₹	2013-2014 ₹
<b>Revenue from Operation</b>		
Shipping Operation	18,44,13,621	19,39,84,608
<b>Revenue from operations (Total)</b>	<b>18,44,13,621</b>	<b>19,39,84,608</b>

**NOTE 18 - OTHER INCOME**

Particulars	2014-2015 ₹	2013-2014 ₹
<b>1) Interest Income</b>		
From Bank		
Fixed Deposit	1,42,908	82,703
<b>2) Dividend Income on other than Trade Investments</b>		
From Domestic Company	2,905	3,589
<b>3) Other Non-Operating Income</b>		
(i) Sundry balances written back	1,76,77,202	1,45,512
(ii) Gain on Foreign Currency	-	2,144
<b>Total</b>	<b>1,78,23,015</b>	<b>2,33,948</b>

**NOTE 19 - EMPLOYEES BENEFIT EXPENSES**

Particulars	2014-2015 ₹	2013-2014 ₹
Salaries, Bonus and allowances	1,67,96,693	1,49,49,900
Contribution to Provident Fund and Other funds	5,61,195	9,33,007
Staff Welfare Expenses	4,38,777	2,60,515
<b>Total</b>	<b>1,77,96,665</b>	<b>1,61,43,422</b>

**NOTE 20 - FINANCE COST**

Particulars	2014-2015 ₹	2013-2014 ₹
Interest	2,35,66,934	2,80,98,115
Other borrowing costs	7,89,686	9,44,459
<b>Total</b>	<b>2,43,56,620</b>	<b>2,90,42,574</b>

**NOTE 21 - OPERATION & OTHER EXPENSES**

Particulars	2014-2015 ₹	2013-2014 ₹
Power and fuel	8,64,128	5,41,122
Repairs and Maintenance- Barge	3,98,75,403	99,65,700
Repair and Maintenance - Machinery	1,80,120	-
Repairs and Maintenance- Others	3,56,500	53,232
Rent	3,29,000	30,000
Rates and taxes	17,51,058	4,63,851
Insurance	14,33,388	7,00,625
Payment to Auditors	5,58,540	6,35,105
Legal and Professional expenses	21,76,683	22,77,630
Bad debts	4,01,05,710	4,56,08,951
Loss on Sale of Assets (Net)	88,76,184	3,49,28,074
Travelling Expenses	24,89,302	22,31,315
Barge Operation Expenses	1,09,18,332	78,45,334
Fuel & Oil (Barges)	52,65,333	43,23,282
Hire Transportation and Water Charges	1,39,73,596	2,68,39,275
Port Related Expenses	1,68,70,673	1,27,04,979
Miscellaneous Expenses	1,25,12,282	1,39,68,999
<b>Total</b>	<b>15,85,36,232</b>	<b>16,31,17,474</b>

**NOTE NO-22 NOTES TO ACCOUNTS****I. Contingent liability not provided for:**

- (a) On account of guarantees executed by the company's Bankers for ₹ 155.99 lacs (previous year ₹ 110.33 lacs), which is partly secured by the Margin Money amounting to ₹ 17.15 lacs (previous year ₹ 11.18 lacs) retained by the Bank.
- (b) (i) ₹ 240.12 Lacs (Previous Year ₹ 240.12 Lacs) in respect of Appeal Orders passed in favour of Company by the Commissioner of Income Tax (Appeal) and by Income Tax appellate Tribunal, the Income Tax Department has preferred appeals against the above said orders before the High Court.
- (ii) Claim against the Company not acknowledged as debts ₹ 30.37 Lacs (previous year ₹ 30.37 lacs)
- II. Debtors include ₹ 22.67 lacs (Previous year ₹ 22.67 lacs) in respect of cases which are under arbitration/ dispute. In the opinion of the management the said debts are considered good.
- III. The other current assets in Note No.16 includes ₹ 645.23 lacs (Previous year ₹ 645.23 lacs) of interest subsidy receivable from Central Government Inland Waterways Authority. To recover the same the petition is pending before the Allahabad High Court. The amount outstanding is considered good by the management,
- IV. The Company is in the process of restructuring its Dena Bank 3(Three) Term Loans outstanding as on 31/03/2015 principal sum of ₹ 530.32 lacs (Previous Year ₹ 486.35 Lacs) and interest sum of ₹ 169.08 lacs (Previous Year ₹ 132.98 Lacs), to reduce the interest burden and improve the financial condition of the Company. Accordingly the company has approached to Dena Bank who have advanced above stated loans to the Company to restructure / reschedule the above stated loans in line with expected cash flow to enable the Company to service them appropriately. However the Company has made the interest provision sum of ₹ 169.08 lacs (Previous Year ₹ 132.98 Lacs) on above stated term loans up to 31/03/2015
- V. In the opinion of the Board, Current Assets, Loans, Advances and Deposit have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- VI. The company is engaged only in the business of shipping and as such there is no separate reportable segment as per Accounting Standard 17.
- VII. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes on account of principal amount together with the interest and accordingly no additional disclosures have been made.
- The above information regarding Micro, Small and Medium Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- VIII. The company's two Subsidiary Company namely SKS Waterways Ltd and Royal Logistics (Ship) Ltd has not yet started operation hence the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS Waterways Ltd & Royal Logistics (Ship) Ltd has not been prepared.

