



# SHAHI SHIPPING LIMITED

*....connecting ports*

Since 1985



2020- 2021  
ANNUAL REPORT



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



**31<sup>ST</sup> ANNUAL GENERAL MEETING  
SHAHI SHIPPING LIMITED**

**Board of Directors**

Sarvesh Kumar Shahi - Chairman & Managing Director

Anjali Shahi– Non Executive (Non-independent) Director

Sanjeev Kumar Singh - Independent Director

Omprakash Ramdhin Singh–Additional (Independent) Director\*

(\*Appointed with effect from February 05, 2021)

Mr. Venkatasubramanian Iyer Shivaraman - Independent Director \*\*

(\*\*up to September 29, 2020)

Mr. Chandresh Kumar Mishra - Non-Executive Independent Director\*\*\*

(\*\*\*up to October 14, 2020)

**Company Secretary /Compliance Officer**

Mr. Nungavaram Vaidyanathan Agandeswaran

(up to March 18, 2021)

**Chief Financial Officer**

Ms. Vijila Vincent Nadar

**Registrar & Share Transfer Agent**

**Link Intime India Private Limited**

C 101, 247 Park, L.B.S Marg,

Vikhroli (West), Mumbai - 400083

**Statutory Auditors**

M/s. B P Shah & Co.

Chartered Accountants

**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](http://www.shahilogistics.com)

E-mail: [shahishippingsecretarial@gmail.com](mailto:shahishippingsecretarial@gmail.com)

**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

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## NOTICE

Notice is hereby given that the 31<sup>st</sup> (Thirty First) Annual General Meeting of the Members of SHAHI SHIPPING LIMITED will be held on Saturday, September 18, 2021 at 11 A.M., through video conferencing or other Audio visual means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 404, Abhay Steel House, Baroda Street, Mumbai - 400 009.

### Ordinary Business:

1. To receive, consider and adopt the Statement of Accounts for the Financial Year ended March 31, 2021 together with the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Ms. Anjali Shahi, Non-Executive (Non-independent) Director of the Company (DIN: 03363248) who retires by rotation and being eligible, offers herself for re-appointment.

### Special Business:

3. To re-appoint Mr. Sarvesh Kumar Shahi (DIN: 00359535) as the Managing Director of the Company for the period of 3 (Three) years with effect from April 1, 2020 to March 31, 2023 and in this regard, 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 196,197,203 read with Part I of Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section II of Part II [Para(B)] of Schedule V thereto (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the provisions of the Articles of Association of the Company, and as per the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of members be and is hereby accorded for the re-appointment of Mr. Sarvesh Kumar Shahi (DIN: 00359535) as the Managing Director of the Company, for a period of 3 (three) years, up to March 31, 2023 upon such terms and conditions in this regard as the board may deem fit and proper, with liberty to the Board of Directors to alter and vary any such terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Sarvesh Kumar Shahi.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination and Remuneration Committee be and is hereby authorised to alter and vary any such terms and conditions of the said appointment in terms of 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** the terms of re- appointment between the Company and Mr. Sarvesh Kumar Shahi, shall carry a condition that, it may be terminated by either party by giving to the other party three months advance notice in writing.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), read with the Articles of Association of the Company, approval of the members be and is hereby accorded for payment of remuneration to Mr. Sarvesh Kumar Shahi (DIN : 00359535) as a Managing Director of the Company, for a period of 3 (three) years which, shall not exceed Rs. 5,00,000 (Rupees Five Lakh) per month or Rs. 60,00,000 (Rupees Sixty Lakh) per annum up to March 31, 2023 upon such terms and conditions as set out in the Agreement entered / to be entered into between the Company and Mr. Sarvesh Kumar Shahi (DIN: 00359535) in this regard, with liberty to the Board of Directors to alter and vary any such terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Sarvesh Kumar Shahi.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take such steps including acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. To appoint Mr. Omprakash Ramdhin Singh (DIN: 08597117), aged 62 years, as an Independent Non-Executive Director of the Company and in this regard, 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Applicable provisions



of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Omprakash Ramdhin Singh (DIN: 08597117), aged 62 years, as an Independent, Non-Executive Director of the Company, who was appointed as an Additional Director (Independent) of the Company on February 05, 2021, be and is hereby appointed as an Independent Director of the Company, to hold office up to 5 (five) consecutive years.

**RESOLVED FURTHER THAT** the Board of Director(s) / Company Secretary of the Company be and is / are hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Mumbai  
Date: August 13, 2021

By order of the Board of Directors  
of **Shahi Shipping Limited**

Sd/-  
**Anjali Shahi**  
Director  
DIN No. 03363248

**Registered Office:**

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

**Notes:**

1. The relevant explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, read with the relevant Rules made thereunder (the “Act”), setting out the material facts and reasons, in respect of Item No. 3 & 4 of this Notice, is annexed herewith.
2. In view of the challenging situation due to continued outbreak of COVID-19 Pandemic and the restrictions imposed on gathering of people through social distancing norms, the Ministry of Corporate Affairs (“MCA”) vide its General Circular dated January 13, 2021 read with General Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as ‘MCA Circulars’) and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated January 15, 2021 (referred to as “SEBI Circular”), permitted the holding of the Annual General Meeting (‘AGM’) through Video Conferencing (‘VC’) facility or other audio visual means (‘OAVM’), without the physical presence of the Members at a common venue. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 31<sup>st</sup> AGM of the Company is being convened and conducted through VC.
3. Pursuant to the provisions of the Companies Act, 2013 (“Act”) a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.

Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution /Authorisation etc., authorising its representative to attend the Annual General Meeting through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through their registered email address to compliance@sprscs.com with copies marked to the Company at shahishippingsecretarial@gmail.com and to its RTA at instameet@linkintime.co.in.

**4. ELECTRONIC DISPATCH OF ANNUAL REPORT INCLUDING NOTICE OF ANNUAL GENERAL MEETING:**

- i) In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 2/2021 dated 13th January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
- ii) The Notice of Annual General Meeting and Annual Report for the financial year 2020-21 will also be available on the Company’s website at [www.shahilogistics.com](http://www.shahilogistics.com) and on the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and website of the RTA at [www.linkintime.co.in](http://www.linkintime.co.in). Members can attend and participate in the Annual General Meeting through VC / OAVM facility only.



**5. Process for Registration of email ID and Bank Account details:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, the log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories and have not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/ Bank detail Registration - fill in the details and upload the required documents and submit. OR
- ii) *In the case of Shares held in Demat mode:*

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

6. Members attending the meeting through VC / OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.
8. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to [shahishippingsecretarial@gmail.com](mailto:shahishippingsecretarial@gmail.com).
9. Members of the Company holding shares either in physical form or in Dematerialised forms as on cut-off date i.e. Saturday, 11<sup>th</sup> September 2021 will be entitled to vote on the resolutions proposed in the Notice.
10. Members are requested to quote their Folio No. or DP ID/ Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 12<sup>th</sup> September 2021 to Saturday, 18<sup>th</sup> September, 2021 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.

Instructions for e-voting and joining the Annual General Meeting are as follows:

**12. INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING AND JOINING THE AGM ARE AS UNDER:**

**A. VOTING THROUGH ELECTRONIC MEANS:**

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged the services of Link Intime India Private Limited as the Agency to provide e-voting facility for voting through remote e- Voting, for participation in the 31<sup>st</sup> AGM through VC/OAVM Facility and e-Voting during the 31<sup>st</sup> AGM.
- b) The Board of Directors of the Company has appointed CS Sanjay Parab, partner of M/s. SPRS & Co. LLP, Company Secretaries as the Scrutinizer, to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- c) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Saturday, 11<sup>th</sup> September 2021.

The voting period begins on Wednesday, 15<sup>th</sup> September, 2021 at 09.00 a.m. (IST) and ends on Friday, 17<sup>th</sup> September, 2021 at 5.00 p.m. (IST). The E-Voting module shall be disabled by Link Intime India Private Limited for voting thereafter. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Saturday, 11<sup>th</sup> September, 2021 only shall be entitled to cast their vote either through remote e-voting or through E voting at the AGM.



d) The details of the process and manner for remote e-voting are explained herein below:

**Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"><li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li><li>• After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ul>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"><li>• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li><li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li><li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></li><li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li></ul>



<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"><li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li><li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ul>
<b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b>	<ol style="list-style-type: none"><li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a><ul style="list-style-type: none"><li>• Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: -<ol style="list-style-type: none"><li><b>A. User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li><li><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li><li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li><li><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.<ul style="list-style-type: none"><li>• Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</li><li>• Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li><li>• Click “confirm” (Your password is now generated).</li></ul></li></ol></li></ul></li><li>2. Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab.</li><li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘<b>Submit</b>’.</li><li>4. After successful login, you will be able to see the notification for e-voting. Select ‘<b>View</b>’ icon.</li><li>5. E-voting page will appear.</li><li>6. Refer the Resolution description and cast your vote by selecting your desired option ‘<b>Favour / Against</b>’ (If you wish to view the entire Resolution details, click on the ‘<b>View Resolution</b>’ file link).</li><li>7. After selecting the desired option i.e. Favour / Against, click on ‘<b>Submit</b>’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘<b>Yes</b>’, else to change your vote, click on ‘No’ and accordingly modify your vote.</li></ol>

**Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

**Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
  - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nssl.co.in">evoting@nssl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

**InstaVote Support Desk****Link Intime India Private Limited****Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.



4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

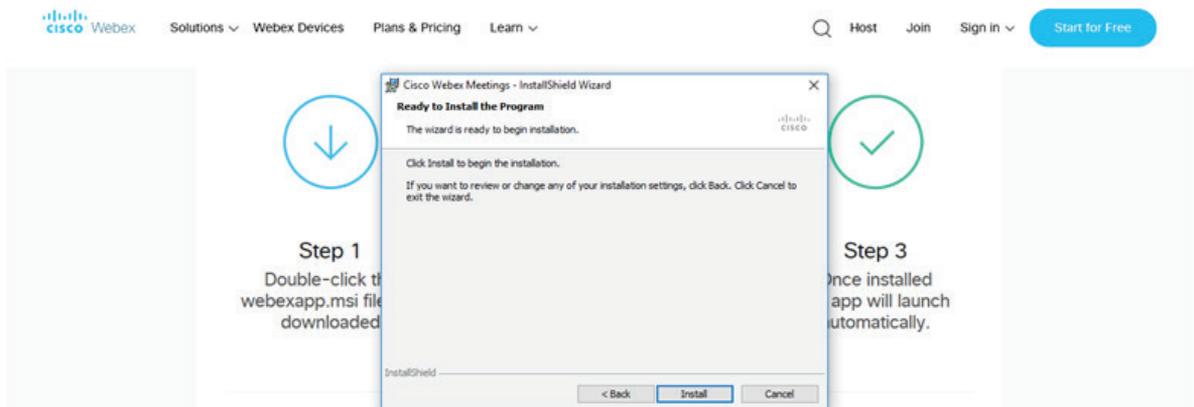
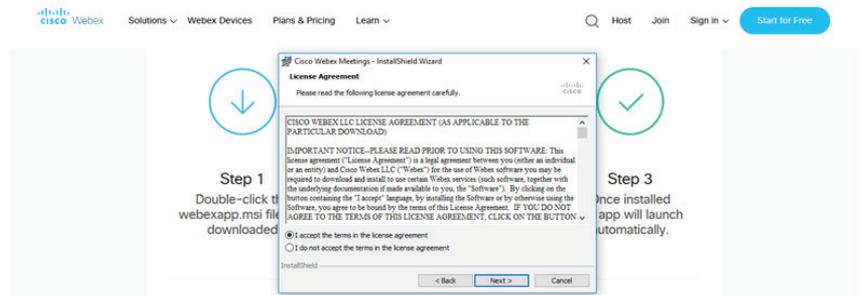
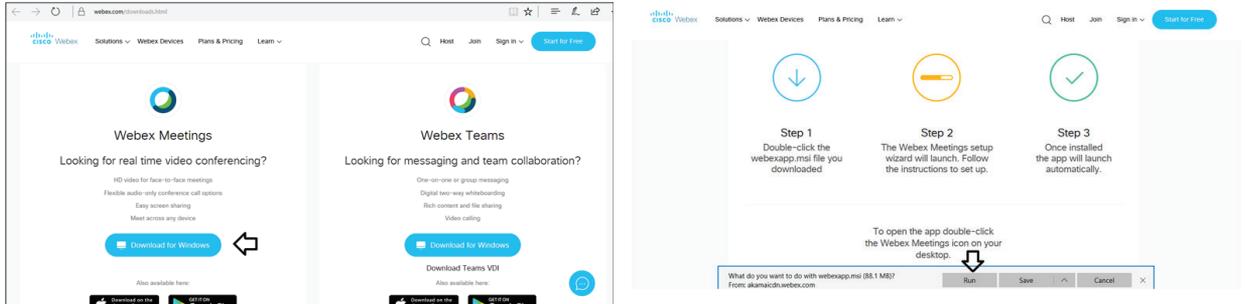
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.



### Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.  Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

**General Guidelines for shareholders:**

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in> under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call on :- Tel : 022 - 49186000.
- Any person, who acquires shares of the Company and become member of the Company after sending the Notice of AGM through electronic mode and holding shares as on the cutoff date, may obtain the login ID and password by sending a request at helpdesk. [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in).
- The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.shahilogistics.com](http://www.shahilogistics.com) after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the BSE Limited and the service provider Linkintime India Limited.

**Instructions for Shareholders/Members to Attend the Annual General Meeting through InstaMeet:**

1. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
2. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors, Scrutinizer etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.



3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call on: - Tel: (022-49186175).

13. Members may contact the Company or RTA for conveying grievances, if any, relating to the conduct of the AGM, at the following address:

Shahi Shipping Limited  
404, Abhay Steel House,  
Baroda Street,  
Mumbai - 400 009

Link Intime India Private Limited  
C – 101, 247 Park, L.B.S. Marg,  
Vikhroli (W), Mumbai - 400083

By order of the Board of Directors  
Of Shahi Shipping Limited

Sd/-  
**Anjali Shahi**  
Director  
DIN No. 03363248

Place: Mumbai  
Date: August 13, 2021

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:**

Mr. S. K. Shahi, aged about 63 years is a Chairman and Managing Director of Shahi Shipping Limited since the inception of the Company.

Mr. S. K. Shahi has a wide experience and knowledge of shipping industry. He has successfully completed training of '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 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.

The Company at its erstwhile Annual General Meeting re-appointed Mr. S. K. Shahi as a Chairman and Managing Director of the Company who retired by rotation and being eligible offered himself for reappointment, instead of appointment of Mr. S.K. Shahi for a period of 3 (three) years starting from April 1, 2020 to March 31, 2023. In light of the above, and pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on February 12, 2021 ratified and approved the appointment of Mr. S.K. Shahi for a period of 3 (three) years starting from the Financial Year 2020-21 upto 3 consecutive years, subject to the approval of shareholders' of the Company at the ensuing Annual General Meeting.

In terms of Section 196, 197 read with Schedule V of the Companies Act, 2013, the appointment of Mr. S.K. Shahi is subject to shareholders' approval at the ensuing Annual General Meeting and he shall not liable to retire by rotation. Mr. S. K. Shahi (DIN 00359535) is not disqualified from being appointed as a Managing Director in terms of Section 164 and other applicable provisions of the Act and has given his consent to act as a Managing Director.

The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee ratified and approved the remuneration to be paid to Mr. S.K. Shahi, which shall not exceed Rs. 5,00,000 (Rupees Five Lakh) per month or Rs. 60,00,000 (Rupees Sixty Lakh) per annum for a term of three years i.e. till March 31, 2023 with such additional perquisites and retirement benefit, expressly permitted by Schedule V of the Companies Act, 2013, subject to the approval of shareholders' of the Company at the ensuing Annual General Meeting.

The proposed remuneration at present is as per the Companies Act, 2013 read with Schedule V (including any statutory modification(s) or re-enactment made thereof for the time being in force), in terms of effective capital prescribed under the Companies Act, 2013.

Brief resume of Mr. S. K. Shahi, nature of his expertise in specific functional areas, names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees and relationships amongst Directors interse as stipulated under Regulation 36 (3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, are provided as a annexure to the notice.

Mr. S. K. Shahi holds 20,28,165 equity shares in dematerialized as well as in Physical mode, in the Company.

Save and except Mr. Sarvesh Kumar Shahi and Ms. Anjali Shahi, to the extent of the their shareholding interest, in the Company, None of the other Directors/Key Managerial Personnel of the Company/their relatives, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item 3.

In view of the requirements of Section II, Part II of Schedule V of the Companies Act, 2013, the resolution is proposed as an Ordinary Resolution. The prescribed information is as per Annexure to this explanatory statement.

Name of the Director	S. K. Shahi
Directors Identification Number	00359535
Date of Birth	07-03-1957
Age	63 years
Date of joining the Board	October 26, 1990
Qualification	Executive Management Course at Massachusetts Institute of technology (MIT) Boston, USA
Profile of the Director	Mr. S. K. Shahi heads Shahi Shipping Limited as Managing Director since its establishment. Being Managing Director of the Company since October 29, 1990, he has laid success story for Company's business from its inception. He being the 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 63, has wide experience and knowledge of shipping industry.



