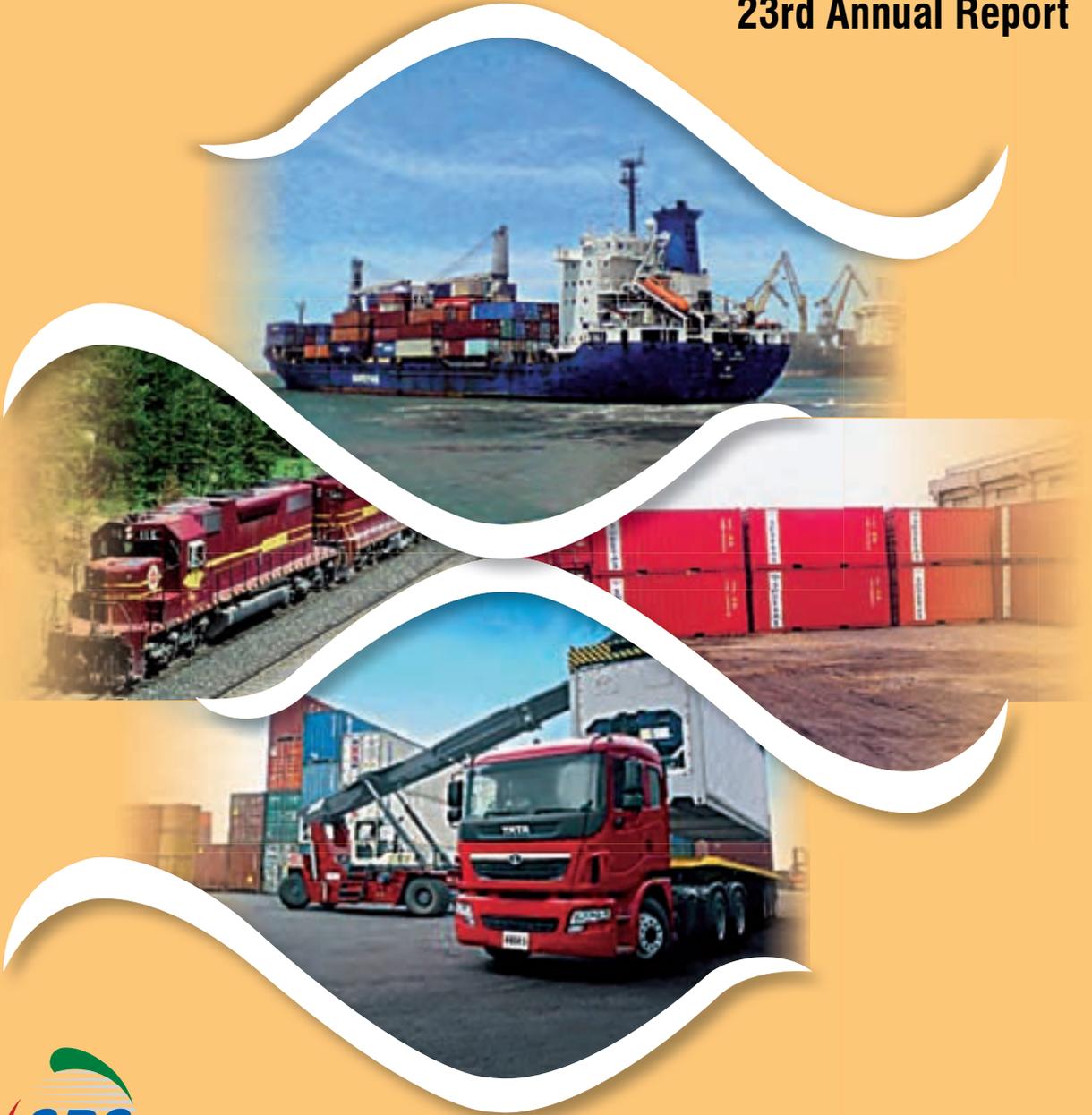




SHREYAS

SHIPPING & LOGISTICS LTD

2010-11
23rd Annual Report



SPEEDY · RELIABLE · SAFE

SHREYAS RELAY SYSTEMS LTD
Green Revolution in Logistics

TRANSWORLD
GROUP

BOARD OF DIRECTORS



S. Ramakrishnan
Chairman & Managing Director



V. Ramnarayan
Executive Director



S. Mahesh
Director



L. B. Culas
Director



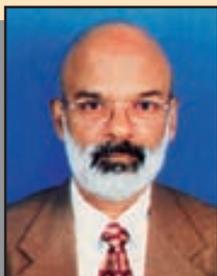
S. Ragothaman
Director



Amitabha Ghosh
Director



Capt. P. P. Radhakrishnan
Director



D. T. Joseph
Director



Mannil Venugopalan
Director



MANAGEMENT TEAM

- Mr. V. Ramnarayan** - Executive Director
Mr. Vinay Kshirsagar - Chief Financial Officer
Capt. V. K. Singh - Vice President - Commercial
Mr. S. Varadarajan - Chief Executive Officer - Shreyas Relay Systems Ltd.
Mr. Rajesh Desai - General Manager - Finance & Accounts
Ms. Namrata Malushte - Company Secretary

Bankers

Standard Chartered Bank
ICICI Bank Ltd.
Canara Bank, Mumbai
Canara Bank, London
State Bank of India
Axis Bank Ltd.
Deutsche Bank AG

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078.
Tel: 2594 6970
Fax: 2594 6969

Statutory Auditors

PKF Sridhar & Santhanam

Internal Auditors

Transworld Management Consultancy Pvt. Ltd.

Registered office

4th Floor, Himalayas, Geetmala Complex
Near Shah Industrial Estate,
Govandi (E), Mumbai-400 088.

Administrative office

2nd Floor, Sahyadris, Geetmala Complex,
Near Shah Industrial Estate, Opp. Deonar Village Road,
Govandi (E), Mumbai-400 088.
Tel. No. : 66220300 • Fax. No. : 66220444

Letter to Shareholders

Dear Shareholders,

The year 2010-2011 has been a very encouraging year for the Indian coastal shipping. The overall Indian container industry has been able to put up a turnaround performance during the current year. The Indian coastal shipping is now identified as a major potential growth area for the Indian economy. In fact the Government is formulating a new policy for boosting the coastal shipping in India. Further the opening of the Vallarpadam port will bring in better opportunities for the Indian shipping companies. All this will only augment the growth of the Indian coastal shipping.