IX.	31st March 2015	31st March 2014
	(₹)	(₹)

Expenditure in Foreign Currency: Travelling	23193	234919
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X. Auditors' Remuneration includes:	31st March 2015	31st March 2014
	(₹)	(₹)

For Company Law Audit	1,75,000	1,60,000
For Tax Audit	75,000	50,000
For Taxation	1,03,540	2,79,105
For Certification	2,05,000	1,46,000

- XI. There was no impairment loss on fixed assets on the basis of review carried out by the management in accordance with the Accounting Standard 28 issued by the Institute of Chartered Accountants of India.
- XII. Pursuant to the enactment of the Companies Act, 2013 ("the Act") and its applicability for the accounting periods commencing on or after 1, April 2014, the Company has reviewed and revised the useful lives of Fixed Assets as prescribed in PART-C of Schedule II of the Act. Accordingly where the remaining useful life of an fixed asset have expired as at 1st April, 2014, the carrying amount of those assets amounting to ₹ 7.93 lacs (net of deferred tax ₹ 3.79 Lacs) has been adjusted in the opening balance of Profit & Loss Account after retaining the residual value of those assets. As a result of this for the year ended 31st march 2015 the depreciation charge is higher by ₹ 116.48 Lacs and so Loss has been increased to that extent.





XIII. Employee Benefit Expenses Note 19 includes Managerial Remuneration to (i) the Chairman & Managing Director amounting to ₹ 42 Lacs and sum of ₹ 1.80 Lacs Employer's Contribution to Provident Fund. The Members had approved the remuneration as per Ordinary Resolution passed in the Extra Ordinary General Meeting held on 14/02/2015. (ii) the Whole Time Director for the period from April 2014 to August 2014 amounts to ₹ 126452/-, whose reappointment was recommended by the Board of Directors in the Meeting held on 12/02/2014 which was subject to the approval in the ensuing Annual General Meeting. The members at the said Annual General Meeting did not approve the Special Resolution of above said reappointment of Whole Time Director.

XIV. Earnings per Share	31st March 2015	31st March 2014
	(₹)	(₹)
Profit after taxation as per Statement of Profit & Loss	(34410697)	(35068100)
Number of equity shares outstanding for basic and diluted EPS	1,44,94,874	1,44,94,874
Basic & diluted EPS	₹ (2.37)	₹ (2.42)
Face value per share	₹ 10/-	₹ 10/-

XV. Prior period expenses debited during the year is ₹ 0.99 Lacs. (previous year was ₹ 11.38 Lacs).

XVI. Previous year's figures have been regrouped and rearranged wherever necessary to confirm to those of the current year.

XVII. **Related parties Disclosures:**

**Description of relationship**

Where Control Exists

**Names of related parties**

India First Logistics Limited

Shahi Gasol Limited

Royal Logistics (Ship) Ltd.

SKS Waterways Ltd.