Past Remuneration	Rs. 5,00,000 (Rupees Five Lakhs) per month / Rs. 60,00,000 (Rupees Sixty Lakhs) per Annum
No. of Board Meetings attended during the Financial Year	6 (Six)
Shareholding as on March 31, 2021	20,28,165 Equity Shares of Rs. 10 each
Directorships in other Companies (excluding Private and Foreign Companies)	Shahi Gasol Limited Royal Logistics (Ship) Limited SKS Waterways Limited Confederation of India Maritime Industry World Brahmarshi Foundation
Directorships and Committee Memberships in other Companies	Shahi Finance Private Limited SKS Shipyard Private Limited SKS Dredging Private Limited Gesundheit Medicare Private Limited Arikem Pharma Private Limited
Relationships / Pecuniary relationships between the Directors interested	Father of Ms. Anjali Shahi – Non Executive Non Independent Director of the Company

**Item No: 4**

Mr. Omprakash Ramdhin Singh (DIN: 08597117) was appointed as an Additional Independent Director by the Board of Directors of the Company at its meeting held on February 05, 2021, pursuant to the recommendation of the Nomination and Remuneration Committee, to hold office up to the date of ensuring Annual General Meeting of the Company in terms of Section 161 of the Companies Act 2013.

The Company has duly received the declaration of independence from Mr. Omprakash Ramdhin Singh that he meets criteria of Independence as prescribed under Section 149(6) of the Companies Act 2013 and relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Omprakash Ramdhin Singh (DIN: 08597117) fulfills the conditions specified in the Companies Act 2013 for his appointment.

In light of the above, and considering the vast expertise and experience as specified below, the Board recommends passing an Ordinary Resolution as set out in Item No. 3 for appointment of Mr. Omprakash Ramdhin Singh as an Independent Director of the Company for a term of five consecutive years. Mr. Omprakash Ramdhin Singh and his relatives, if any, may deemed to be interested in the resolution set out respectively at item No. 3 of this Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Name of the Director	Omprakash Ramdhin Singh
Directors Identification Number	08597117
Date of Birth	13 <sup>th</sup> December, 1958
Age	62 years
Date of joining the Board	February 05, 2021
Qualification	Diploma in Mechanical Engineering
Profile of the Director	A science graduate and has a diploma in Mechanical Engineering from Institute of Engineering Allahabad and has undergone various technical and management trainings with M/s Ashok Leyland, IIM Kolkata and IMD, ONGC, Dehradun. The Director has been with ONGC for 34 years and has an experience of handling of assignments relating to onshore and offshore logistics.
Past Remuneration	NA
No. of Board Meetings attended during the Financial Year	1



Shareholding as on March 31, 2021	Nil
Directorships in other Companies (excluding Private and Foreign Companies)	NA
Directorships and Committee Memberships in other Companies	Promag Sports Private Limited
Relationships / Pecuniary relationships between the Directors interested	NA

By order of the Board of Directors  
Of **Shahi Shipping Limited**

Sd/-  
**Anjali Shahi**  
Director  
DIN No. 03363248

Place: Mumbai  
Date: August 13, 2021

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

**DIRECTORS' REPORT**

To,  
The Members,  
SHAHI SHIPPING LIMITED

Your Directors are pleased to present herewith the 31<sup>st</sup>(Thirty First) Annual Report of Shahi Shipping Limited (**'the Company'**) along with the Audited Financial Statements for the financial year ended March 31, 2021.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:**

The financial highlights of the Company are given below:

(Rs. In Lakhs)

Particulars	2020-21	2019-20
Revenue from operations	933.82	814.31
Other income	47.10	28.83
Total Income	980.92	843.14
Profit/Loss before Interest, Depreciation, Finance Cost and Tax Expense	12.12	(149.51)
Finance Cost	66.05	74.49
Depreciation	85.65	99.44
Profit/Loss before Finance cost and Tax, Prior Year Adjustment & Exceptional Item	(139.58)	(323.44)
Exceptional Item		-
Deferred Tax	(26.11)	7.86
Current Tax		-
Profit/ (Loss) After Tax	(113.47)	(331.30)
Other Comprehensive Income / Loss		-
Total Comprehensive Income / (Loss)	(113.47)	(331.30)

Notes:

The above financial results have been prepared in accordance with Indian Accounting Standards ("IND-AS") as specified under Section 133 of Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015.

Previous year figures have been re-grouped/ re-classified.

**2. PERFORMANCE REVIEW:**

The Highlights of the Company's performance (Standalone) for the year ended March 31, 2021 are as under:

- Total Income from operation Increased by 14.68% to Rs. 933.82 Lakhs
- Loss Before Depreciation and Tax decreased by 75.92% to Rs. 53.94 Lakhs
- Loss before Tax decreased by 56.84% to Rs. 139.58 Lakhs
- Net Loss decreased by 65.75% to Rs. 113.47 Lakhs

**3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:**

The Shahi Shipping Limited operates in the field of transportation of cargo and lighter age operation in the inland waterlimits of any port of India. The Company owns 17 vessels and are operating with various private and Government bodies. The size of the vessels ranges between DWT 500 tons to DWT 3500 tons. The Company has expertise in designing lowdraft vessels suitable for operations on Indian coasts. During the reporting financial year, there was no change in nature of business activity.



**4. SHARE CAPITAL:**

The Authorized Equity Share Capital of the Company as on March 31, 2021 is Rs. 30,00,00,000/- (Rupees Thirty Crore Only), comprising of 3,00,00,000 (Three Crore Only) Equity Shares of Face Value of Rs. 10/- (Rupees Ten Only) each.

The paid up share capital of the Company as on March 31, 2021 is Rs. 14,49,48,740 comprising of 1,44,94,874 equity shares of Rs. 10/- each. During the year under review, the Company has not issued any Equity Shares.

**5. DIVIDEND:**

The Board of Directors has not recommended any dividend for the Financial Year 2020-21.

**6. AMOUNT TRANSFERRED TO RESERVE:**

The Company has not transferred any amount to the reserves during the Financial Year 2020-21.

**7. MATERIAL CHANGES AFFECTING THE COMPANY:**

The ongoing global COVID-19 pandemic has caused and continues to cause significant loss of life and has resulted in curtailment of economic activities across the world as local administrations and governments seek to limit spread of the disease, including through lock down policies, restriction on business activities and business shutdowns. The Company adopted a work from home policy for non-site based employees during COVID-19 peak periods. The physical and emotional wellbeing of employees continues to be a top priority for the Company, with several initiatives to support employees and their families during the pandemic. The Company adhered to all the government advisories and guidelines thoroughly and in good faith.

With the exception of above, there have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

**8. 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.

**9. SUBSIDIARY COMPANIES:**

The Company has two subsidiaries, namely SKS waterways Ltd. & Royal Logistics (Ship) Ltd., which have not commenced 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. During the year under review both subsidiary companies have applied for striking off its name from the register of companies the application is pending as on the date of report.

**10. SECRETARIAL STANDARDS:**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors', and 'General Meetings', respectively have been duly followed by the Company.

**11. DIRECTORS' RESPONSIBILITY STATEMENT:**

**As stipulated under section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors hereby state and confirms that:**

- a) In preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent as to give a true and fair view of the state of affairs of the company as at the end of Financial Year March 31, 2021 and of the loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;



- e) The Directors have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and are operating effectively during the financial year ended March 31,2021; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2021.

## 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board and its Committees have most appropriate composition, pursuant to the provisions of Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors as on March 31, 2021 comprised of the following directors:

Name of Director	Director Identification Number	Designation
Mr. Sarvesh Kumar Shahi	00359535	Chairman and Managing Director
Ms. Anjali Shahi	03363248	Non-Executive - Non Independent Director
Mr. Omprakash Ramdhin Singh	08597117	Non-Executive - Independent Director
Mr. Sanjeev Kumar Singh	08698524	Non-Executive - Independent Director

In accordance with the provisions of the Companies Act,2013 read with Articles of Association of the Company, Ms. Anjali Shahi (DIN: 03363248), Non-Executive (Non Independent) Director of the Company, is due for retirement by rotation at the forthcoming 31<sup>st</sup> (Thirty First) Annual General Meeting(AGM), and she being eligible, offered himself for re-appointment pursuant to provisions of Section 152 of the Act.

The appointment of Mr. Sarvesh Kumar Shahi, Chairman and Managing Director of the Company is ratified and approved for a term of three years commencing from April 1, 2020 uptill March 31, 2023 by the Board of Directors of the Company at its meeting held on February 12, 2021, pursuant to recommendation of the Nomination and Remuneration Committee, and subject to the approval by the shareholders of the Company at the forthcoming Annual general Meeting of the Company.

During the year under review, Mr. Venkatasubramanianlyer Shivaraman, Independent Director of the Company ceased to be the Director of the Company w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment for the subsequent term was not approved with requisite majority at the Annual General Meeting held on 27<sup>th</sup> September, 2020.

During the year under review, Mr. Chandresh Kumar Mishra, Non-executive Independent Director (DIN: 07645967) of the Company, resigned as an Independent Director of the Company with effect from the close of business hours on 14<sup>th</sup> October, 2020, citing personal reasons.Mr. Chandresh Kumar Mishra confirmed that there were no other material reasons for his resignation other than those which were provided in his resignation letter dated 20<sup>th</sup> October, 2020.The Board placed on record its appreciationfor the contribution and guidance provided by her duringher tenure as Independent Director.

Upon recommendation of the Nomination and Remuneration Committee and based on approval of the Board of Directors at their respective Meetings held on February 05, 2021, Mr. OmprakashRamdhin Singh (DIN 08597117) have been recommended to be appointed w.e.f February 05, 2021 as an Independent Director of the Company for a term 5 consecutive years,subject to requisite approval of Shareholders at the ensuing AGM, in terms of the applicable provisions of the Companies Act,2013 and SEBI (LODR) Regulations, 2015.

During the year under review, Mr. Nungavaram Vaidyanathan Agandeswaran (ACS No. 7966), resigned from the post of Company Secretary & Compliance officer of the company with effect from 18<sup>th</sup> March, 2021. The Company placed on record its appreciation for his contribution during his tenure as the Company Secretary of the company.

In the opinion of the Board, all the Independent Directors (including those appointed / re-appointed during the year) are persons of integrity and possess relevant expertise and experience to effectively discharge their duties as Independent Directors of the Company.

Except the above, there was no change in the composition of the Board of Directors and the Key Managerial Personnel (KMPs) of the Company during the financial year 2020-21.

Further, brief resume of the directors proposed to be appointed/re-appointed, relevant information, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and the memberships/chairmanships of Committees of the Board and their share holding in the Company, as stipulated under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations,2015, have been furnished separately in the Notice convening the 31<sup>st</sup>Annual General Meeting read with the Annexure thereto forming part of this Report.



The Company has received necessary declaration from all directors stating that they are not debarred or disqualified from being appointed or continuing as Directors of companies as per the Securities and Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Details of the number of meetings of the Board of Directors have been furnished in the Report on Corporate Governance.

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

### 13. BOARD EVALUATION:

The Nomination and Remuneration Committee has defined evaluation criteria for the performance evaluation of the Board, its Committees and individual director(s).

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors has carried out an annual evaluation of its own performance, Board, its committees and individual directors.

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, advisory role and contribution in the decision making etc.

At the separate meeting of independent directors held on February, 12, 2021 performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated objectively, taking into account the views of executive directors and non-executive directors.

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Director) which have been placed on the website of the Company at the link: [www.shahilogistics.com](http://www.shahilogistics.com)

### 14. INDEPENDENT DIRECTOR:

#### (i) Declaration from Independent Directors

Pursuant to the provisions of Section 149 of the Act, the Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) Securities Exchange Board of India (Listing obligations & Disclosure Requirements) Regulations, 2015. The Company has also received Disclosure of Interest by Directors as per the provisions of Section 184 of the Companies Act, 2013.

#### (ii) Criteria for Performance Evaluation

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors.

#### (iii) Details of familiarization Programme

The details of programme for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the [www.shahilogistics.com](http://www.shahilogistics.com)

### 15. MEETINGS:

During the Financial year 2020-21, The Board of Directors of the Company met Six times (6) times. The gap between the said meetings did not exceed the limit of 120 days, as prescribed under the relevant provisions of the Companies Act, 2013 and the relevant Rules made there under. The details of meetings held are given in the Corporate Governance Report.

### 16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed and adopted the policy for selection and appointment of Directors, Key Managerial Personnel, senior management and their remuneration. The policy lays down criteria for selection of directors, key managerial personnel and senior management like, qualification, requisite expertise, relevant experience and integrity of the directors, etc. The remuneration policy lays down the entitlements of remuneration to non-executive directors such as sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013.



Remuneration to Whole-Time Director(s) consists of monthly salary, allowances, perquisites, bonus, commission and other allowable retirement benefits. As per the Policy, the remuneration/compensation to Managing Director /Whole Time Director/ Key Managerial Personnel shall be recommended by the Nomination and Remuneration Committee to the Board for its approval.

In respect of key managerial personnel and senior management, the remuneration will consist of fixed pay and incentive pay. The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time and the incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Policy is annexed as **Annexure I** to this report and also available on the Company's website [www.shahilogistics.com](http://www.shahilogistics.com)

#### **17. INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY:**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self- assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

#### **18. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the Financial Year 31<sup>st</sup> March, 2021 is uploaded on the website of the Company and can be accessed at [www.shahilogistics.com](http://www.shahilogistics.com).

#### **19. DETAILS OF COMMITTEES OF THE BOARD:**

At present, the Board has three committees, namely the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. As at the end of the Reporting period dated 31<sup>st</sup> March 2021, the composition of various committees is as per the applicable provisions of the Companies Act, 2013 along with the Rules and Securities Exchange Board of India (Listing obligations & Disclosure Requirements) Regulations, 2015. The brief details of various committees, terms of reference is provided separately in the Corporate Governance report.

#### **20. AUDIT COMMITTEE:**

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Regulation 18 of the Listing Regulations, 2015 as at the end of the Financial Year. The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company.

#### **21. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee has been constituted as per section 178 (5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations, 2015 as at the end of the Financial Year. The Stakeholders Relationship Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of dividend etc. The details pertaining to composition of Stake holders Relationship committee are included in the Corporate Governance Report, which forms part of this report.

#### **22. NOMINATION AND REMUNERATION COMMITTEE:**

Nomination and Remuneration Committee of the Board has been constituted as per Section 178 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Regulation 19 of the Listing Regulations, 2015 as at the end of the Financial Year. The details pertaining to composition of Nomination and Remuneration Committee, terms of reference and other particulars are included in the Corporate Governance Report, which forms part of this report.

**23. AUDITORS:****a) Statutory Auditors:**

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. B. P. Shah & Co., Chartered Accountants (Firm Registration No. 109517W), were appointed as the Statutory Auditors of the Company at the AGM of the Company held on August 12, 2017 for a period of five years starting from the conclusion of the 27<sup>th</sup> AGM held on August 12, 2017 till the conclusion of the 32<sup>nd</sup> AGM to be held in the year 2022. The Statutory Auditor(s) has confirmed that they are not disqualified from continuing as Auditor(s) of the Company.

The Statutory Auditor has not made any observation(s) on the financial statement(s) of the Company. The statutory auditor of the Company has issued the Auditors' report with unmodified opinion on Audited Financial Results of the Company for the Financial Year ended March 31, 2021.

**b) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2020-21 and issue Secretarial Audit Report. The Secretarial Audit Report issued by M/s. Vikas R. Chomal & Associates for the financial year 2020-21 in Form MR-3 forms part of this report and marked as Annexure - II. The Company in due course will consider the appointment of Secretarial Auditor for the Financial Year 2021-22.

The Secretarial Auditor has made following observation(s) and the Management reply for the same is as under:

Sr. No	Auditors' Observation	Management Reply
1	As per SEBI Circular no Cir/ISD/ 3/2011 dated June 17, 2011, 100% of promoter's and promoter group's share holding should be dematerialized. However, the Promoter's and Promoter's group's share holding of the Company is NOT 100% held in Dematerialized Form.	The Company is in process of communicating with the promoters for converting their holding in the Company in DEMAT form.
2	During the period under review, Related Party Transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015.	The said Related Party Transactions were ratified by the Audit Committee in immediate subsequent meeting.
3	The Company has not paid the Annual Listing Fees to the BSE Limited, the Stock Exchange on which the Company is listed, for the financial years from 2018-19 to 2020-21.	The Company is in process to pay the Annual Listing Fees for the Financial Year 2018-19, 2019-20 and 2021-21.
4	The website of the Company does not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015.	The Company is in process to update its website.
5	The Constitution of Board committees of the company was not as per Regulation 18, Regulation 19, and Regulation 20 of the SEBI LODR Regulations 2015 and as Per Section 178 and 179 of the Companies Act 2013 for the quarter ended December 31, 2020 and was adjudged with the applicable fine by the BSE Limited.	The Board of Directors of the Company at its meeting held on 5 <sup>th</sup> February 2021 appointed Mr. Om Prakash Singh, as the Independent Director on Board of Directors of the Company, as well as the Member to the various Committees of the Board, in compliance with Regulation 18, Regulation 19 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 178 and Section 179 of the Companies Act 2013.