The container traffic volume surged up by 9.5% over the previous year which clearly indicates the turnaround of the Indian container industry. Also the Jawaharlal Nehru Port (Nhava Sheva), which handles more than 60 percent of the country's total containerized traffic, reported its highest-ever throughput of 4.27 million TEUs, up 5 percent as compared to the previous financial year. In fact based on a recent assessment by the Shipping Ministry, major ports are expected to handle 615 million tons of cargo in fiscal 2011-12, beginning 1st April, 2011. Total containerized traffic for 2011-12 is projected to reach 11 million TEUs, from the current 7.54 million TEUs, driven by a strong turnaround in the country's foreign trade.

During the year, your Company refocused its business model and could thereby build better revenues alongwith cost monitoring at all times. This has helped the Company to achieve a significant turnaround and emerge successfully. In fact, I am happy to report that the performance of Shreyas has exceeded our expectations and this is substantiated by our financials.

Your Company has been able to post a significant profit after tax of ₹8.75 crore against a loss of ₹20.47 crore in the previous financial year. This indicates a turnaround of ₹29.22 crore in the profit after tax of the Company. The sailing was not very smooth as the Company had to hurdle through the long strike at the Cochin port and the increase in the bunker costs.

Your Company is now venturing into other business verticals in the logistics segment with a vision to become a lead logistics player within the country thereby offering complete logistics solutions to its clients. Your Company also aspires to diversify its shipping activities thereby reducing dependence on container shipping.