Key Management Personnel and Relatives

Mr.S.K Shahi

Chairman & Managing Director

Mrs.Anjana Shahi

Relative of Mr.S.K.Shahi

**TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR**

Type of Related Party	Nature Of Transaction (Excluding Reimbursement)	₹ In Lacs Amount 2014-15	₹ In Lacs Amount 2013-14
Where Control Exists	Loans Received	0.00	4.00
	Loan Repaid	0.00	0.50
	Agency Fees Paid	0.90	1.20
Key Management Personnel or Relatives	Remuneration paid to Key management Personnel	43.80	43.80
	Loans Taken	17.00	167.48
	Loans Repaid	282.37	52.09

**OTHER BALANCES OUTSTANDING AS AT THE YEAR END**

	₹ In Lacs As on 31st march 2015	₹ In Lacs As on 31st march 2014
<b>Where Control Exists</b>		
Advances Given	25.48	28.41
Unsecured Loans taken	329.55	329.55
Sundry Creditors	15.77	4.37
Reimbursement of Expenses	1.90	0.00
Key Management Personnel & Relatives		
Unsecured Loans taken	89.22	354.59

**AS PER REPORT OF EVEN DATE**

FOR N. D. HEDA & CO  
Firm Registration No. 103604W  
Chartered Accountants

**N. D. HEDA**  
PROPRIETOR  
MEMBERSHIP NO. 32450

PLACE : MUMBAI  
DATED: 28/05/2015

**FOR AND ON BEHALF OF THE BOARD**

**S. K. SHAHI**  
Chairman & Managing Director  
(DIN No. 00359535)

**Mrs. Hema Thakur**  
(Director)  
(DIN No. 01363454)

**Ms. Meena Asati**  
(CFO)



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## SHAHI SHIPPING LIMITED

Regd. Office: 404, Abhay Steel House, Baroda Street, Mumbai - 400 009.

CIN: L61100MH1990PLC058680

### ATTENDANCE SLIP

(To be presented at the entrance)

DP ID\* \_\_\_\_\_ Client ID\* \_\_\_\_\_ Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Name and Address of the shareholder: \_\_\_\_\_

I hereby record my presence at the Twenty Fifth Annual General Meeting of the Company, to be held on Tuesday, the 29th September 2015 at 404 Abhay Steel House 4th Floor, Baroda Street, Mumbai- 400 009 at 10:00 a.m.

\*Applicable to shareholders holding shares in electronic form.

Signature of Member/Proxy

**Note:**

Please fill the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report to the Meeting.

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## SHAHI SHIPPING LIMITED

Regd. Office: 404, Abhay Steel House, Baroda Street, Mumbai - 400 009.

CIN: L61100MH1990PLC058680

### PROXY FORM

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): _____
Registered Address: _____
E-mail ID: _____
Folio No. / Client ID & DP ID: _____

I/We, being the member(s) \_\_\_\_\_ of shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

✂-----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fifth Annual General Meeting of the Company, to be held on Tuesday, the 29th September 2015 at 404 Abhay Steel House 4th Floor, Baroda Street, Mumbai- 400 009 at 10:00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particular of Resolution(s)
1	Adoption of Audited Financial Statement for the year ended March 31, 2015.
2	Appointment Of M/s. N. D. Heda & Co, Chartered Accountants, as Auditors
3	Appointment of Ms. Lavina C. Kripalani (DIN 07167579) as an Independent Director of the Company
4	Appointment of Mr. Venkatasubramanian Iyer Shivaraman (DIN 07165080) as an Independent Director of the Company.
5	Payment of managerial remuneration to Mr. Sarvesh Kumar Shahi (DIN 00359535) as Managing Director of the Company
6	Withdrawal of resolution towards Payment of managerial remuneration to Mr. Sarvesh Kumar Shahi (DIN 00359535) as a Managing Director of the Company
7	Ratification of Remuneration paid to Mr. Sarvesh Kumar Shahi (DIN 00359535), Managing Director of the Company for the Financial Year 2014-15

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Signature of shareholder: \_\_\_\_\_

Affix  
Revenue  
Stamp

**Note:**

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the ensuing Annual General Meeting.