Sr. No	Auditors' Observation	Management Reply
6	As per Regulation 23(9) of the SEBI LODR Regulations, 2015, a listed company shall make disclosures of related party transactions, within 30 days from the date of publication of its standalone financial results for the half year. However, the Company failed to submit the disclosure on Related Party Transactions for the half year ended on September 30, 2020 and was adjudged with the applicable fine by the BSE Limited.	The Company has submitted the said disclosure under Regulation 23(9) of the SEBI LODR Regulations, 2015, and has represented to the BSE Limited for waiver of the fine for the said non compliance.
7	As per Regulation 34, a copy of annual Report is to be submitted to the stock exchange not later than the day of commencement of dispatch to its shareholders. However, there was a delay of three days in submission of the Annual Report to the BSE Limited over and above the prescribed time limit and was adjudged with the applicable fine by the BSE Limited.	The Company has paid the fine as charged by the BSE Limited for non compliance of Regulation 34.

c) **Internal Auditor:**

The Company has re-appointed M/s. Wandrekar & Co., Chartered Accountants, Mumbai as an Internal Auditor of the Company, for three financial years, starting from Financial Year 2021-22 to 2023-24, to look after all the internal audit requirements and report of the same is placed/forwarded to Audit Committee and Statutory Auditor of the Company on the relevant and necessary matters from time to time.

**24. REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, neither the statutory auditors nor the secretarial auditors reported to the Audit Committee of the Board, under section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Report.

**25. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:**

There was no loan given or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

**26. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:**

The company, during the year, has entered into transactions, as specified under section 188 (1) of the Companies Act, 2013, with related parties. Accordingly, the disclosure of Related Party Transactions is provided under section 134 (3) (h) of the Companies Act, 2013, in Form AOC-2 forming part of Board Report as **Annexure III**. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Weblink: [www.shahilogistics.com](http://www.shahilogistics.com)

**27. PARTICULARS OF EMPLOYEES:**

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure-IV** to this Report.

**28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**29. CORPORATE GOVERNANCE:**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best governance practices.

The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance



**30. VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES:**

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Vigil Mechanism" for employees including directors of the Company for reporting the genuine concerns or grievances or cases of actual or suspected, fraud or violation of the Company's code of conduct and ethics policy. The Vigil Mechanism/Whistle Blower Policy is available on the Company's website [www.shahilogistics.com](http://www.shahilogistics.com)

**31. DEPOSITS FROM PUBLIC:**

Your 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.

**32. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year, the committee has not received any complaint of harassment.

**33. 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 en-cashed 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. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per section 124 of the Companies Act, 2013 and the applicable rules there under.

During the year under review, unclaimed dividend for the year 2011-12 was transferred to Investors Education and Protection Fund.

**34. 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	Nil

**35. LISTING WITH STOCK EXCHANGES:**

Your Company confirms that, it has not paid the Annual Listing Fees for the financial years from 2018-19 to 2020-2021 to BSE Limited, the stock exchange where the Company's shares are listed.

**36. DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**37. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it has neither formulated a policy nor contributed an amount towards corporate social responsibility activities.



**38. FUTURE 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 highly qualified and dedicated team of professionals in various work profile to focus on quality improvement of each and every work.

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

**39. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code. The Compliance officer is entrusted with responsibility of overseeing, the compliances prescribed in connection with prevention of Insider Trading.

**40. OTHER DISCLOSURES/REPORTING:**

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

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) Joint Venture(s).
- e) Details of payment of remuneration or commission to Managing Director or Joint Managing Director of the Company from any of its subsidiaries, Joint Venture/Associate Company.
- f) Voting rights which are directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially holds shares as envisaged under section 67(3)(c) of the Companies Act, 2013).

Any significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**41. ACKNOWLEDGEMENT**

Your Directors express their sincere thanks to all customers, vendors, investors, shareholders, shipping agents, bankers, insurance companies, consultants, advisors, Central and State Government(s) for their consistent support and encouragement to the Company.

Your Directors also sincerely acknowledge the significant contributions made by all the employees through their dedicated services to the Company.

**For and on behalf of the Board of Directors**

**Sarvesh Kumar Shahi**  
Chairman & Managing Director  
DIN: 00359535

**Anjali Shahi**  
Director  
DIN:03363248

Date: August 13, 2021  
Place: Mumbai



## POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION OF SHAHI SHIPPING LIMITED

### Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed policy for selection and appointment of Directors, Senior Management and their remuneration in pursuance to Section 178 of Companies act 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The remuneration given is as per the remuneration policy framed.

The policy is divided into separate sections for executive directors, non-executive directors and employees.

The remuneration of the executive directors is recommended by the Nomination and Remuneration Committee (the Committee) and approved by the Board of Directors (the Board) and shareholders of the Company within the overall limits as may be prescribed under applicable laws.

The remuneration of the non-executive directors is approved by the Board of Directors within the overall limits as may be prescribed under applicable laws.

### Criteria for Determining the Qualifications for appointment of Directors (including Independent Directors)

- i. Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- ii. Their technical, financial, HR, Legal, or business literacy/skills i.e. knowledge about Sea Logistics Solutions and Shipping business;
- iii. Their administrative experience;
- iv. Other appropriate qualification/experience to meet the objectives of the Company;
- v. As per the applicable provisions of Companies Act, 2013, Rules made thereunder and as per provisions of SEBI( LODR) Regulations 2015 .

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

### Positive attributes of Directors (including Independent Directors):

- a. Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- b. Actively update their knowledge and skills with the latest developments in the infrastructure industry, market conditions and applicable legal provisions;
- c. Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- d. To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- e. Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- f. To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- g. Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and as per provisions of SEBI( LODR) Regulations 2015 as amended from time to time.

### Independence Review Procedures

#### - Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI (LODR) Regulations 2015.



#### **- Individual Director's Independence Determinations**

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI( LODR) Regulations 2015

#### **- Disclosure of Change of Independent Status**

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

#### **a. Criteria for appointment of KMP/Senior Management**

- i. To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- ii. To practice and encourage professionalism and transparent working environment;
- iii. To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- iv. To adhere strictly to code of conduct

#### **b. Term of the Director –**

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Listing Regulations, as amended from time to time. Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

#### **c. Evaluation –**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

#### **d. Removal –**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and /or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management.

#### **e. Remuneration of Managing / Whole-time Director, KMP and Senior Management**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and, wherever required. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

#### **f. Remuneration to Non-executive Directors (Including independent Director)**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Wholetime Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval.

#### **g. Remuneration to other employees**

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDING 31<sup>st</sup> MARCH, 2021**

[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

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

Based on my verification of the Company's books, papers, 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021, 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:

I 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 there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') 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. (not applicable);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (not applicable);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (not applicable);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (not applicable);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (not applicable);
- (vi) Merchant Shipping Act, 1958 and the other Acts as prescribed by the Directorate General of Shipping under Ministry of Shipping, Government of India.



I 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.
- (ii) The SEBI (Listing Obligations and Listing Requirements), Regulations 2015 entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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) *As per SEBI Circular no Cir/ISD/ 3/2011 dated June 17, 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.*
- 2) *During the period under review, Related Party Transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. However, the transactions with related parties were ratified by the Audit Committee at the immediate subsequent meeting to the transaction,*
- 3) *The Company has not paid the Annual Listing Fees to the BSE Limited, the Stock Exchange on which the Company is listed, for the financial years from 2018-19 to 2020-21.*
- 4) *The website of the Company does not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015.*
- 5) *The Constitution of Board committees of the company was not as per Regulation 18, Regulation 19, and Regulation 20 of the SEBI LODR Regulations 2015 and as Per Section 178 and 179 of the Companies Act 2013 for the quarter ended December 31, 2020 and was adjudged with the applicable fine by the BSE Limited.*
- 6) *As per Regulation 23(9) of the SEBI LODR Regulations, 2015, a listed company shall make disclosures of related party transactions, within 30 days from the date of publication of its standalone financial results for the half year. However, the Company failed to submit the disclosure on Related Party Transactions for the half year ended on September 30, 2020 and was adjudged with the applicable fine by the BSE Limited.*
- 7) *As per Regulation 34, a copy of annual Report is to be submitted to the stock exchange not later than the day of commencement of dispatch to its shareholders. However, there was a delay of three days in submission of the Annual Report to the BSE Limited over and above the prescribed time limit and was adjudged with the applicable fine by the BSE Limited.*

**We report that**

The Board of Directors of the Company is duly constituted having one whole time Director, two Independent Directors & one Non-Executive Director. However, during the year under review, Mr. Venkatasubramanian Iyer Shivaraman (Independent Director, DIN: 07165080) and Mr. Chandresh Kumar Mishra (Independent Director, DIN: 07645967) ceased to be an Independent Director of the Company with effect from September 29, 2020 and October 14, 2020 respectively. Further the Company has appointed Mr. Omprakash Ramdhin Singh as an Additional Director (Independent) with effect from February 5, 2021, subject to the approval of the shareholders of the Company at the ensuing Annual general Meeting.

**We further report that**

The Company at its erstwhile Annual General Meeting re-appointed Mr. S. K. Shahi as a Chairman and Managing Director of the Company who retired by rotation and being eligible offered himself for reappointment, instead of appointment of Mr. S.K. Shahi for a period of 3 (three) years starting from the Financial Year 2020-21 upto March 31, 2023. In light of the above, and pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on February 12, 2021 ratified and approved the appointment of Mr. S. K. Shahi as a Chairman and Managing Director of the Company along with remuneration to be paid to Mr. S. K. Shahi for a period of 3 (three) years upto March 31, 2023 subject to the approval of shareholders' of the Company at the ensuing Annual General Meeting.

The resolution passed in the erstwhile Annual General Meeting to re-appoint Mr. S. K. Shahi as a Chairman and Managing Director of the Company who retired by rotation and being eligible offered himself for reappointment was passed with requisite majority.



**We further report that**

Pursuant to the resignation of Mr. N. V. Agandeswaran, Company Secretary and Compliance Officer of the Company on March 18, 2021, the Company is yet to fill up a vacancy caused due to such resignation as on the date of this report.

**We further report that**

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 Vikas R. Chomal & Associates  
Practising Company Secretaries**

**Vikas R. Chomal  
Proprietor  
UDIN: A024941C000779805  
Mem. No: A24941  
CP No: 12133**

**Date: August 13, 2021**

**Place: Thane, Maharashtra**

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



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

Our Secretarial Audit Report for the Financial Year ended March 31, 2021 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Vikas R. Chomal & Associates  
Practising Company Secretaries**

**Vikas R. Chomal  
Proprietor  
UDIN: A024941C000779805  
Mem. No: A24941  
CP No: 12133**

**Date: August 13, 2021**

**Note:** Due to restricted movement amidst COVID-19 pandemic, the Secretarial Audit was conducted by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them were received by way of electronic mode from the Company and could not be verified from its original records. The Management has confirmed that the records submitted to us in electronic format are true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/ expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of  
Shahi Shipping Limited,**  
404, Abhay Steel House,  
4th Floor, Baroda Street,  
Mumbai- 400 009.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shahi Shipping Limited**, having CIN - **L61100MH1990PLC058680** and having registered office at 404, Abhay Steel House, 4<sup>th</sup> Floor, Baroda Street, Mumbai- 400 009 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr No.	Name of Director	DIN	Date of Appointment
1.	Sarvesh Kumar Shahi	00359535	26/10/1990
2.	Anjali Shahi	03363248	13/02/2019
3.	Sanjeev Kumar Singh	08698524	13/02/2020
4.	Omprakash Ramdhin Singh	08597117	05/02/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an

opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR VIKAS R CHOMAL AND ASSOCIATES**

**VIKAS R CHOMAL  
PRACTICING COMPANY SECRETARIES**

ACS NO: 24941

COP: 12133

ICSI Firm Peer Review Reg No: S2013MH21650

ICSI UDIN: A024941C000779475

**Date:** 13/08/2021

**Place:** Thane, Maharashtra

**FORM NO. AOC - 2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Name of the Related Party & nature of relationship	Nature of Contract / arrangement / transaction	Duration of the contracts or arrangements or transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board, if any.	Amount paid as advances, if any
NOT APPLICABLE					

2. Details of contracts or arrangements or transactions at Arm's length basis.

Name of the Related Party & nature of relationship	Nature of Contract / arrangement / transaction	Duration of the contracts or arrangements or transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board, if any.	Amount paid as advances, if any
Shahi Gasol Ltd.	SA tax paid for FY 19-20	One time	SA tax paid for FY 19-20 amounting to Rs 1,000/-	-	-
Sarvesh Kumar Shahi	SA tax paid for FY 19-20	One time	SA tax paid for FY 19-20 amounting to Rs 2,32,190/-	-	-
India First Logistics Ltd.	Loan repaid	One time	Loan repaid amounting to Rs 95.12 lacs	-	-
Somesh Kumar Shahi	Loan repaid	One time	Loan repaid amounting to Rs 15,000	-	-

For and on behalf of the Board of Directors

**Sarvesh Kumar Shahi**  
Chairman & Managing Director  
DIN: 00359535

**Anjali Shahi**  
Director  
DIN:03363248

Date: August 13, 2021

Place: Mumbai

**Part-A: Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2020-21 as well as the percentage increase in remuneration of each Director, Chief Financial officer is as under:

Sr. No.	Name of Director /KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration in the Financial Year 2020-21
1	Sarvesh Kumar Shahi	Chairman & Managing Director	36.29	-
2	Omprakash Ramdhin Singh	Independent Director	0.18	-
3	Sanjeev Kumar Singh	Independent Director	0.18	-
5	Anjali Shahi	Non-Executive Non-Independent Director	-	-
6	Vijila Vincent Nadar	Chief Financial Officer	0.88	-

Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director w.e.f. 29th September, 2020 as the resolution for his reappointment was not passed with requisite majority.

Mr. Chandresh Kumar Mishra, Independent Director of the Company, tendered his resignation from holding the directorship in the company w.e.f. 14th October, 2020.

The board at its meeting held on 05th February, 2021, appointed Mr. Omprakash Ramdhin Singh as Additional Director (Non-Executive-Independent) of the company for a term of five year subject to the approval of the shareholders at the upcoming Annual General Meeting.

**2. The percentage increase in the median remuneration of employees in the financial year.**

The percentage increase in the median remuneration of employees in the financial year 2020-21 was Nil.

**3. Number of Permanent employees on the rolls of the company**

The Company had 32 permanent employees on the rolls of the Company as on March 31, 2021.

**4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

Average percentile increase made in salaries of employees other than the managerial personnel in the last financial year i.e 2020-21 was Nil whereas the increase in the managerial remuneration for the same financial year was Nil.

The increment given to each individual employee, if any is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

**5. Key parameters for any variable component of remuneration availed by the directors.**

The key parameters for any variable component of remuneration availed by the Managing Director is approved by the shareholders. Independent Directors are paid sitting fees as determined by the Board of Directors and as per the Nomination Remuneration and Compensation Committee Policy/Charter.

**6. Affirmation that the remuneration is as per the remuneration policy of the Company.**

It is hereby affirmed that the remuneration paid is as per the Nomination Remuneration and Compensation Committee Policy/ Charter.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (a) INDUSTRY STRUCTURE AND DEVELOPMENT

According to the Ministry of Shipping, around 95% of India's trading by volume and 70% by value is done through maritime transport. In November 2020, the Prime Minister, Mr. Narendra Modi renamed the Ministry of Shipping as the Ministry of Ports, Shipping and Waterways.

India has 12 major and 205 notified minor and intermediate ports. Under the National Perspective Plan for Sagarmala, six new mega ports will be developed in the country. The Indian ports and shipping industry play a vital role in sustaining growth in the country's trade and commerce. India is the sixteenth-largest maritime country in the world with a coastline of about 7,517 kms. The Indian Government plays an important role in supporting the ports sector. It has allowed Foreign Direct Investment (FDI) of up to 100% under the automatic route for port and harbour construction and maintenance projects. It has also facilitated a 10-year tax holiday to enterprises that develop, maintain and operate ports, inland waterways and inland ports.

About 90% of the global trade (in terms of volume) is carried via sea route, making the industry the lifeline of the world's economy. Due to the mobile nature of the asset class (ships), the freight rates ruling in any particular route is not significantly different from those of another. On account of this, the Indian Shipping Industry is highly intertwined with global shipping industry. Depending on the nature of cargo carried, shipping industry can broadly be classified into three segments: Dry Bulk, Wet Bulk (Tankers) and Containership segment. While Dry Bulk Carriers carry Iron Ore, Steel, Coal etc., tankers are used for transporting Crude Petroleum (Crude Carriers), downstream refined products (Product Tankers) and Chemicals (Specialized carriers e.g. LNG carriers).