We seek your continual support which would further strengthen our hands as we set out to scale new heights of performance. We believe your faith is well-founded and that together we will impact the logistics industry. I would like to assure you that all our efforts will be directed towards strong growth in the future.

I take this opportunity to thank our shareholders and business partners for the trust they have placed in us and your confidence and unflinching belief in our ability to deliver value. I also thank my colleagues on the Board, whose support and leadership has been invaluable. Employees are the backbone of any organization. It is their unstinted effort and co-operation that has helped Shreyas reach here.

I also take this opportunity to recognise the support of our customers, suppliers, all regulatory authorities, our bankers, auditors, consultants, other business associates and legal advisors/counsels.

Mumbai
25th May, 2011

S. Ramakrishnan
Chairman & Managing Director



SHREYAS
 SHIPPING & LOGISTICS LTD

23rd ANNUAL REPORT 2010-2011

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NOTICE

NOTICE is hereby given that the Twenty third Annual General Meeting of the Members of Shreyas Shipping & Logistics Limited will be held on Wednesday, 17th of August, 2011 at 11.00 a.m. at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61 / 21 R. C. Marg, Opp. Vijaya Bank, Chembur, Murnbai - 400 071 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31st March, 2011 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of interim dividend on Preference Shares and Equity Shares.
3. To declare a dividend on Equity Shares.
4. To appoint a Director in place of Mr. S. Mahesh, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Amitabha Ghosh, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint M/s. PKF Sridhar & Santhanam, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED that Mr. Mannil Venugopalan, who was appointed by the Board of Directors by Circular Resolution on 3rd September, 2010 as an Additional Director with effect from 3rd September, 2010 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

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

“RESOLVED THAT in suppression of special resolution passed at 22nd Annual General Meeting of the Company and subject to the provisions of sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and / or the guidelines for Managerial Remuneration issued by the Central Government from time to time, the Board of Directors hereby approve the remuneration package as set out below for Mr. V. Ramnarayan; Executive Director, with effect from 1st April, 2011 with a liberty to the Board to vary the remuneration package as may be agreed between the Board and Mr. V. Ramnarayan, Executive Director:

(a) Salary:

Consolidated salary upto limit of ₹40,00,000/- (Rupees Forty Lacs only) per annum including Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances with authority to the Board to fix his salary within the above limit from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

(b) Other benefits / perquisites:

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Medclaim insurance.

(c) Sitting fees:

Mr. V. Ramnarayan shall not be entitled to any sitting fees.

The aggregate remuneration payable to Mr. V. Ramnarayan, shall be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provisions of the Companies Act, 1956, re-enactments thereof, for the time being in force.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary the terms and conditions of appointment including determination of remuneration payable to Mr. V. Ramnarayan, Executive Director in such manner as the Board in its absolute discretion deems fit, provided that the remuneration payable to Mr. V. Ramnarayan shall not exceed the maximum limits for payment of Managerial Remuneration specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be made from time to time.

RESOLVED FURTHER THAT the Board of Directors and / or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

25th May, 2011

Registered Office:

4th Floor, Himalayas,
Geetmala Complex
Near Shah Industrial Estate,
Govandi East, Mumbai 400 088

By Order of the Board of Directors

Namrata Malushte
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF ON A POLL ONLY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.