The Indian Shipping Industry plays a crucial role in Indian economy. As mentioned earlier, 90% of the Nations trade by volume is done by the sea. India has been largest merchant shipping fleet amongst the developing nations. The Indian shipping industry supports transportation of national and international cargoes and also provides various other facilities such as ship building, ship repairing, freight forwarding etc. Indian shipping industry with emergence of globalization and liberalization in early 90's has acquired new dimensions in terms of demand and infrastructural development.

Indian shipping industry has become 14<sup>th</sup> largest fleet in the world as per the deadweight tonnage. Usage of sea transport for bulk cargo transport is the natural advantage of a vast coastline of India. India has 12 major and 205 notified minor and intermediate ports. The Indian ports and shipping industry plays a vital role in sustaining growth in the country's trade and commerce. India is the 16<sup>th</sup> largest maritime country in the world, with a coastline of about 7,517 kms.

India's key ports had a capacity of 1,534.91 million tonnes per annum (MTPA) in FY20. In FY21, all key ports in India handled 672.60 million tonnes (MT) of cargo traffic.

Merchandise exports reached US\$ 255.92 billion in FY21 (until February 2021).

The Government has taken several measures to improve operational efficiency through mechanisation, deepening the draft and speedy evacuations.

### (b) OUTLOOK ON OPPORTUNITIES

Ports in India handle around 95 per cent of international trade volume of the country. Increasing trade activities and private participation in port infrastructure is set to support port infrastructure activity in India. Cargo traffic during FY20 for solid, liquid and container cargo was 292 MT, 262 MT and 145 MT, respectively. Capacity at major ports is expected to grow to 1,477 million tonnes in FY21 from 505 million tonnes in FY07. Utilisation rates of major ports in India such as JNPT port, Kandla port, Ennore port, etc., are much above the world's average. 12 Major Ports were identified under Sagarmala project, for cargo handling till 2035.

In Union Budget 2021, the Government has announced subsidies funding worth Rs. 1624 Crore to Indian Shipping Companies to encourage merchant ship flagging in the Country. In February 2021 the Major Ports Authorities Bill, 2020 was passed by the Parliament of India The Bill aims to reorient the governance model in central ports to align with international best practices.

The outbreak of coronavirus provides a good opportunity for the shipping sector in India as companies move away from China to other less-developed countries triggering a new wave of industrialization.

The capacity addition at ports is expected to grow at a CAGR of 5-6% till 2022, thereby adding 275-325 MT of capacity.

Domestic waterways have found to be a cost-effective and environmentally sustainable mode of freight transportation. The government aims to operationalize 23 waterways by 2030.



India's cargo traffic handled by ports is expected to reach 1,900 million metric tonnes by 2021-22 according to a report by the National Transport Development Policy Committee.

Consequently, the expansion of the manufacturing hub linked with global supply chains would increase demand for port industry on the front of cargo commodities like iron ore and fertilizers. Iron ore and finished fertilizers shipments have seen an increasing trend enabling major ports to tide over falling volumes in coal and other miscellaneous cargo.

The Government of India is targeting to make the country the first in the world to operate all twelve major domestic Government ports on renewable energy. The government plans to install almost 200 Megawatt (MW) wind and solar power generation capacity which could be ramped up to 500 MW in the coming years.

In August 2020, the Government of India announced its plans to invest Rs 100 billion to build a trans-shipment port at the Great Nicobar Island in the Bay of Bengal to provide shippers an alternative port in the region. The Trans-shipment port will enable big ships to anchor and raise India's share in maritime trade due to its proximity to the East-West international shipping route.

The Ministry for Shipping, Road Transport and Highways has announced a massive investment in India's ports and roads sector, which is likely to help boost the country's economy. The Indian government plans to develop 10 coastal economic regions as part of plans to revive the country's Sagarmala (string of ports) project. Sagarmala is an ambitious national initiative aimed at bringing about a step change in India's logistics sector performance, by unlocking the full potential of India's coastline and waterways. The vision of Sagarmala is to reduce logistics cost for both domestic and EXIM cargo with optimized infrastructure investment. Sagarmala aspires to reduce logistics costs for EXIM and domestic cargo leading to overall cost savings of INR 35,000 to 40,000 cr. per annum. Some of this will be direct cost savings, while others are savings from inventory-handling costs resulting from time (and reduced variability) in transportation of goods, particularly containers. These cost savings apply to current industrial capacities as well as future coast proximate capacities for energy, material, marine and discrete industries that could come up through port-linked industrialization. In addition, Sagarmala aspires to reduce carbon emissions from transportation sector by 12.5 MT/annum. As part of the Sagarmala project, more than 574 projects worth Rs. 6 lakh crore (US\$ 82 billion) have been planned for implementation between 2015 and 2035.

Increasing investment and cargo traffic point towards a healthy outlook for the Indian Shipping Sector. Providers of services such as operation and maintenance (O&M), pilotage and harbouring and marine assets such as barges and dredgers are benefiting from these investments. Ministry of Shipping has set a target capacity of over 3,130 MMT by 2020, which would be driven by participation from the private sector. Non-major ports are expected to generate over 50 per cent of this capacity.

Further, India's cargo traffic handled by ports is expected to reach 1,695 million metric tonnes by 2021-22 according to a report by the National Transport Development Policy Committee, which is a boost to the Companies, including Shahi Shipping Limited to diversify and grow its business.

### (c) THREATS, RISKS AND CONCERNS

As 2021 dawns, and in light of the continuing global pandemic in form of COVID 19, it is apparent that, and likewise any other industry, the shipping industry will also face a tough patch and will continue to face headwinds. The Covid-19 pandemic will likely hit the global logistics and trade industry deeper and for longer than any other recent crises. Trade volumes will take 15 to 48 months to recover to fourth-quarter 2019 levels, and the value lost will be equivalent to 8 to 49 per cent of total 2019 trade volume. Shipping is a global business whose performance is closely linked to the state of the global economy. Since the Great Recession, the global shipping industry has been facing strong headwinds, which are not likely to go away soon, given uncertainty in trade policy and changing trade patterns among nations. Therefore, the earnings of your Company could be impacted negatively if the global economic situation does not improve over the longer term. Export orders and container shipping have been strong in past 2 - years, but trade recovery could be undermined by policy shocks. Policy uncertainty is the main risk factor, including imposition of trade restrictive measures and monetary tightening.

Over and above the economic risks the shipping industry is impacted by numerous short term and regional factors, like weather changes, COVID 19 etc. This results in great amount of volatility in the freight market, which in turn impacts your Company's earnings. The global economy is in uncertain territory, and not showing signs of picking up sharply in shorter span of time.

**(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**

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. The Company has adopted the all reasonable processes and procedures that management puts in place to help and make sure that its assets are protected and that company activities are conducted in accordance with the organization's policies and procedures. As observed by auditors, the company, going forward, would deploy news tools and technique to strengthen its Internal Financial Controls and to facilitate smooth and efficient functioning of the activities of business paving way for compliance of internal control norms stated in the guidance note on 'Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India.

**(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.

**(Note: During the year, there was no significant change in the financial ratios compared to the previous year.)**



## CORPORATE GOVERNANCE REPORT

(As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### 1. CORPORATE GOVERNANCE PHILOSOPHY

The Philosophy of the Company in relation to Corporate Governance is to ensure highest transparency, disclosures and reporting to stakeholders. It is our endeavor through this reporting system to conform fully to law, regulations and guidelines, and to promote ethical conduct throughout the organization, with primary objective of enhancing shareholders' value while being a responsible corporate citizen. Shahi Shipping Limited believes that transparency in operations strengthens investors' confidence.

Your Company continues to focus on good Corporate Governance in line with local and global standards. Its primary objective is to observe the highest level of ethics in all its dealings, create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business for meeting its obligations towards its shareholders and other stakeholders.

### 2. BOARD OF DIRECTORS

#### a) Composition and category of Directors:

Name of Directors	Designation/ Category
Mr. Sarvesh Kumar Shahi	Promoter, Executive Chairman & Managing Director
Ms. Anjali Shahi	Non-Executive, Non Independent Director
Mr. Omprakash Ramdhin Singh*	Non Promoter, Non-Executive, Independent Director
Mr. Sanjeev Kumar Singh	Non Promoter, Non-Executive, Independent Director

The Composition of the Board of Directors of the Company represents the combination of Executive and Non-Executive Directors with one Woman Director, which is in conformity with Regulations 17 of the SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015. The Board comprises of Four (4) Directors as on March 31, 2021. Out of these, Two (2) directors are Non-Executive–Independent, One (1) director is Non Executive and one (1) director is Executive Director. The Chairman of the Board is a Managing Director (Executive Director).

\*Mr. Omprakash Ramdhin Singh was appointed as an Additional Director (Independent Non-Executive Director) of the Company with effect from February 5, 2021.

Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director of the Company w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment for subsequent term was not approved with requisite majority at the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2020.

The Company was informed by Mr. Chandresh Kumar Mishra, Independent Director (DIN: 07645967), vide his letter dated 14<sup>th</sup> October 2020 w.r.t his resignation as an Independent Director of the Company with immediate effect. The Company received the said resignation letter on 15<sup>th</sup> October 2020.

The particulars of Directors, their category, relationship inter-se, number of shares held, attendance and other directorship, membership/chairmanship of the Board of Directors / Committees as on March 31, 2021 are furnished below:

Name of the Director	Designation	Independent / Non Independent	Relationship Inter-se	Shareholding As on 31/03/2021
Mr. Sarvesh Kumar Shahi	Chairman – Executive Director	Non Independent	Father of Ms. Anjali Shahi	20,28,165
Ms. Anjali Shahi	Non-Executive Director	Non Independent	Daughter of Mr. Sarvesh Kumar Shahi	-
Mr. Sanjeev Kumar Singh	Non-Executive Director	Independent	None	-
Mr. Omprakash* Ramdhin Singh	Non-Executive Director	Independent	None	-

\*Mr. Omprakash Ramdhin Singh was appointed as an Additional Director (Independent Non-Executive Director) of the Company with effect from February 5, 2021.



Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment for the subsequent term was not approved with requisite majority at the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2020.

The Company was informed by Mr. Chandresh Kumar Mishra, Independent Director (DIN: 07645967), vide his letter dated 14<sup>th</sup> October 2020, about his resignation as the Independent Director of the Company with immediate effect. The Company received the said resignation letter on 15<sup>th</sup> October 2020.

#### Key Skills, Expertise and Competencies of the Board;

The Board of the Company comprises eminent personalities and leaders in their respective fields. These Members bring in the required skills, competence and expertise to the Board. These Directors are nominated based on well-defined selection criteria. The Nomination and Remuneration Committee ('NRC') considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board of Directors have, based on the recommendations of the NRC, identified and annually reviewed the following core key skills/ expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Director	Financial skills	Policy Development	Leadership	Strategy thinking and decision making	Governance and Compliance	Sales & Marketing	International Business
Mr. Sarvesh Kumar Shahi	✓	✓	✓	✓	✓	✓	✓
Ms. Anjali Shahi	✓	✓	✓	✓	✓	✓	✓
Mr. Sanjeev Kumar Singh	✓	✓	✓	✓	-	-	-
Mr. Omprakash* Ramdhin Singh	✓	✓	✓	✓	-	-	-

#### b) Attendance of each Director at the Board Meetings and the last Annual General meeting:

The Company holds at least four Board meetings in a year, one in each quarter inter-alia to review the financial results of the Company. The gap between the two board meetings does not exceed the number of days as per Regulations 17(2) of the SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015 or the SEBI's circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 granting relaxation on account of pandemic situation.. Apart from the four scheduled board meetings, additional board meetings are also convened to address the specific matters, if any. Urgent matters are also approved by the Board by passing resolution by circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. All the departments in the Company communicate to the Executive Directors well in advance, the matters requiring approval of the Board/Committees of the Board to enable inclusion of the same in the agenda for the Board/Committee meeting(s). The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned department. Action taken report on the decisions/minutes of the previous meeting is placed at the succeeding meeting of the Board/Committee for noting.

During the year under review, Six (6) Board Meetings were held respectively on July 29, 2020, September 4, 2020, September 14, 2020, November 12, 2020, February 05, 2021 and February 12, 2021.



The attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2020-21 was as follows:

Directors	Category	Board Meetings attended during the year	Whether attended last AGM	Other Directorships/Committee Membership or Chairmanship	
				Directorship of other Indian Public Companies	Committee Membership/ (Chairmanship)
Mr. Sarvesh Kumar Shahi	Promoter, Executive Chairman & Managing Director	6	Yes	3	-
Ms. Anjali Shahi	Non-Executive, Non Independent Director	6	Yes	1	-
Mr. Venkata Subramanian Iyer Shivaraman*	Non-Executive, Independent Director	3	Yes	-	-
Mr. Chandresh Kumar Mishra**	Non-Executive, Independent Director	3	Yes	-	-
Mr. Sanjeev Kumar Singh	Non- Executive, Independent Director	6	Yes	-	-
Mr. Omprakash Ramdhin Singh***	Non Executive, Independent Director	1	NA	-	-

Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment for the subsequent term was not approved with requisite majority at the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2020.

\*\* The Company was informed by Mr. Chandresh Kumar Mishra, Independent Director (DIN: 07645967), vide his letter to the company dated 14<sup>th</sup> October 2020 w.r.t. his resignation from as an Independent Director of the Company with immediate effect. The Company has received the said resignation letter on 15<sup>th</sup> October 2020.

\*\*\*\*Mr. Omprakash Ramdhin Singh was appointed as an Additional Director (Independent Non-Executive Director) of the Company with effect from February 5, 2021.

**Notes:**

1. None of the Directors of the Company holds membership of more than ten Committees nor is a Chairman of more than five Committees across all Companies of which he/she is a director. Necessary disclosure regarding Committee positions in other Indian public companies as at March 31, 2021 have been made by the Directors.
2. The Committees considered for the above purpose include and are those as specified in Listing Obligations & Disclosure Requirements Regulations 2015 i.e. Audit Committee (Regulations 18) and Stakeholders Relationship Committee (Regulation 20).
3. All Independent Directors fulfill the requirements stated in Regulation 25(1) of the SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015



c) **The details of Directorship of the Company's Directors in other Indian Public Companies are given below:**

Mr. Sarvesh Kumar Shahi	1. Royal Logistics (Ship) Limited 2. SKS Waterways Limited 3. Shahi Gasol Limited
Ms. Anjali Shahi	1. India First Logistics Limited
Mr. Venkata Subramanian Iyer Shivaraman	NIL
Mr. Chandresh Kumar Mishra	NIL
Mr. Sanjeev Kumar Singh	NIL
Mr. Omprakash Ramdhin Singh	NIL

d) **Information provided to the Board:**

The Board meetings are generally scheduled well in advance and the notice of each Board meeting is given in writing to directors of the Company. The Board papers, comprising the agenda backed by comprehensive background information are circulated to the Directors in advance. The information as specified in Regulations 29 of SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015, as applicable at the meeting, is placed before / made available to the Board.

The Board periodically reviews compliance reports of various laws applicable to the Company.

e) **Familiarization Programme for Independent Directors:**

Whenever any person joins the Board of the Company as an Independent Director, an informal induction programme is arranged. The Company conducts programmes/ presentations periodically, during the Board Meetings, to familiarize the Independent Directors with the nature of industry, Business model, strategy, operations and functions of the Company and role, right & responsibilities of Independent Directors through its Executive Directors or Senior Management Personnel. The details of such familiarization programmes have been disclosed on the Company's website at ([www.shahilogistics.com](http://www.shahilogistics.com)).

### 3. AUDIT COMMITTEE

a) **Terms of Reference**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financials reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out by the Management, Statutory and Internal Auditors on the financial reporting process and the safeguards employed by them.

The Company has adopted the audit Committee Charter as per requirements set in (Regulations 18) of SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015

b) **Composition, Name of Members and Chairman:**

The Audit Committee of the Company comprised of the three (3) members as on March 31, 2021 viz., Mr. Sanjeev Kumar Singh, Ms. Anjali Shahi and Mr. Omprakash Ramdhin Singh.

The Company's Audit Committee, as on March 31, 2021, comprises of two (2) Non-Executive Independent Directors and one (1) Non-Executive Director Non Independent Director, out of which Mr. Sanjeev Kumar Singh is the Chairman of the Audit Committee. All members of the Audit Committee have relevant experience in financial matters. During the year under review, the Audit Committee met on the following four (4) occasions: July 29, 2020, September 14, 2020, November 12, 2020, and February 12, 2021.



The attendance of the members at the Meetings held during the year was as follows:

Name of the Member	Category	No. of meetings	
		Held during the year	Attended during the year
Mr. Sanjeev Kumar Singh	Non-Executive - Independent Director, Chairman	4	4
Ms. Anjali Shahi	Non-Executive - Non Independent Director, Member	4	4
Mr. Venkata Subramanian Iyer Shivaraman*	Independent Director – Chairman (Erstwhile)	4	2
Mr. Chandresh Kumar Mishra**	Independent Director	4	2
Mr. Omprakash Ramdhin Singh***	Non-Executive - Independent Director, Member	4	1

\*During the Financial Year 2020-21, Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment for the subsequent term was not approved with requisite majority at the Annual General Meeting held on 27<sup>th</sup> September, 2020.

\*\* During the Financial Year 2020-21, Mr. Chandresh Kumar Mishra, Independent Director, vide his letter to the company dated 14<sup>th</sup> October 2020 about his resignation from the Board of Directors of the Company with immediate effect. The Company received the said resignation letter on 18<sup>th</sup> October 2020.

\*\*\*During the Financial Year 2020-21, the Audit Committee was re-constituted by the Board of Directors with effect from February 5, 2021, by inducting Mr. Omprakash Ramdhin Singh, Non-Executive Independent Director of the Company as the Member of the Committee.

#### 4. NOMINATION AND REMUNERATION COMMITTEE (FORMERLY KNOWN AS REMUNERATION AND COMPENSATION COMMITTEE):

##### a) Terms of reference:

The Nomination and Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The Nomination and Remuneration Policy is in consonance with the existing practice in the Industry.

The scope of this committee is to determine the terms of appointment and compensation payable to executive directors and senior management personnel and other matters as prescribed in Regulations 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

##### b) Composition, name of members and chairperson:

The Nomination and Remuneration Committee of the Company comprised of the following members as on March 31, 2021.

Name of the member	Category
Mr. Sanjeev Kumar Singh	Non-Executive - Independent Director, Chairperson
Ms. Anjali Shahi	Non-Executive - Non Independent Director, Member
Mr. Omprakash Ramdhin Singh	Non-Executive - Independent Director, Member

During the year under review, the Nomination and Remuneration Committee met once on February 5, 2021.



The attendance of the members at the meeting was as under:

Name of the member	Category	No. of meetings	
		Held during the year	Attended during the year
Mr. Sanjeev Kumar Singh	Non-Executive - Independent Director, Chairperson	1	1
Ms. Anjali Shahi	Non-Executive - Non Independent Director, Member	1	1
Mr. Venkata Subramanian Iyer Shivaraman*	Independent Director	1	NA
Mr. Chandresh Kumar Mishra**	Independent Director – Chairman	1	NA
Mr. Omprakash*** Ramdhin Singh	Non-Executive - Independent Director, Member	1	NA

\*During the Financial Year 2020-21, Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment was not passed with requisite majority at the Annual General Meeting held on 27<sup>th</sup> September, 2020

\*\* During the Financial Year 2020-21, Mr. Chandresh Kumar Mishra, Independent Director, vide his letter to the company dated 14th October 2020 w.r.t. his resignation from the Board of Directors of the Company with immediate effect. The Company has received the said resignation letter on 15th October 2020.

\*\*\*During the Financial Year 2020-21, the Nomination and Remuneration Committee was re-constituted by the Board of Directors with effect from February 5, 2021, by inducting Mr. Omprakash Ramdhin Singh, Non-Executive Independent Director of the Company, as the Member of the Committee.

**c) Remuneration Policy**

In determining the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of the Company, a Remuneration Policy has been framed by the Nomination & Remuneration Committee. The said policy was approved by the Board and The Nomination and Remuneration Policy is available on the Company's website [www.shahilogistics.com](http://www.shahilogistics.com).

**d) Details of Remuneration paid or payable to Directors during the year 2020-21:**

(Amount in Rs.)	
Name of the Director	Mr. Sarvesh Kumar Shahi
Salary and Allowances	60,00,000/-
Commission	-
Perquisite	-
Stock Options	-
<b>Total</b>	<b>60,00,000/-</b>

The Company had paid the following sitting fees to its non-executive director, for attending meetings held during the financial year 2020-21:

Name of the Member	Sitting Fees Paid (In Rs.)
Ms. Anjali Shahi	-
Mr. Venkata Subramanian Iyer Shivaraman	10,000/-
Mr. Chandresh Kumar Mishra	-
Mr. Sanjeev Kumar Singh	8,000/-
Mr. Omprakash Ramdhin Singh	8,000/-

1. The Company does not have policy of paying commission on profits to any of the Directors of the Company.
2. No performance linked incentive is given to the Directors of the Company.
3. The Company does not have a scheme for grant of stock options either to the whole-time Directors or Employees of the Company.
4. There is no separate provision for payment of severance fees and Notice period for revoking the agreement is three months prior to resignation.

**e) Performance Evaluation Criteria for Independent Directors:**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Non-Executive Directors. The parameters of performance evaluation of the Non-Executive Directors, captures the following points:

- Attendance at meetings of the Board and Committee thereof;
- Participation in Board meetings or Committee thereof;
- Contribution to strategic decision making;
- Review of risk assessment and risk mitigation;
- Review of financial statements, business performance; and
- Contribution to the enhancement of brand image of the Company.

The Board of Directors (excluding the Director being evaluated) had, in their Meeting held on 12<sup>th</sup> February 2021 evaluated the performance of all the Directors on the Board.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:****a) Terms of reference:**

The terms of reference of the Committee include redressing Shareholders/ Investors complaints like transfer and transmission of shares, issue of duplicate share certificate, non-receipt of balance sheet, non-receipt of dividend etc. and to ensure expeditious share transfer process.

**b) Scope of Stakeholders Relationship Committee:**

The scope of the Stakeholders Relationship Committee is to review and address the grievances of the shareholders in respect of share transfers, transmission, non-receipt of annual report, dividend etc. and other related activities. In addition, the Committee also looks into matters which can facilitate better investors' services and relations.

The Stakeholders Relationship Committee is headed by Mr. Sanjeev Kumar Singh the Non-Executive & Independent Director.

**c) Composition, Meetings and Attendance of Committee:**

The composition of the Committee as on March 31, 2021 along with the attendance record of the members of the Committee is given below. During the year the Stakeholders Relationship Committee met once on February 12, 2021.

Name of the member	Category	No. of meetings	
		Held during the year	Attended during the year
Mr. Sanjeev Kumar Singh	Non-Executive - Independent Director, Chairperson	1	1
Ms. Anjali Shahi	Non-Executive - Non Independent Director, Member	1	1
Mr. Venkata Subramanian Iyer Shivaraman*	Independent Director	1	NA
Mr. Chandresh Kumar Mishra**	Independent Director – Chairman	1	NA
Mr. Omprakash*** Ramdhin Singh	Non-Executive - Independent Director, Member	1	1

\*During the Financial Year 2020-21, Mr. Venkatasubramanian Iyer Shivaraman, Independent Director of the Company ceased to be the Independent Director w.e.f. 29<sup>th</sup> September, 2020 as the resolution for his reappointment was not passed with requisite majority at the Annual General Meeting held on 27<sup>th</sup> September, 2020

\*\* During the Financial Year 2020-21, Mr. Chandresh Kumar Mishra, Independent Director, vide his letter to the company dated 14<sup>th</sup> October 2020 w.r.t. his resignation from the Board of Directors of the Company with immediate effect. The Company has received the said resignation letter on 15<sup>th</sup> October 2020.

\*\*\*During the Financial Year 2020-21, the Stakeholders Relationship Committee was re-constituted by the Board of Directors with effect from February 5, 2021, by inducting Mr. Omprakash Ramdhin Singh, Non-Executive Independent Director of the Company, as the Member of the Committee.

**d) Details of shareholders complaints received, cleared and pending, during the year:**

During the period under review, no complaints were received and hence nothing is required to attend for the satisfaction of the shareholder.

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

**6. SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS:**

As required under Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, a Meeting of the Independent Directors was held on 12th February, 2021, without the attendance of Executive Directors and members of Management. At the Meeting, they:

- (i) Reviewed the performance of non-independent directors and the Board as a whole;
- (ii) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (iii) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**7. COMPLIANCE OFFICER AS ON MARCH 31, 2021:**

<b>Name of the Compliance Officer</b>	Mr. N. V. Agandeswaran * (up to March 18, 2021)
<b>Designation</b>	Company Secretary & Compliance Officer
<b>Address</b>	404, Abhay Steel House, Baroda Street, Mumbasai – 400 009. <b>E-Mail</b> admin@shahilogistics.com <b>Phone no.:</b> 91 (22) 61454545/23487348 <b>Fax:</b> 91 (22) 23487349/50

\*The Company has no Company Secretary as on March 31, 2021. However, the Company is in process of appointment of a qualified Company Secretary.

**8. RISK MANAGEMENT:**

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedure.

These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

Detailed note on risk management is given in the Management Discussion and Analysis Report.

**9. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT:**

The code of conduct for all Directors and the senior management of the Company have been posted on the website of the Company at [www.shahilogistics.com](http://www.shahilogistics.com). All directors and the Senior Management Personnel are under a requirement to affirm the compliance with the said Code annually.

The necessary declaration by the Managing Director of the Company regarding

Compliance of the above mentioned code by the Directors and the Senior Management of the Company forms part of the Annual Report.

**10. DETAILS OF ANNUAL GENERAL MEETINGS:**

a) Location, date and time where the last three Annual General Meetings were held and the special resolutions passed:

Year	General Meeting	Location	Date	Time	Special Resolutions passed
2020	Annual General Meeting	404, Abhay Steel House Baroda Street Masjid, Mumbai (through video conferencing)	September 27, 2020	11.00 A.M.	1. Re-appointment of Mr. Venkata Subramanian Iyer Shivaraman (DIN 07165080), aged 71 years, as an Independent, Non-Executive Director of the Company
2019	Annual General Meeting	404, Abhay Steel House Baroda Street Masjid, Mumbai	September 28, 2019	11.00 A.M.	-
2018	Annual General Meeting	404, Abhay Steel House Baroda Street Masjid, Mumbai	September 28, 2018	11.00 A.M.	-

**Postal Ballot:**

During the financial year 2020-21, No resolution was passed through postal ballot.

**Extra Ordinary General Meeting:**

During the financial year 2020-21, No Extra Ordinary General Meeting was convened and held.

**b) Disclosures:**

- There were no materially significant related party transactions during the year having conflict with the interests of the Company. Disclosures of related party transactions as required by Indian Accounting Standard ("IND-AS") - 24 have been given in the financial statement attached to the Report.
- The Company had complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years except:
- Pursuant to non-compliance with Regulation 14 of SEBI (LODR) Regulations, 2015, the shares of the Company are suspected for trading on the BSE Limited and the shares of the promoters are freezed for penal reasons and the Company is further liable for any penal action taken by the BSE Limited and SEBI in this regard.
- The BSE Limited has levied fines with the penalty for the non-compliance(s) under Regulation 17, Regulation (18 and 19 of the SEBI (LODR) Regulations, 2015 for Rs. 94,400, Rs. 37,760 and Rs. 37,760 respectively, which is yet to be paid / applied for waiver by the Company.
- The BSE Limited has levied fines with the penalty for the non-compliance(s) under Regulation 23(9) for Rs. 2,06,500 which is yet to be paid / applied for waiver by the Company.
- The BSE Limited has levied fines with the penalty for the non-compliance(s) under Regulation 34 for Rs. 7,080 which is yet to be paid / applied for waiver by the Company.
- In terms of Regulations 22, of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company has established vigil mechanism for directors, employees and others stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

The Whistle Blower Policy is placed on the website of the Company- [www.shahilogistics.com](http://www.shahilogistics.com)

The Company has provided opportunities to encourage employees to become whistle blowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit Committee.



The policy for determining material subsidiaries is hosted on the website of the Company at:

- The Company has formulated a policy on Related Party Transactions and also on dealing with Related Parties which is disclosed on the website of the Company and the web link - [www.shahilogistics.com](http://www.shahilogistics.com).

All Related Party Transactions have been approved by the Audit Committee. The Company has taken omnibus approval of Audit Committee for a period of one year. The Audit Committee has reviewed on quarterly basis the details of Related Party Transactions entered into by the Company pursuant to such omnibus approval.

- The Company has complied with all the mandatory requirements and has also disclosed information relating to non-mandatory requirements.
- The Company has received a certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any other statutory authority.
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

Payment to statutory auditors	Financial Year 2020-21
Statutory Audit	Rs. 1,40,000/-
Other services including reimbursement of expenses	Nil
<b>Total</b>	<b>Rs. 1,40,000/-</b>

- Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

No. of complaints filed during the Financial Year	No. of complaints disposed off during the Financial Year	No. of complaints pending as on the end of Financial Year
NIL	NIL	NIL

- The promoters' shares are not fully dematerialized up to 31st March, 2021.
- The Company has prepared the financial statements in compliance with the Indian Accounting Standards ("IND-AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 and other relevant provisions of the Act.
- Management Discussion and Analysis Report forms part of the Annual Report.

#### 11. DISCRETIONARY REQUIREMENTS (AS PER PART E OF SCHEDULE II):

(1) Shareholder Rights

The Quarterly, Half yearly and Annual Financial Results of the Company are published in the Newspapers, besides notifying to the Stock Exchanges where the Company's shares are listed. The Quarterly, Half yearly and Annual Financial Results are also available on Company's website. The Audited annual report is also sent to every shareholders of the Company (through email to those shareholders whose email IDs are registered with the Company for the Annual Report 2020-21).

(2) Audit qualifications

There is no qualification in the Auditors' Report to the Members on the Financial Accounts for the year ended 31.03.2021.

(3) Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

(4) Other Non-Mandatory Requirements

The other Non-mandatory requirements will be implemented in due course as and when required and/or deemed necessary by the Board.

**12. MEANS OF COMMUNICATION**

- (a) The quarterly and half yearly / others communications were published in Free Press Journal in English and Janashakti Marathi.
- (b) The Company's audited and un-audited periodic financial results, press releases are posted on the Company's website – www.shahilogistics.com.
- (c) The Company does not display official news releases and make presentations to institutional investors and to the analysts.

**13. GENERAL SHAREHOLDER INFORMATION****a) Details of AGM FOR FINANCIAL YEAR 2020-21****1 Date, time and the venue of 31st AGM (FY 2020-21):**

18<sup>th</sup> September, 2021 at 11.00 at through video conferencing mode / other audio visual means at the registered office of the Company

**2 Date of Book Closure:**

12<sup>nd</sup> day of September, 2021 to 18<sup>th</sup> day of September, 2021 (both days inclusive)

**3 Dividend payment date: NA****4. Listing on Stock Exchanges:**

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 023

**5. Listing Fees:** Listing Fees of BSE Limited has not been paid.**6. ISIN No.** INE825D01016**7. BSE stock code:** 526508**8. Stock market price data for the last financial year ended March 31, 2021 on The BSE Limited is as under:**

Date	RATES (Rs.)		BSE Sensex (Rs.)	
	High	Low	High	Low
Apr-20	-	-	33,887.25	27,500.79
May-20	-	-	32,845.48	29,968.45
Jun-20	-	-	35,706.55	32,348.10
Jul-20	-	-	38,617.03	34,927.20
Aug-20	-	-	40,010.17	36,911.23
Sep-20	-	-	39,359.51	36,495.98
Oct-20	-	-	41,048.05	38,410.20
Nov-20	-	-	44,825.37	39,334.92
Dec-20	-	-	47,896.97	44,118.10
Jan-21	-	-	50,184.01	46,160.46
Feb-21	-	-	52,516.76	46,433.65
Mar-21	6.06	5.24	51,821.84	48,236.35

**9. Registrar & Share Transfer Agent****Link Intime India Private Limited**

Address: C 101,247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083.

Tel. no: +91-22-4918 6000

Fax no: +91-22-4918 6060

E-mail Id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**10. Share Transfer System:**

The Company's shares are traded in the Stock Exchange compulsorily in demat mode. Shares sent for physical transfer or dematerialization requests are registered promptly within stipulated time from the date of receipt of completed and validly executed documents.

**11. Compliance Officer**

\*Mr. N. V. Agandeswaran (up to March 18, 2021)

Company Secretary & Compliance Officer

404, Abhay Steel House, Baroda Street,

Mumbai – 400 009.

admin@shahilogistics.com

Phone no.: 91 (22) 61454545/23487348

Fax: 91 (22) 23487349/50

\* The Company has no Company Secretary as on March 31, 2021. However, the Company is in process of appointment of a qualified Company Secretary.

12. Dematerialization of Shares and liquidity as on March 31, 2021: 68.12% of the company's shares representing 98,74,295 shares were held in dematerialized form with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The Company does not have outstanding GDRS / ADRS / Warrants or any Convertible instruments.

Further, the Company has not undertaken any hedging activities during the Financial Year 2020-21. With a balance of foreign inflow and outflow, the Company has a natural hedge of foreign exchange.