2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business as set out above, is annexed hereto.
3. Profiles of the Directors retiring by rotation and Directors being appointed, as required by Clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, are given in the Report on Corporate Governance forming part of the Directors' Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 10th August, 2011 to 17th August, 2011, both days inclusive, for the purpose of payment of dividend, if declared at the Annual General Meeting.
5. The dividend on equity shares as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par on or after 22nd August, 2011 to Members holding shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares on 17th August, 2011. In respect of Shares held in electronic form, the dividend will be paid to the beneficial owners of the Shares as at the end of the business hours on 17th August, 2011 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
6. As per the directives of the Securities and Exchange Board of India (SEBI), in respect of the Shareholders holding Shares in electronic form, dividend shall be paid through National Electronic Clearing Service (NECS), where such facility is available, directly to their bank account as furnished by their respective Depositories to the Company. Where such facility is not available, the bank details as furnished by their respective Depositories to the Company will be mandatorily printed on their dividend warrants. Further, instructions if any, given by them in respect of Shares held in physical form will not be automatically applicable to the dividend payable on Shares held in electronic form. Members are, therefore, requested to give instructions regarding the bank accounts in which they wish to receive dividend, directly to their respective Depository Participants. The Company or its Registrar and Share Transfer Agent will not act on any direct request from these Members for change of such bank details.
7. Members holding Shares in physical form who wish to avail of the National Electronic Clearing Service (NECS) facility are requested to submit the NECS mandate in the prescribed form to the Registrar and Share Transfer Agent on or before 9th August, 2011. The said form can be obtained from the Company's Registrar and Share Transfer Agent - M/s. Link Intime Private Limited or downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors Area'. Members holding Shares in physical form and who for any reason would not like to avail the National Electronic Clearing Service (NECS) facility are required to furnish to the Registrar and Share Transfer Agent (if not furnished earlier) details of bank account number and name of the bank and the branch, which would be printed on the dividend warrants / drafts.
8. Members are requested to:
 - (a) Notify any change in their address to the Registrar and Share Transfer Agent, M/s. Link Intime Private Limited; C-13, Pannalal Silk Mills Compound, L. B. V S. Marg, Bhandup (West), Mumbai - 400 078, in case of Members holding shares in physical form and update such details with their respective Depository Participants, in case of Members holding shares in electronic form.
 - (b) Bring their attendance slips alongwith the copies of the Annual Report to the Meeting.
9. Pursuant to the provisions of Section 205 of the Companies Act, 1956, the Company has already transferred the unclaimed / unpaid dividend declared upto and including the financial year ended 31st March, 2002 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Shareholders who have so far not claimed or collected their dividends upto the aforesaid financial year are requested to forward their claims in the prescribed Form II of the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978 to:

Office of the Registrar of Companies
Central Government Office Building
"A" Wing, 2nd floor
CBD Belapur, Navi Mumbai, Maharashtra - 400 614

In terms of the provisions of Sections 205A and 205C of the Companies Act, 1956, as amended, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund established by the Central Government (hereinafter referred to as

the 'said Fund'). Accordingly, unclaimed / unpaid dividend for the financial years ended 31st March, 1996 and 31st March, 1997 and period ended 30th September, 1998, year ended 31st March, 1999, 31st March, 2001 and 31st March, 2002 has been transferred to the said Fund.

Unclaimed dividend for the financial year ended 31st March, 2004 and thereafter (wherever declared) is still lying with the Company. The Members, who have not yet encashed the dividend warrants for the financial years ended 31st March, 2004, 31st March, 2005 (interim and final dividend), 31st March, 2006 (interim and final dividend), 31st March, 2007 (interim dividend), 31st March, 2008, 31st March, 2011 (interim) are requested to send claims to the Company, if any, before the respective amounts become due for transfer to the said Fund. **No claim shall lie against the Company or the said Fund after transfer as mentioned above.**

10. All documents referred to in the above Notice and the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.
11. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
12. Members who hold Shares in physical form can nominate a person in respect of Shares held by them singly or jointly pursuant to the provisions of Section 109A of the Companies Act, 1956. Members who hold Shares in a single name are advised, in their own interests, to avail of the nomination facility by completing and submitting. Form no.2B, in duplicate, to the Company's Registrar and Share Transfer Agent, M/s. Link Intime Private Limited. Blank forms will be supplied by M/s. Link Intime India Private Limited on request. Form No.2B can also be downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors Area'. Members holding Shares in the dematerialised form may contact their Depository Participant for recording the nomination in respect of their Shares.
13. Members desirous of getting any information about the Accounts and / or Operations of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.