**13. Reconciliation of Share Capital Audit:**

The firm of Practicing Company Secretaries carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**14. Shareholding Pattern as on March 31, 2021**

Category	No. of shares held	% of voting strength
Corporate Bodies (Promoter Co)	5283721	36.4523
Central Government	50	0.0003
Other Bodies Corporate	228520	1.5766
Directors	2034365	14.0351
Government Companies	239366	1.6514
Hindu Undivided Family	144900	0.9997
Nationalised Banks	200	0.0014
Non Resident Indians	8539	0.0589
Non Resident (Non Repatriable)	3009	0.0208
Public	3273706	22.5853
Relatives Of Director	3273706	22.6183
TOTAL :	14494874	100

**14. Distribution of Shareholding as on March 31, 2021**

No. of Shares	No. of	% of	Total No. of	% of total
	Shareholders	Shareholders	Shares held	shares
1 to 5000	3807	83.4502	701350	4.8386
5001 to 10000	391	8.5708	323083	2.2289
10001 to 20000	157	3.4415	245984	1.6970
20001 to 30000	49	1.0741	123097	0.8492
30001 to 40000	37	0.811	133952	0.9241
40001 to 50000	22	0.4822	103696	0.7154
50001 to 100000	42	0.9206	315800	2.1787
100001 to above	57	1.2495	12547912	86.5679
<b>Total</b>	<b>4562</b>			<b>100</b>

**16. Outstanding GDRs / ADRs /Warrants** or any convertible instruments, conversion date and likely impact on equity: Not Applicable

**17. Plant Location**

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

**18. Registered Office:**

404 Abhay Steel House 4th Floor Baroda Street Mumbai 400009

**19. Correspondence Address:**

404 Abhay Steel House 4th Floor Baroda Street Mumbai 400009

E-mail- [admin@shahilogistics.com](mailto:admin@shahilogistics.com)

**20. Declaration as to Compliance with Code of Conduct:**

As per Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, all the Board Members and Senior Management personnel have affirmed their compliance with the Company's code of conduct for the year ended 31st March, 2021.

**Sarvesh Kumar Shahi**  
**CHAIRMAN AND MANAGING DIRECTOR**

Place: Mumbai

Date: 13 August 2021



## 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) for the year ended 31st March 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with BSE Limited.

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 Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations except as follow:

### QUALIFICATIONS:

1. As per SEBI Circular no Cir/ISD/ 3/2011 dated June 17, 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.
2. During the period under review, Related Party Transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. However, the transactions with related parties were ratified by the Audit Committee at the immediate subsequent meeting to the transaction,
3. The Company has not paid the Annual Listing Fees to the BSE Limited, the Stock Exchange on which the Company is listed, for the financial years from 2018-19 to 2020-21.
4. The website of the Company does not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015.
5. The Constitution of Board committees of the company was not as per Regulation 18, Regulation 19, and Regulation 20 of the SEBI LODR Regulations 2015 and as Per Section 178 and 179 of the Companies Act 2013 for the quarter ended December 31, 2020 and was adjudged with the applicable fine by the BSE Limited.
6. As per Regulation 23(9) of the SEBI LODR Regulations, 2015, a listed company shall make disclosures of related party transactions, within 30 days from the date of publication of its standalone financial results for the half year. However, the Company failed to submit the disclosure on Related Party Transactions for the half year ended on September 30, 2020 and was adjudged with the applicable fine by the BSE Limited.
7. As per Regulation 34, a copy of annual Report is to be submitted to the stock exchange not later than the day of commencement of dispatch to its shareholders. However, there was a delay of three days in submission of the Annual Report to the BSE Limited over and above the prescribed time limit and was adjudged with the applicable fine by the BSE Limited.
8. Pursuant to the resignation of Mr. N. V. Agandeswaran, Company Secretary and Compliance Officer of the Company on March 18, 2021, the Company is yet to fill up a vacancy caused due to such resignation as on the date of this report.

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. Restrictions on use This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For B. P. Shah & Co.  
Firm Registration No. 109517W  
Chartered Accountants

Pathik B Shah  
Partner  
Membership No. 138847

Place: Mumbai  
Date: 28<sup>th</sup> June , 2021  
UDIN : 21138847AAAAEE5466



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

We, Sarvesh Kumar Shahi, Chairman and Managing Director [Chief Executive Officer] and Vijila Vincent Nadar, Chief Financial Officer of Shahi Shipping Limited [the Company] do hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the listed entity during the year which is fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
  - (i) That there are no significant changes in internal control over financial reporting during the year;
  - (ii) That there are no significant changes in accounting policies during the year; and
  - (iii) That there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Shahi Shipping Limited

Sarvesh Kumar Shahi  
**Chairman & Managing Director**

Vijila Vincent Nadar  
**Chief Financial Officer**

Place: Mumbai

Date: August 13, 2021



## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31<sup>st</sup> March, 2021.

**For Shahi Shipping Limited**

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

**Date: August 13, 2021**

**Place: Mumbai**



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF**

### **SHAHI SHIPPING LIMITED**

#### **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying Standalone financial statements of SHAHI SHIPPING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profits including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **BASIS OF OPINION**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statement's section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

#### **EMPHASIS OF MATTER**

- (a) The other financial assets in the Balance sheet includes Rs. 645.23 lakhs of interest subsidy receivable from Central Government and Inland Waterways Authority. To recover the same the petition is pending. The ultimate outcome of the matter cannot presently be determined.
- (b) Provision for expense for the year 2020-2021 amounting to Rs 69.36 Lakhs was outstanding as on 31st March 2021 as provided by Management, however still invoices are not received on date of signing of this report. Therefore, we cannot form our opinion on the provision appearing as on 31st March 2021.
- (c) The Trade payable are Rs. 321.29 Lakhs. The confirmations from creditors are not provided and hence we are unable give any opinion on trade payable. So we cannot form any opinion on trade payable.
- (d) The Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting as at March 31, 2021.
- (e) We are informed that due to extension of due dates of filing of TDS return for quarter ended March 31, 2021, the TDS receivable in books of accounts could not be reconciled or matched with Form 26AS for F.Y. 2020-21 as many vendors and debtors have not uploaded the relevant details relating to Company for the quarter ended March 31, 2021. The impact of non-availability of

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

Our opinion on the standalone financial results is modified to the extent for the above matters.

#### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters identified in our audit.



### **Information Other than the Standalone Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

### **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Standalone Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **AUDITORS' RESPONSIBILITY**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in



- (i) Planning the scope of our audit work and in evaluating the results of our work and
- (ii) To evaluate the effect of an identified misstatement in the Standalone Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those book;
  - c) The Balance sheet, the Statement of Profit & Loss including the statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representation received from the directors as on March 31, 2021 taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a Director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in Annexure "B" to this report;
  - g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - h) With respect to the matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by company.

**For B. P. Shah & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration No.109517W**  
**Pathik Shah**  
**Partner**  
**Membership No. 138847**



UDIN: 21138847AAAAEE5466

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shahi Shipping Limited on the standalone financial statements for the year ended March 31, 2021.

- (i) The Company has maintaining records showing particulars including quantitative details & situation of fixed assets.
- (a) Some fixed assets have been physically verified by the management during the year in accordance with phased program of verification adopted by the company. However, due to COVID-19, some fixed assets could not be physically verified by management. Hence, material discrepancies between the book records and physical inventory were not noticed in respect of assets not physically verified during the year by management.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except for the following:

(Rs. In Lakhs)

Particulars (Office Premises)	Amount
Gross Block as at 31 March, 2021	2.34
Net Block as at 31 March, 2021	0.71

- (ii) 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.
- (iii) According to the information and explanations provided to us, the Company has not granted loans, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189(2) of the act and hence sub clause (a) (b) (c) of Paragraph 3 of the said order are not applicable to company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
- (v) According to the information and explanation provided to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) 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.
- (vii) 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, service tax, customs duty, excise duty, value Added Tax, cess and other material statutory dues as applicable, have been generally regularly deposited by the Company during the year with the appropriate authorities except for following:  
The extent of the arrears of statutory dues outstanding as at 31/03/2021 are of Maharashtra Labour Welfare Fund for Rs 7488 ; Professional Tax for Rs 11432 and Income Tax pertaining to financial years 2011-2012 Rs.0.85 Lakhs have been outstanding for a period more than six months.
- b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty or Value Added Tax outstanding on account of any dispute.
- (viii) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions, banks, governments or debenture holders. The company did not have any outstanding dues to debenture holders during the year.
- (ix) The Company has not applied for any Term Loan and has not raised money by way of Initial public offer / further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.



- (x) Based upon the audit procedures performed and as per the information and explanations given to us, we have neither come across any instance of fraud on or by the company, its officers or employees, noticed or reported during the period, nor have we been informed of such case by the management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion, company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the order are not applicable to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards. However during the period under review, related party transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements Regulation, 2015)
- (xiv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.
- (xv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions during the period with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanation given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For B. P. Shah & Co.**

**Chartered Accountants**  
**ICAI Firm Registration No.109517W**

**Pathik Shah**  
**Partner**  
**Membership No. 138847**

**Place : Mumbai**  
**Date : June 28<sup>th</sup>, 2021**  
**UDIN: 21138847AAAAEE5466**



## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shahi Shipping Limited on the standalone financial statements for the year ended March 31, 2021.

We have audited the internal financial controls over financial reporting of Shahi Shipping Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

COVID-19 pandemic has resulted in a different and unique working environment which required performance of audit procedures remotely.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



**Disclaimer of Opinion**

Accordingly to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company. Our opinion is modified in respect of this matter.

**For B. P. Shah & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration No.109517W**

**Pathik Shah**  
**Partner**

**Membership No. 138847**  
**Mumbai: June 28<sup>th</sup>, 2021**  
**UDIN: 21138847AAAAEE5466**



## Balance Sheet as at 31st March, 2021

Particulars		As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3	9,00,66,845	9,83,72,858
<b>(b) Financial assets</b>			
(i) Investments	4	3,12,384	2,92,523
(ii) Loans	5	-	-
(iii) Other Financial Assets	6	8,49,26,047	8,39,70,223
<b>(c) Other non-current assets</b>	7(a)	46,93,070	39,18,077
<b>Total non-current assets</b>		<b>17,99,98,346</b>	<b>18,65,53,681</b>
<b>(2) Current assets</b>			
<b>(a) Financial assets</b>			
(i) Trade receivables	8	1,15,61,646	1,93,10,500
(ii) Cash and cash equivalents	9	22,41,414	5,52,179
<b>(b) Other current assets</b>	7(b)	82,90,469	7,50,491
<b>Total Current Assets</b>		<b>2,20,93,528</b>	<b>2,06,13,170</b>
<b>Total assets</b>		<b>20,20,91,875</b>	<b>20,71,66,745</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	10	14,49,48,740	14,49,48,740
(b) Other Equity	11	(11,53,38,876)	(10,62,46,557)
<b>Total Equity</b>		<b>2,96,09,864</b>	<b>3,87,02,183</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	12(a)	4,91,88,179	4,72,12,236
(ii) Other Financial Liabilities	13(a)	14,50,000	14,50,000
(b) Provisions	14	46,42,419	45,54,994
(c) Deferred Tax Liabilities (Net)	15	98,72,655	1,26,00,233
<b>Total non-current liabilities</b>		<b>6,51,53,253</b>	<b>6,58,17,463</b>
<b>(2) Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	12(b)	4,46,91,153	4,14,11,431
(ii) Trade payables	16	4,01,02,158	3,58,19,899
(iii) Other financial liabilities	13(b)	2,07,93,167	2,32,59,185
(b) Other current liabilities	17	17,42,280	21,56,478
<b>Total current liabilities</b>		<b>10,73,28,758</b>	<b>10,26,46,993</b>
<b>Total Equity and Liabilities</b>		<b>20,20,91,875</b>	<b>20,71,66,745</b>

See Accompanying notes to Financial Statements

As per our report of even date attached  
For B.P. Shah & Co.  
Chartered Accountants  
Firm Registration No. 109517W  
M No: 138847  
**Pathik B Shah**  
Partner

**Date : 28th June, 2021**  
**Place : Mumbai**  
UDIN: 21138847AAAAEE5466

**For and on Behalf of The Board of Directors**  
**Sarvesh Kumar Shahi**  
Chairman & Managing Director  
(DIN: 00359535)

**Sanjeev Kumar Singh**  
Director  
(DIN: 08698524)

**Anjali shahi**  
(Director)  
(DIN: 03363248)

**Vijila V**  
(Chief Financial Officer)



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021**

<b>Particulars</b>	<b>Year ended 31st March, 2021</b>	<b>Year ended 31st March, 2020</b>
<b>A. Cash flow from operating activities</b>		
Net Profit / Loss before tax from	(1,39,58,270)	(3,23,44,086)
Adjustments for		
Depreciation and amortization expense	85,64,763	99,44,300
Sundry Credit Balance Written back	(43,96,347)	(10,43,355)
Bad Debt Written Off	1,71,88,276	73,77,178
Misc. Income	(56,072)	-
Interest Income	(2,37,816)	(18,28,199)
Finance Cost	66,05,743	74,48,511
Change in fair value of investments through Profit and Loss	(19,861)	97,506
Notional Interest on Loan to Employees	-	(11,265)
Amortization expense of Loan to Employees	-	611
Operating profit before working Capital Changes	1,36,90,417	(1,03,58,798)
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in Trade Receivables	77,48,854	1,37,66,934
(Increase)/Decrease in Other Current assets	(75,39,978)	9,56,712
(Increase)/Decrease in Other Non Current Assets	(7,74,993)	28,19,543
(Increase)/Decrease in Other Non Current Financial Assets	(9,55,824)	(77,21,209)
(Increase)/Decrease in Interest Free Loans Advanced to Employees	-	48,705
Increase/(Decrease) in provision	87,425	2,74,282
Increase/(Decrease) in Trade payables	38,61,377	27,60,599
Increase/(Decrease) in Deferred Tax Liabilities	(27,27,578)	(24,46,628)
Increase/(Decrease) in Other current financial liabilities	(24,66,018)	1,18,18,868
Increase/(Decrease) in Current Liabilities & Payables	(4,14,198)	(15,26,916)
Increase/(Decrease) in Other financial Non Current Liabilities		
<b>Cash generated from operations</b>	<b>1,05,09,484</b>	<b>1,28,38,720</b>
Income taxes paid	(8,70,064)	(12,72,865)
<b>Net cash outflow from operating activities</b>	<b>96,39,420</b>	<b>1,15,65,855</b>
<b>B. Cash flows from investing activities</b>		
Payments for property, plant and equipment	(2,58,618)	-
Interest Received	2,37,816	18,90,718
<b>Net cash outflow from investing activities</b>	<b>(20,802)</b>	<b>18,90,718</b>
<b>C. Cash flows from financing activities</b>		
Net Proceeds from Long Term Borrowings	19,75,943	(16,95,448)
Proceeds from Investments	(19,861)	97,506
Net Proceeds from Short Term Borrowings	(32,79,722)	(61,76,776)
Interest Paid During the Year	(66,05,743)	(74,53,215)
<b>Net cash inflow from financing activities</b>	<b>(79,29,384)</b>	<b>(1,52,27,934)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

<b>Particulars</b>	<b>Year ended 31st March, 2021</b>	<b>Year ended 31st March, 2020</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	16,89,235	(17,71,360)
Cash and cash equivalents at the beginning of the financial year	5,52,179	23,23,540
<b>Cash and cash equivalents at end of the year</b>	<b>22,41,414</b>	<b>5,52,179</b>

1. Purchase of Fixed Assets are stated inclusive of capital work- in progress 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.

As per our report of even date attached  
For B.P. Shah & Co.  
Chartered Accountants  
Firm Registration No. 109517W  
M No: 138847

**Pathik B Shah**  
Partner

**Date : 28th June, 2021**  
**Place : Mumbai**  
UDIN: 21138847AAAAEE5466

**For and on Behalf of The Board of Directors**

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

**Sanjeev Kumar Singh**  
**Director**  
(DIN: 08698524)

**Anjali shahi**  
**(Director)**  
(DIN: 03363248)

**Vijila V**  
**(Chief Financial Officer)**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021****A. Equity Share Capital**

As at April 1, 2019	Changes in equity share capital during 2019-20	As at March 31,2020	Changes in equity share capital during 2020-21	As at March 31,2021
14,49,48,740	-	14,49,48,740	-	14,49,48,740

**B. Other Equity**

Particulars	Note	Reserves & Surplus		Total Equity
		Retained Earnings	General Reserve	
<b>Balance as at April 1, 2019</b>	<b>11</b>	<b>(18,25,57,889)</b>	<b>10,94,41,271</b>	<b>(7,31,16,618)</b>
Profit / (loss) for the period		(3,31,29,940)	-	(3,31,29,940)
Other Comprehensive Income		-	-	-
Total Comprehensive Income		<b>(3,31,29,940)</b>	-	<b>(3,31,29,940)</b>
<b>Balance as at March 31,2020</b>	<b>11</b>	<b>(21,49,19,546)</b>	<b>10,94,41,271</b>	<b>(10,62,46,558)</b>
Profit / (loss) for the period		(1,13,47,043)	-	<b>(1,13,47,043)</b>
Other Comprehensive Income		14,86,442	-	14,86,442
Total Comprehensive Income		<b>(98,60,601)</b>	-	<b>(98,60,601)</b>
<b>Balance as at March 31,2021</b>	<b>11</b>	<b>(22,47,80,147)</b>	<b>10,94,41,271</b>	<b>(11,53,38,876)</b>

As per our report of even date attached  
For B.P. Shah & Co.  
Chartered Accountants  
Firm Registration No. 109517W  
M No: 138847

**Pathik B Shah**  
Partner

**Date : 28th June, 2021**  
**Place : Mumbai**  
UDIN: 21138847AAAAEE5466

**For and on Behalf of The Board of Directors**

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

**Sanjeev Kumar Singh**  
**Director**  
(DIN: 08698524)

**Anjali shahi**  
**(Director)**  
(DIN: 03363248)

**Vijila V**  
**(Chief Financial Officer)**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2021****Note 1: Corporate Information**

**Shahi Shipping Ltd.** is public limited company incorporated and domiciled in India and has registered office at 404, Abhay Steel House, Baroda Street, Mumbai - 400008. It is incorporated under Indian Companies Act, 1956 and its shares are listed at the Bombay Stock Exchange Limited. The Company is involved in transportation of bulk cargo and containers. In fact, **Shahi Shipping Ltd.** is a pioneer of transshipment in India.

**Note 2: Significant Accounting Policies****2.1 Basis of preparation, measurement and significant accounting policies**

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.2 Compliance with Indian Accounting Standards**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements following the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 in respect of section 133 of the Companies Act 2013. Accordingly, the Company has prepared these Standalone Ind AS Financial Statements which comprise the Balance sheet as at March 31, 2021, Statement of Profit and Loss, Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2021 and significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Ind AS Financial Statements").

**2.3 Use of Estimates and Judgment**

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013

**2.4 Property, plant and equipment**

Items of property, plant and equipment acquired or constructed are stated at historical cost net of recoverable taxes, less accumulated depreciation and impairment of loss, if any. The cost of tangible assets comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, wherever applicable including any cost directly attributable till completion of maiden voyage.

**Depreciation:**

Depreciation on all tangible assets is charged on "Written Down Value Method" less residual value. The Company has adopted useful life of all vessels as mentioned in Schedule II to the Companies Act, 2013.

Assets costing individually Rs. 5000/- and below are fully depreciated in the year of acquisition.

**2.5 Impairment of non-financial assets**

Assets that are subject to depreciation or amortisation are reviewed for impairment as at 31<sup>st</sup> March every year or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

**2.6 Revenue Recognition**

The Company recognises revenue in Statement of Profit & Loss when

- The income can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the Company,
- The stage of completion of the transaction at the balance sheet date can be measured reliably, and
- Costs relating to the transaction can be measured reliably.



The Statement of Profit & Loss reflects,

- i. Income from operation of vessel hire charges on time charter and spot charter are booked on accrual basis.
- ii. Administrative expenses which comprises of administrative staff cost, management cost, office expenses and other expenses relating to administration are recognized on accrual basis.

## 2.7 Investments and other financial assets

### i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### ii. Subsequent measurement

For the purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

#### Equity Instruments

##### a) Subsidiary and Joint Ventures

Investments in equity instruments of subsidiary and joint ventures are carried at cost less impairment, if any.

##### b) Others

The Company subsequently measures all equity instruments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

### iii. Derecognition

A financial asset is derecognised only when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.

## 2.8 Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service rendered by employees are charged off to the Statement of Profit and Loss. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.

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.

## 2.9 Foreign currency translation & transaction

### a. Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in 'Indian Rupees' (INR), which is the Company's functional and the Company's presentation currency.

### b. Transaction

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



## 2.10 Income 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 recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets.

Deferred tax assets are recognized 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 realized. 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.

## 2.11 Provisions, contingent liabilities and contingent assets

### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

### Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is treated as contingent liability.

### Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

## 2.12 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

## 2.13 Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits with banks, other short-term highly liquid investments with original maturities of three months or less from date of acquisition.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

## 2.14 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

## 2.15 Financial Liabilities

### i. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### ii. Subsequent measurement

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



**Borrowings:** Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

**Trade and other payable:** These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

**iv. Derecognition**

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

**2.16 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.

**2.17 Stores and 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

**2.18 Earnings per Share**

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

**2.19 Cash Flow Statement**

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

**2.20 Impairment of Financial Assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company follows expected credit loss model for trade receivables and other financial assets, in cases where there is significant credit risk since initial recognition.

**2.21 Critical Accounting Judgments and Key Sources Of Estimation Uncertainty**

The preparation of Company's financial Statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

- a) **Determination of the estimated useful lives of Property, Plant and Equipment and Intangible Assets:** Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.
- b) **Recoverability of Trade Receivables:** Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required or not. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.



- c) **Provisions:** The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.
- d) **Current versus non-current classification:** All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.
- e) **Impairment of financial assets :** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- f) **Impairment of non-financial assets :** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The impairment provision for of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate evaluation model is used.
- g) **Recognition of Deferred Tax Assets and Liabilities :** Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

## 2.22 Global health Pandemic on Covid-19

Global health Pandemic on COVID-19 The outbreak of (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of financial statements, including its assessment of recoverable value of its assets based on internal and external information up to the date of approval of these financial statements and current indicators of future economic conditions

In assessing the recoverability of company's assets such as Investments, loans, Trade receivable, Inventories etc. Company has considered internal and external information upto date of approval of this financial results. The company has performed sensitivity analysis used on the basis of internal and external information/ indicators of future economic conditions and expects to recover carrying amount of assets.



Note 3: Fixed Assets Details For The Year Ended 2020-21

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	As at 31st March 2020	Addition during the year	Deduction during the year	As at 31st March 2020	Depreciation / Amortization for the year	Adjustment in respect of Assets Sold	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>a</b>								
<b>Tangible Assets</b>								
Freehold Land	8,45,316	-	-	-	-	-	-	8,45,316
Leasehold Land	47,09,760	-	-	20,37,644	1,60,327	-	21,97,971	25,11,789
Buildings *	1,79,66,036	-	-	1,03,53,319	3,32,600	-	1,06,85,919	72,80,117
Plant and Machinery	1,20,85,756	-	-	1,11,61,415	78,099	-	1,12,39,514	8,46,242
Furniture and Fixtures	1,11,10,998	-	-	1,02,84,865	14,000	-	1,02,98,865	8,12,133
Vehicles	4,10,83,451	74,381	-	3,65,05,631	11,52,801	-	3,76,58,432	34,99,400
Office Equipments	1,35,60,962	1,84,236	-	1,30,29,073	1,43,753	-	1,31,72,826	5,72,372
Electrical Instalments	20,49,005	-	-	19,42,191	2,383	-	19,44,575	1,04,430
Tankers	16,15,728	-	-	15,91,068	-	-	15,91,068	24,660
Fleets	35,34,42,186	-	-	29,42,38,242	66,80,798	-	30,09,19,040	5,25,23,146
<b>Total (a)</b>	<b>45,84,69,198</b>	<b>2,58,617</b>	<b>-</b>	<b>38,11,43,447</b>	<b>85,64,763</b>	<b>-</b>	<b>38,97,08,209</b>	<b>7,73,25,752</b>
<b>Capital Work-in-Progress</b>	<b>2,10,47,114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,10,47,114</b>
<b>Total (b)</b>	<b>47,95,16,312</b>	<b>2,58,617</b>	<b>-</b>	<b>38,11,43,447</b>	<b>85,64,763</b>	<b>-</b>	<b>38,97,08,209</b>	<b>9,83,72,866</b>

\* The Building includes Rs. 1750/- (Previous Year 1750/-) being the value of shares held in Co-operative Societies.



Note 3: Fixed Assets Details For The Year Ended 2019-20

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
	As at 31st March 2019	Addition during the year	Deduction during the year	As at 31st March 2020	As at 31st March 2019	Depreciation / Amortization for the year	Adjustment in respect of Assets Sold	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>a</b>										
<b>Tangible Assets</b>										
Freehold Land	8,45,316	-	-	8,45,316	-	-	-	-	8,45,316	8,45,316
Leasehold Land	47,09,760	-	-	47,09,760	18,67,083	1,70,561	-	20,37,644	26,72,116	28,42,677
Buildings *	1,79,66,036	-	-	1,79,66,036	99,97,935	3,55,384	-	1,03,53,319	76,12,717	79,68,101
Plant and Machinery	1,20,85,756	-	-	1,20,85,756	1,10,57,698	1,03,717	-	1,11,61,415	9,24,341	10,28,058
Furniture and Fixtures	1,11,10,998	-	-	1,11,10,998	1,02,47,332	37,533	-	1,02,84,865	8,26,133	8,63,666
Vehicles	4,10,83,451	-	-	4,10,83,451	3,49,55,083	15,50,548	-	3,65,05,631	45,77,820	61,28,368
Office Equipments	1,35,60,962	-	-	1,35,60,962	1,29,32,460	96,613	-	1,30,29,073	5,31,890	6,28,503
Electrical Instalments	20,49,005	-	-	20,49,005	19,38,701	3,490	-	19,42,191	1,06,814	1,10,304
Tankers	16,15,728	-	-	16,15,728	15,91,068	-	-	15,91,068	24,660	24,660
Fleets	35,34,42,186	-	-	35,34,42,186	28,66,11,788	76,26,454	-	29,42,38,242	5,92,03,944	6,68,30,398
<b>Total (a)</b>	45,84,69,198	-	-	45,84,69,198	37,11,99,147	99,44,300	-	38,11,43,447	7,73,25,752	8,72,70,051
<b>Capital Work-in-Progress</b>	2,10,47,114	-	-	2,10,47,114	-	-	-	-	2,10,47,114	2,10,47,114
<b>Total (b)</b>	47,95,16,312	-	-	47,95,16,312	37,11,99,147	99,44,300	-	38,11,43,447	9,83,72,858	10,83,17,157
Previous Year Figures	58,65,32,486	-	-	-	-	-	-	-	-	-

\*\* The Building includes Rs. 1750/- (Previous Year 1750/-) being the value of shares held in Co-operative Societies.

**Note 4 : Financial Investments**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment in Unquoted Shares at Fair Value Through Profit and Loss</b>		
1000 equity shares of Saraswat Co-operative Bank Ltd. (Previous Year: 1000) Face Value: Rs. 10 per share	123151	1,47,882
400 Equity Shares of Shamrao Vithal Co-operative Bank Ltd. (Previous Year: 400) Face Value: Rs. 10 per share	189233	1,44,641
<b>Total</b>	<b>3,12,384</b>	<b>2,92,523</b>
<b>Total non current investments</b>		
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amount of unquoted investments	3,12,384	2,92,523
(c) Aggregate amount of investments in subsidiaries	-	-
(d) Aggregate amount of impairment in value of investments	-	-
<b>Total</b>	<b>3,12,384</b>	<b>2,92,523</b>

\* Shares are held in the name of a Director with beneficial ownership with the company.

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

**Note 5: Loans**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered Good</b>		
Loan to Employees	NIL	NIL
<b>Total Loans</b>	<b>NIL</b>	<b>NIL</b>

**Note 6 : Other Non Current financial asset**

Particulars	As at March 31, 2021	As at March 31, 2020
<b><u>Deposits, considered good</u></b>		
Electricity Deposits	54,886	54,886
Telephone Authorities	86,150	86,150
Other Deposits	2,65,12,911	2,55,57,088
Less: Allowance for doubtful debts	6251045	62,51,045
Total	20402903	19447079
<b><u>Interest Receivable</u></b>		
Interest on Subsidy Receivable (Refer Note 28)	64523144	6,45,23,144
<b>Total</b>	<b>8,49,26,047</b>	<b>8,39,70,223</b>

**Note 7(a) : Other Non-Current Assets**

Particulars	As at March 31, 2021	As at March 31, 2020
<b><u>Statutory Dues Receivable</u></b>		
Income Tax Refund of Previous Years	1480791	3273947
Income Tax Refund A.Y. 2021-22	870064	0
GST Tax Claimable	2342215	644131
<b>Total</b>	<b>46,93,070</b>	<b>39,18,077</b>



**Note 7(b) : Other Current Assets**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Advance to Creditors	79,72,174	4,91,589
Prepaid Expenses	3,18,295	2,58,902
<b>Total</b>	<b>82,90,469</b>	<b>7,50,491</b>

**Note 8: Trade Receivables**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>(Unsecured, considered good)</b>		
Trade Receivables	10,61,31,107.19	9,65,87,340
Trade Receivables from related parties	-	41,550
<b>Total</b>	<b>10,61,31,107</b>	<b>9,66,28,890</b>
Less: Allowance for doubtful debts	9,45,69,462	7,73,18,390
<b>Total</b>	<b>1,15,61,646</b>	<b>1,93,10,500</b>

**Note 9 : Cash and cash equivalents**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>Balances with Banks</b>		
(i) In Current accounts	30,608	3,95,373
(ii) In Earmarked accounts		
Margin Money Deposit	22,10,161	-
<b>Cash on hand</b>	645	1,56,806
<b>Total</b>	<b>22,41,414</b>	<b>5,52,179</b>

**Note: 10 Equity share capital**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	Rs.	Rs.
<b>Authorised equity share capital</b>		
3,00,00,000 Equity Shares of Rs. 10 Each	30,00,00,000	30,00,00,000
<b>Total</b>	<b>30,00,00,000</b>	<b>30,00,00,000</b>
<b>Issued, Subscribed &amp; Paid Up</b>		
1,44,94,874 Equity Shares of Rs. 10 each, fully paid	14,49,48,740	14,49,48,740
<b>Total</b>	<b>14,49,48,740</b>	<b>14,49,48,740</b>

**Terms & conditions**

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share.

**(i) Reconciliation of number of shares**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning/end of the year	1,44,94,874	14,49,48,740	1,44,94,874	14,49,48,740

**(ii) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Sarvesh Kumar Shahi	19,03,219	13.13%	19,03,219	13.13%
Shahi Gasol Pvt. Ltd.	50,54,721	34.87%	50,54,721	34.87%
Vikas Koli	24,61,996	16.99%	24,61,996	16.99%

**Note 11 Other Equity**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>a. Retained earnings</b>		
Opening balance	(21,49,19,546)	(18,25,57,889)
Total comprehensive income/ (loss) for the period	(1,13,47,043)	(3,31,29,940)
<b>Closing Balance of Retained Earnings</b>	<b><u>(22,62,66,589)</u></b>	<b><u>(21,56,87,829)</u></b>
<b>b. General Reserve</b>		
Opening Balance	10,94,41,271	10,94,41,271
Transferred to/from Retained Earnings	14,86,441	-
<b>Closing Balance of General Reserves</b>	<b><u>11,09,27,712</u></b>	<b><u>10,94,41,271</u></b>
<b>Total Other Reserves</b>	<b><u>(11,53,38,876)</u></b>	<b><u>(10,62,46,558)</u></b>

**Note : 12(a) Non Current Financial Borrowings**

Particulars	As at March 31, 2021	As at March 31, 2020
<b><u>Secured Term Loans</u></b>		
From banks (Bank of Baroda)	24,53,088	30,85,085
Vehicle Loan from Others	7,54,900	11,99,775
<b><u>Unsecured Loan</u></b>		
From Related Parties	4,42,68,279	4,22,01,400
From Others	41,65,000	36,30,000
<b>Total Borrowings:</b>	<b><u>5,16,41,266</u></b>	<b><u>5,01,16,260</u></b>
<b><u>Less: Current Maturities:</u></b>		
Secured Loan from banks (Refer Note 13(b))	24,53,088	29,04,024
<b>Total Current Maturities</b>	<b><u>24,53,088</u></b>	<b><u>29,04,024</u></b>
<b>Total</b>	<b><u>4,91,88,179</u></b>	<b><u>4,72,12,236</u></b>

**Term loan from Bank:**

a) \*Includes outstanding & unpaid interest funded by the Bank during the year and merged with the Principal loan amount. The company have not been provided with any revised arrangement from the Bank. In absence of any such arrangement, the company has been repaying the installment based on the terms and condition as mentioned in the original loan sanction letter dated: 14/09/2012 as issued by the Bank. Accordingly based on this the bifurcation of Current & Non Current has been done.

"b) Repayable in monthly 120 equal installments, Last Installment falling due on 31 Oct 2022, Interest Rate 15%. Bank of Baroda Term loan is secured by hypothecation on Office Premises and personal guarantee of Chairman & Managing Director."