25th May, 2011

Registered Office:

4th Floor, Himalayas,
Geetmala Complex,
Near Shah Industrial Estate,
Govandi (E), Mumbai 400 088

By Order of the Board of Directors

Namrata Malushte
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7

Mr. Mannil Venugopalan was appointed as an Additional Director of the Company with effect from 3rd September, 2010 by the Board of Directors vide Circular resolution passed on the same day. As per Section 260 of the Companies Act, 1956, an Additional Director holds office upto the date of the Annual General Meeting only. The Company has received notice under Section 257 of the Companies Act, 1956 from a Member of the Company with requisite deposit signifying the intention to propose the appointment of Mr. Mannil Venugopalan as a Director of the Company.

Mr. Mannil Venugopalan is the former Managing Director and Chief Executive Officer of the Federal Bank (May 2005 till July 2010). He was also the Chairman & Managing Director of Bank of India since August, 2003 till April, 2005. He has career record spanning four and a half decades in the banking sector and has touched diverse geographies in leadership capacities in India and abroad. He started his career as a Probationary Officer with Bank of India in 1966 and within a stint for 3 years in between with Union Bank of India as Executive Director rose to the position of the Chairman and Managing Director of Bank of India.

His tenure at Federal Bank for half decade is memorable for the transformational initiatives that he launched in the Bank and today is one of the best banks in the country in efficiency parameters and in coping with the inevitable process of adapting to the rapidly changing business environment.

Mr. Venugopalan does not hold any Equity shares in the Company as on date.

The Board of Directors is confident that his vast knowledge and varied experience will be of great value to the Company and hence, commends Resolution no.7 for your approval.

None of the Directors, other than Mr. Mannil Venugopalan, are interested in the Resolution.

Item No. 8

Mr. V. Ramnarayan is a promoter Director of the Company. He was appointed as an Executive Director of the Company for period of five years w.e.f. 13th January, 2009 by the Board of Directors vide circular resolution dated 13th January, 2009 and the same was confirmed by shareholders at 21st Annual General Meeting of the Company. Mr. V. Ramnarayan is 61 years of age. He is a graduate in Science from University of Mumbai with Post Graduate Diploma in Business Management. He has over 30 years of experience in the container shipping industry. He has to his credit the handling experience of the first container service which commenced from India. His experience covers all aspects of shipping.

Remuneration payable to Mr. V. Ramnarayan, Executive Director:

(a) Salary:

Consolidated salary upto ₹40,00,000/- (Rupees Forty Lacs only) per annum including Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances with authority to the Board to fix his salary within the above limit from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

(b) Other benefits / perquisites:

1. Provision of transportation / conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Mediciam insurance.

(c) Sitting fees:

Mr. V. Ramnarayan shall not be entitled to any sitting fees.

The aggregate remuneration payable to Mr. V. Ramnarayan, shall be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provisions of the Companies Act, 1956, re-enactments thereof, for the time being in force.

The payment of remuneration as above of Mr. V. Ramnarayan as Executive Director of the Company was approved and recommended by the Remuneration Committee.

Mr. V. Ramnarayan hold 1,09,375 equity shares of the Company as on date.

Approval of the Members under section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, is required for appointment and payment of remuneration. Hence Board commends this resolution for your approval.

None of the Directors other than Mr. V. Ramnarayan is interested in the Resolution.

25th May, 2011

Registered Office:

4th Floor, Himalayas,
Geetmala Complex,
Near Shah Industrial Estate,
Govandi (E), Mumbai 400 088

By Order of the Board of Directors

Namrata Malushte
Company Secretary

Directors' Report

Your Directors are pleased to present the Twenty third Annual Report and the audited accounts for the financial year ended 31st March, 2011.