2453088

**Term loan from others (Vehicles)**

"a) Repayable in monthly 84 equal installments, Last Installment falling due 30th September 2021,  
Interest Rate 11.85%"

754900

All the above loans are secured hypothecation of specific vehicles.

b) Loans from Related Parties and Other Unsecured Loans

48433279

**Total****5,16,41,266****Note : 12(b) Current Financial Borrowings**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured Loans Repayable on Demand</b>		
Working Capital Loans taken from Bank *	4,46,91,153	4,14,11,431
<b>Total</b>	<b>4,46,91,153</b>	<b>4,14,11,431</b>

\* Working Capital Loan taken from State Bank of India is secured by principal security of hypothecation charge on the company's entire receivables and collateral security of : 1) extension of mortgage on the registered office premises 2) Exclusive 1st charge over vessels of the company i.e. M.V Royal Gandak, MV Royal Saraswati, MV Royal Gomati by way of hypothecation 3) Personal guarantee of chairman & Managing Director

**Note : 13(a) Other Non-Current Financial Liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Deposits	14,50,000	14,50,000
<b>Total</b>	<b>14,50,000</b>	<b>14,50,000</b>

**Note : 13(b) Other Current Financial Liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
a. Current Maturities of Long Term Debt from Banks	24,53,088	29,04,024
b. Accrued Interest on Loans	3,66,752	3,66,752
c. Accrued Interest on Loans	366,752	371,456
c. <u>Other payables for:</u>		
(i) Payables for Expenses	1,63,85,863	1,61,92,401
(ii) Statutory Dues Payable	15,87,464	37,96,008
<b>Total</b>	<b>2,07,93,167</b>	<b>2,32,59,185</b>

**Note: 14 Non-Current Provisions**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits:</b>		
Provision for gratuity	46,42,419	45,54,994
<b>Total</b>	<b>46,42,419</b>	<b>45,54,994</b>

**Note : 15 Deferred Tax Liabilities (Net)**

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Deferred Tax Liabilities	1,26,00,232	1,18,14,245
Deferred Tax Expense for the year	(27,27,577)	7,85,987
<b>Total</b>	<b>98,72,655</b>	<b>1,26,00,232</b>

**Note : 16 Trade Payables**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Trade payables	3,76,02,627	3,33,20,368
Trade payables to related parties	24,99,531	24,99,531
<b>Total</b>	<b>4,01,02,158</b>	<b>3,58,19,899</b>

**Note : 17 Other Current Liabilities**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Advance Received Towards Sale of Barge	17,42,280	21,56,478
<b>Total</b>	<b>17,42,280</b>	<b>21,56,478</b>

**Note 18 : Revenue from operation**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Shipping Operations	9,33,82,408	8,14,31,480
<b>Total</b>	<b>9,33,82,408</b>	<b>8,14,31,480</b>

**Note 19 : Other Income**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>1) Interest income</b>		
(i) On Bank Deposits	1,40,425	
(ii) On Income Tax Refund	97,391	6,84,392
(iii) On Advances	-	8,09,588
<b>2) Other Non Operating Income</b>		
(i) Miscellaneous Income	56,072	-
(ii) Sundry Balance Written Back	43,96,347	10,43,355
(iii) Gain on Fair Valuation of Investments as per IND AS	19,861	-
(iv) Notional Interest on loan to employees as per IND AS	-	11,265
(v) Profit on Sale of Shares	-	3,34,219
<b>Total</b>	<b>47,10,096</b>	<b>28,82,818</b>

**Note 20 : Employee benefit expenses**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
(i) Salaries, Bonus and Allowances	77,16,078	1,15,75,277
(ii) Contribution to Provident Fund and Other Funds	4,97,246	8,70,471
(iii) Directors Remuneration	60,00,000	60,00,000
(iv) Directors Sitting Fees	33,000	48,900
(v) Amortization of Staff Loan Expenses as per IND AS	-	611
(vi) Staff Welfare expenses	8,24,073	7,71,363
<b>Total</b>	<b>1,50,70,397</b>	<b>1,92,66,622</b>

**Note : 21 Finance costs**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Interest on loan	58,59,046	67,39,687
Other Borrowing Costs	7,46,697	7,08,824
<b>Total</b>	<b>66,05,743</b>	<b>74,48,511</b>

**Note : 22 Other expenses**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Repairs and Maintenance - Barge	1,10,00,710	1,05,07,269
Repairs and Maintenance - Machinery	1,88,532	10,88,756
Repairs and Maintenance - Others	10,99,162	6,00,406
Rates & Taxes	9,18,582	12,24,819
Insurance	2,74,011	11,48,760
Legal and Professional Expenses	10,53,202	32,36,257
Provision for Doubtful debts and Bad Debts	1,71,88,276	73,77,178
Provision for Gratuities	87,425	-
Travelling Expenses	25,42,682	19,36,496
Barge operating expense	1,02,69,552	87,14,192
Fuel and Oil	1,11,65,220	90,40,593
Hire Transportation and water charges	12,62,080	1,04,82,299
Auditors Remuneration*	5,02,031	5,55,000
Port Related Expenses	1,34,94,199	1,24,18,861
Purchases	79,25,241	28,12,605
Office Expenses	3,53,886	3,72,463
Electricity and Water Charges	2,67,479	10,65,584
Penalty	24,092	1,33,875
Sundry Balance written off	-	28,39,288
Loading & Unloading	4,25,617	2,38,381
Business Development Expenses	2,14,481	5,73,667
Printing & Stationery	1,35,411	3,12,170
Telephone Expenses	55,147	3,29,428
Membership and Subscription	1,16,915	1,93,713
Miscellaneous Expenses	12,45,938	27,96,892
<b>Total</b>	<b>8,18,09,870</b>	<b>7,99,98,952</b>

**\*Auditors Remuneration**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<b>Payment to Auditors<sup>1</sup></b>		
Audit fee	3,45,000	3,55,000
Taxation Matters	1,57,031	2,00,000
<b>Total</b>	<b>5,02,031</b>	<b>5,55,000</b>

**Note : 23 Current Tax**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Current Tax Provision	-	-

**Note : 24 Related Party Disclosures**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

**a) Related Party Disclosure:**

Description of Relationship	Names of Related Parties
(a) Where Control Exists	Royal Logistics (Ship) Ltd. SKS Waterways Ltd. India First Logistics Ltd. Shahi Gasol Ltd.
(b) Key Managerial Persons	Mr. Sarvesh Kumar Shahi (Chairman & Managing Director) Mr. Balamurugan M (Chief Financial Officer) Mr. N Agandeswaran (Company Secretary) Mz. Vijila Vincent (CFO)
(c) Where Significant Influence Exists	Miss Anjali Shahi Mr. Somesh Shahi

**b) Transactions during the year with related parties**

Type of Related Party	Nature Of Transaction	As on 31st	As on 31st
		March, 2021	March, 2020
		Rs. In Lakhs	Rs. In Lakhs
		Amount	Amount
Where Control Exists	Loans Received	111.70	10.78
	Loans Repaid	97.61	10.04
	Payments made for Purchases	11.93	7.39
	Payments Received for Sales	-	17.35
Key Management Personnel	Remuneration paid to Key management Personnel	67	65.3
	Loans Taken	-	33.60
Where Significant Influence Exists	Miss Anjali Shahi	0.00	3.00
	Mr. Somesh Shahi	1.09	1.24

\* In Addition to this, sum of Rs. 1,80,000/- contribution made to Provident Fund

**c) Balance outstanding of related parties**

	As on 31st	As on 31st
	March, 2021	March, 2020
	Rs. In Lakhs	Rs. In Lakhs
	Amount	Amount
Trade Payables	4.04	4.04
Loan to Related Parties	-0.28	-
Unsecured Loan Taken	378.84	350.50
<b>Key Managerial Personnel</b>		
Unsecured Loan Taken	69.49	71.81



**d) Transactions during the year with related parties (excluding Reimbursement)**

Name of the party	Nature of transactions	As at March 31, 2021		As at March 31, 2020
- Sarvesh Shahi	"i) Directors remuneration ii) Performance linked bonus "	60,00,000	i) Directors remuneration ii) Performance linked bonus	60,00,000
Sarvesh Kumar Shahi	Loan Repaid	2,32,190	Loan Received	60,384
India First Logistics Ltd.	Payment made against outstanding trade payables (Written off)	11,92,830	Payment made against outstanding trade payables	3319722
India First Logistics Ltd.	Loan Received	1,06,19,897	Loan Received	10023402
India First Logistics Ltd.	Loan Received	95,12,658	Loan Repaid	7781357
Shahi Gasol Ltd.	Loan Repaid	1,000	Loan Repaid	51100
Anjali Shahi	Loan Repaid	-	Loan Repaid	3,00,000
Somesh Shahi	Loan received	5,50,000	Loan Received	-
Somesh Shahi	Loan Repaid	15,500	Loan Repaid	94,000
Somesh Shahi	Salary	6,00,000	Salary	-
Rajendra Godhino	Salary	-	Salary	3,50,000
N.V Agandeswaran	Salary	1,20,000	Salary	1,20,000
Vijila Vincent	Salary	2,69,438	Salary	2,70,000
Balamurugan M	Salary	-	Salary	84,000

**e) Balance outstanding of related parties**

Name of the Party	Receivable / (Payable)	As on 31st March, 2021	As on 31st March, 2020
India First Logistics Ltd.	Trade Payables (Note 16)	4,04,000	4,04,000
India First Logistics Ltd.	Unsecured Loan (Note 12(a))	56,19,791	33,19,722
Somesh Shahi	Unsecured Loan (Note 12(a))	5,65,000	30,000
Royal Logistics Ltd.	Loan to Related Parties (Note 5(a))	(27,700)	27,700
Sarvesh Kumar Shahi	Unsecured Loan (Note 12(a))	69,49,154	71,81,344
Shahi Gasol Ltd.	Unsecured Loan (Note 12(a))	3,16,99,334	3,17,00,334

**Note : 25 Contingent Liabilities**

- a) "On account of guarantees executed by the company's bankers for Rs. 75.57 lakhs (2019-20 Rs. 163.51 lakhs), which is partly secured by the Margin Money amounting to Rs. 5.35 lakhs (2019-20 Rs. 20 lakhs) retained by the Bank"
- b) Claim against the Company not acknowledged as debts Rs. 30.37 lakhs (2019-20 Rs. 30.37 lakhs)

**Note : 26 Earning per Share**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Basic Earning Per Share</b>		
Profit/(Loss) attributable to Equity shareholders	(1,13,47,043)	(3,31,29,940)
Weighted average number of equity shares	1,44,94,874	1,44,94,874
Face value per Share	10	10
<b>Basic &amp; Diluted Earnings Per Share</b>	(0.78)	(2.29)

**Note: 27: Other Notes**

- I Debtors include Rs. 22.67 lacs (Previous year Rs. 22.67 lacs) in respect of cases which are under arbitration/ dispute. In the opinion of the management the said debts are considered recoverable.
- II "The other current assets in Note No. 6 includes Rs. 645.23 lacs (Previous year Rs. 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."
- III "In the opinion of the Board, Current Assets, Loans, Advances and Deposit have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the balance sheet. ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet"
- IV "The company is engaged only in the business of shipping and as such there is no separate reportable segment as per Indian Accounting Standard 108."
- V "The company has not identified amount payable to Micro, Small and Medium Enterprise, 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."
- VI "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."

**VII (a) Earnings in Foreign Currency:**

	As at March 31, 2021	As at March 31, 2020
--	-------------------------	-------------------------

Shipping Operation

-

**(b) Expenditure in Foreign Currency:**

Travelling

-

Insurance

-

VIII Prior Period expenses debited during the year is Rs. 0.47 lakhs (previous year was Rs. 12.12 lakhs).

**Note : 28 Fair Value Measurement****i) Fair Value of Financial assets and Financial liabilities**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	31-Mar-2021		31-Mar-2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets designated as fair value through profit and loss</b>				
Investments				
-In Equity Shares	20,050	3,12,384	20,050	2,92,523
	<u>20,050</u>	<u>3,12,384</u>	<u>20,050</u>	<u>2,92,523</u>

**(ii) Valuation technique used to determine fair value**

- "a) Fair value for financial investments are valued using Net Assets Methods as per the latest available balance sheets of the investee companies."

**(iii) Fair value hierarchy**



This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value-recurring fair value measurements	At March 31, 2021				
	Notes	Level 1	Level 2	Level 3	TOTAL
<b>Financial assets</b>					
<b>Financial investments at FVPL</b>					
Unlisted Equity Shares	4	-	-	3,12,384	3,12,384
<b>Total financial assets</b>		-	-	<b>3,12,384</b>	<b>3,12,384</b>

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	At March 31, 2020				
	Notes	Level 1	Level 2	Level 3	TOTAL
<b>Financial assets</b>					
<b>Financial Loan at FVPL</b>					
Unlisted Equity Shares	4	-	-	2,92,523	2,92,523
<b>Total financial assets</b>		-	-	<b>2,92,523</b>	<b>2,92,523</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data are observable, the instrument are included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

The Company's policy is to recognise transfers into and transfer out in fair value hierarchy levels at the end of the reporting period.

## Note: 29 Financial Risk Management

### Financial Risk Factors

"The Company has exposure to the Credit risk, Liquidity risk and Market risk.

The Company's Board of Directors has overall responsibility for the establishment and supervision of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company."

### (A) Credit Risk

- (i) Credit risk is the risk of financial loss to the Company, if a customer to a financial instrument fails to meet its contractual obligations. Company's exposure to credit risk primarily arises on account of its Trade receivables. Trade receivables consist of a large number of customers spread across diverse geographical areas. A default on a trade receivable is considered when the customer fails to make contractual payments within the credit period. This credit period has been determined by considering the business environment in which the Company operates. The Company considers dealing with creditworthy customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit risk due to above is periodically monitored. Based on the periodical analyses, the credit risk.



- (ii) Provision for expected credit losses : The Company provides for expected credit loss on trade receivables. The model uses historical credit loss experience for trade receivables i.e. this model uses aging analysis of trade receivables as at the reporting date and is based on the number of days that a trade receivables is past due. The ageing has been done for bracket of last 3 years. Further, customers declaring bankruptcy or failing to engage in repayment plan with the Company, 100% provisioning is made i.e. such customers do not form part of this impairment exercise and provided for separately.

(iii) **Reconciliation of Trade receivables :**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Gross Carrying Amount	10,67,09,736	9,65,87,340
Less: Expected Carrying Losses:	8,26,50,139	7,73,18,390
Carrying amount of trade receivables after impairment	2,40,59,597	1,92,68,950

(B) **Liquidity Risk**

- (i) Prudent liquidity risk management refers to the management of the Company's short term and long term funding and liquidity management requirements. The Company's treasury maintains flexibility in funding by maintaining availability of funds under committed credit lines. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) **Maturities of financial liabilities**

The tables below analyse the Company's non-derivative financial liabilities into relevant maturity groupings based on their contractual maturities.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include principal cash flows.

<b>Contractual maturities of financial liabilities 31 March 2021</b>	<b>Less than 1 Year</b>	<b>Between 1 and 5 Years</b>	<b>Total</b>
Borrowings	4,71,44,240	4,91,88,179	9,63,32,419
Trade Payables	56,36,943	3,44,65,215	4,01,02,158
Deposits and other liabilities	1,83,40,080	14,50,000	1,97,90,080
<b>Total Liabilities</b>	<b>7,11,21,263</b>	<b>8,51,03,394</b>	<b>15,62,24,657</b>

<b>Contractual maturities of financial liabilities 31 March 2020</b>	<b>Less than 1 Year</b>	<b>Between 1 and 5 Years</b>	<b>Total</b>
Borrowings	4,43,15,455	4,72,12,236	9,15,27,691
Trade Payables	99,28,637	2,58,91,263	3,58,19,900
Deposits and other liabilities	2,03,55,161	14,50,000	2,18,05,161
<b>Total Liabilities</b>	<b>7,45,99,253</b>	<b>7,45,53,499</b>	<b>14,91,52,751</b>

(C) **Market risk**

Market risk is the risk that changes in market indicators such as foreign exchange rates, interest rates and commodity prices will affect the Company's income or the value of its financial instruments. The Company's activities mainly expose it to risks arising from changes in freight/charter hire rates.

(i) **Freight/Charter hire risk**

Shipping industry is governed by various national and international economic and geopolitical developments. Local and international demand and supply determine freight and charter hire rates.

**Note 30 Capital management****(a) Risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the debt equity ratio. This ratio is calculated as debt divided by total equity. Debt is calculated as Long Term Borrowings (including current portion of Long Term borrowings as shown in the Balance Sheet).

<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2022</b>
Net Debt	9,63,32,419	9,15,27,691
Total Equity	2,96,09,864	3,87,02,183
Net Debt to Equity Ratio	3.25	2.36

**Note 31: Previous Year Figures**

The figures of previous year have been regrouped or rearranged wherever necessary to conform to current year's presentation as per Schedule III (Division II) to the Companies Act 2013.

As per our report of even date attached  
For B.P. Shah & Co.  
Chartered Accountants  
Firm Registration No. 109517W  
M No: 138847

**For and on Behalf of The Board of Directors**  
**Sarvesh Kumar Shahi**  
**Chairman & Managing Director**  
**(DIN: 00359535)**

**Anjali shahi**  
**(Director)**  
**(DIN: 03363248)**

**Pathik B Shah**  
**Partner**

**Sanjeev Kumar Singh**  
**Director**  
**(DIN: 08698524)**

**Vijila V**  
**(Chief Financial Officer)**

**Date : 28th June, 2021**  
**Place : Mumbai**  
UDIN: 21138847AAAAEE5466









## SHAHI SHIPPING LIMITED

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