FINANCIAL PERFORMANCE

	Current Year ended 31.03.2011	Previous Year ended 31.03.2010
		(₹ in Lacs)
Operating Income	12,687.68	9,845.57
Other Income	234.01	(376.89)
Profit before Interest, Depreciation and Tax	2,560.69	(522.44)
Less: Interest	618.33	313.33
Depreciation	1,054.11	1,157.86
Profit before Tax and Prior Year Adjustment	888.24	(1,993.63)
Less: Provision for Current Taxation	13.00	53.76
Profit after Tax and Exceptional Items	875.24	(2,047.39)
Add: Balance brought forward from previous year	3,207.20	5,455.40
Amount available for appropriation	4,082.44	3,408.01
Appropriations:		
Transfer to General Reserve	25.00	-
Transfer to Capital Redemption Reserve	-	110.00
Transfer to Tonnage Tax Reserve	159.00	-
Preference Dividend paid	76.00	-
Tax on dividend paid	12.62	-
Interim dividend paid on Equity Shares	109.79	-
Tax on Interim dividend on Equity Shares	18.23	-
Proposed Equity Dividend	131.75	-
Tax on Equity Dividend	21.37	-
Proposed Preference Dividend	-	77.88
Tax on Preference Dividend	-	12.94
Balance carried to Balance Sheet	3,528.68	3,207.20

DIVIDEND

In view of the turnaround performance of the Company, the Board of Directors recommend a Dividend of 6% on the Equity shares for the current financial year. This Dividend is subject to the approval of the Members at the Twenty third Annual General Meeting to be held on 17th August, 2011. The payment of dividend on shares will entail a cash outflow of ₹153.12 lacs including dividend distribution tax.

The Board of Directors at its meeting held on 26th October, 2010 has declared an interim dividend of 5% on the Equity Shares of ₹10/- each and 11% on its 11% Convertible Non Cumulative Redeemable Preference Shares of ₹100/- each.

Thus the total outflow on account of dividend distribution would amount to ₹216.64 lacs including total dividend distribution tax.

REVIEW OF OPERATIONS

The current year has been one of the memorable years for Shreyas. During the year, your Company refocused its business model and could thereby build better revenues alongwith cost monitoring at all times. This has helped the Company to achieve a significant turnaround and emerge successfully.

Shreyas has put up a commendable performance during the year. Though Shreyas had posted a Net Loss of ₹2,047.39 lacs, in the previous year. However during the current year, it has been able to make a Profit After Tax (PAT) of ₹875.24 lacs. This clearly depicts a swing of ₹2,922.63 lacs in the profits of the Company. This was possible due to the cost saving measures. Also the refocusing helped in building the top line.

Shreyas presently operates on the West coast and the South coast.

As regards, containerized logistics, Shreyas has through its wholly owned subsidiary, ventured into road transportation and warehousing. It is also venturing into rail movement. Shreyas is now moving towards a complete backward integration of its services thereby offering its clientele various value added services. Shreyas has through its wholly owned subsidiary plans to acquire trailers (owned and leased) for its road transportation. The fleet of trailers acquired by the Company have GPS connectivity thereby providing real time information to clients. In addition to the above, the Company has through its wholly owned subsidiary also signed an agreement for Warehouse & Domestic cargo distribution center at Tuticorin and Mundra. With this, Shreyas is now moving closer towards establishing itself as a Lead Logistics Player in the Industry giving complete logistics solutions to our clients.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis appearing as Annexure I to this Report.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

No unclaimed dividend was due for transfer to the Investor Education and Protection Fund established by the Central Government during the year.

QUALITY

Quality, integrity and safety have been core to the Company. We firmly believe that the pursuit of excellence is one of the most critical components for success in the competitive market and therefore, consistently strive to adhere to the highest quality standards. Shreyas has been re-certified by DNV Quality Registrar in accordance with the Standard ISO 9001:2008 upto 31st October, 2012.

Moving forward, the Company shall continue to further strengthen its processes by adopting best-in-class standards.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

DIRECTORS

Mr. S. Mahesh and Mr. Amitabha Ghosh retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. K.P. Medhekar has resigned as a Director with effect from 1st October, 2010.

Mr. Mannil Venugopalan was appointed as additional director w.e.f. 3rd September, 2010

The above appointment and re-appointments form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval.

Profiles of these Directors, as required by Clause 49 of the Listing Agreement, are given in the Report on Corporate Governance forming part of this Report.

SUBSIDIARY COMPANY

In compliance with the provisions of Section 212 of the Companies Act, 1956, the audited statement of accounts alongwith the Directors' and Auditors' report for the year ended 31st March, 2011 of Shreyas Relay Systems Ltd, the wholly owned subsidiary and Haytrans (India) Ltd, the subsidiary of the Company are annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2011;

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on 31st March, 2011;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a 'going concern' basis.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing agreement entered into with the Stock Exchanges, a detailed Report on Corporate Governance is given as Annexure II to this Report alongwith the Auditors' Certificate on its compliance by the Company (Annexure IV) and applicable certification of the Chief Executive Officer and Chief Financial Officer (Annexure III).

AUDITORS

M/s. PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the 23rd Annual General Meeting and offer themselves for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

As regards the observation made in the Auditor's report, your Directors wish to state that the interpretation of the Institute of Chartered Accountants of India is not found in the notification issued by the Government of India and hence has no legal sanction. Accounting Standard-16 covers capitalisation of interest in projects in respect of 'qualifying assets' and cannot be applied to all cases of capital expenditure. Such an interpretation by the Institute of Chartered Accountants of India has the effect of taking foreign exchange gains to the credit of capital expenditure but a

major part of foreign exchange loss to interest expenditure, which cannot be the intention of the Government notification, which is to give relief to industries from violent negative fluctuations in foreign exchange. In our view the accounting treatment given by the Company is correct and helps reflect a true and fair view of profit of the year.

COST AUDIT

The Central Government has not recommended cost audit of the Company during the year under consideration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Under the Notification No.GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company, as the shipping industry is not included in the Schedule to the relevant rules.

With regard to foreign exchange earnings and outgo, the position is as under:

Sr. No.	Particulars	₹ in Lacs (2010-11)
(i)	Foreign exchange earnings including proceeds on sale of ship (on accrual basis)	2,441.23
(ii)	Foreign exchange outgo including operating components and spare parts and other expenditure in foreign currency (on accrual basis)	3,658.29

PERSONNEL

Information as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of section

219(1)(b)(iv) of the said Act, this Report and the Accounts Statement are being sent to all Shareholders excluding the Statement of Particulars of Employees under section 217(2A). Any Shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

ACKNOWLEDGMENTS

Your Directors thank the Company's clients, vendors, charterers, business associates, main line operators, investors and bankers for their continued support during the year. It will be your Company's endeavour to build and nurture strong links with them based on mutuality, respect and co-operation with each other. Your Directors take this opportunity to thank all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry despite increased competition from several existing and new players.

Your Directors place on record their appreciation for the support and continued co-operation that the Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Corporate Affairs, the Directorate General of Shipping, the Mercantile Marine Department, the Stock Exchanges, the Reserve Bank of India, the Central Board of Excise and Customs, and other Government agencies. Your Directors also express their sincere thanks to the Indian National Ship Owners Association, Port authorities, Insurance companies, Protection and Indemnity clubs for their continued support during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 25th May, 2011

S. Ramakrishnan
Chairman & Managing Director

Management's Discussion and Analysis

(Annexure I to the Directors' Report)

Industry review

Costal Shipping

India is blessed with a vast coastline of 7500 kms. It therefore has a natural advantage for growth of coastal shipping. Coastal shipping being an environment-friendly, fuel-efficient and relatively cost-effective mode of transport, is a crucial component for the development of domestic industry and trade. Coastal shipping has the potential to drive transshipment at the domestic ports, which would enhance the price competitiveness of Indian exports. Further, the increased usage of coastal shipping can go a long way in helping India fulfill its commitment to reduce carbon emissions. It also compliments the road and rail transportation thereby providing multimodal integrated transport facility. Therefore the Indian coastal shipping is now being identified as a major potential growth area for the Indian economy.

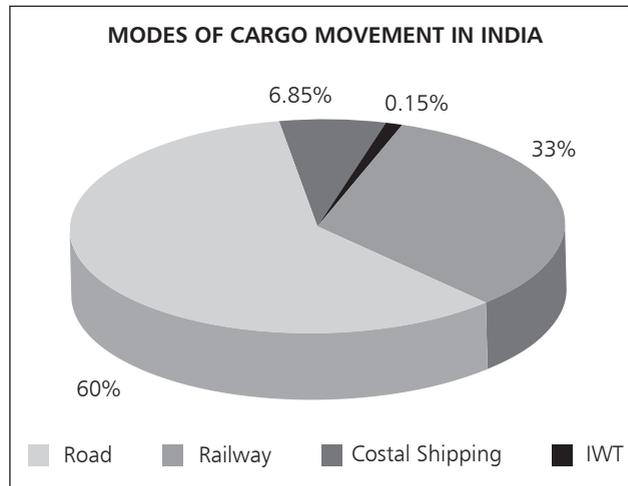
During the current year, the Indian container shipping has depicted a healthy turnaround in the container traffic handled within India. Total container traffic through the 13 state-owned ports was estimated at 7.54 million 20-foot equivalent units, compared with 6.89 million TEUs the previous year. As per the reports of the Indian Port Association, the volume of containers handled by major ports in India surged 9.5 percent year-over-year in fiscal 2010-11.

In the current fiscal, the major ports are expected to handle 615 million tons of cargo. The total containerized traffic for 2011-12 is projected to reach 11 million TEUs, driven by a strong turnaround in the country's foreign trade. Further the inauguration of the terminal at Vallarpadam port is expected to further bring in immense opportunities for the Indian coastal shipping. However, the increasing oil prices shall continue to be a concern for the ship owners during the next fiscal.

The Government authorities are now working incessantly towards promoting coastal shipping in India. The Union government is formulating a new policy for the maritime sector through public private partnership that entails a substantial investment to raise the ports' capacity and bring in major reforms in the sector. It aims to increase the Indian tonnage manifold, increase the port capacity and enhance India's share in global shipbuilding as well as the share of Indian seafarers.

Logistics

Logistics infrastructure is a critical enabler to the country's economic growth. A well developed and networked logistics industry is imperative for success and the overall growth of the Indian economy. Logistics affects the day to day operations of a company and has impact on its operational efficiency. Having realized the importance of logistics movement, India is now set to witness a resurgence in logistics across multiple modes including shipping, ports, road, rail and coastal.



The term logistics encompasses a variety of services. As of today 75-80 % of the logistics is in unorganized sectors with numerous intermediaries with large number of market participants across value chain. Each intermediary levies a charge making the cost high. Out of all the element of logistics cost, the transportation cost constitutes almost 35% of the total cost followed by inventories, packaging etc. Transportation can be done through rail, road, sea as well as air movement. Amongst any other mode of transportation, road movement constitutes 60% followed by rail which is 33% . It may be noteworthy that coastal movement constitutes less than 7% of the total transportation.

India spends about 40 billion dollars of its GDP due to its poor logistics infrastructure, which is roughly 4% of the GDP. If this is not handled in the right perspective this is expected to get larger by the day. Making investments in infrastructure wisely and purposefully would result in reduced waste and fuel consumption, that will improve the outcomes and will improve the opportunities for industries which will pave way for making India a global leader.

Performance review of Shreyas

The current year has been one of the memorable years for Shreyas. During the year, your Company refocused its business model and could thereby build better revenues alongwith cost monitoring at all times. This has helped the Company to achieve a significant turnaround and emerge successfully.

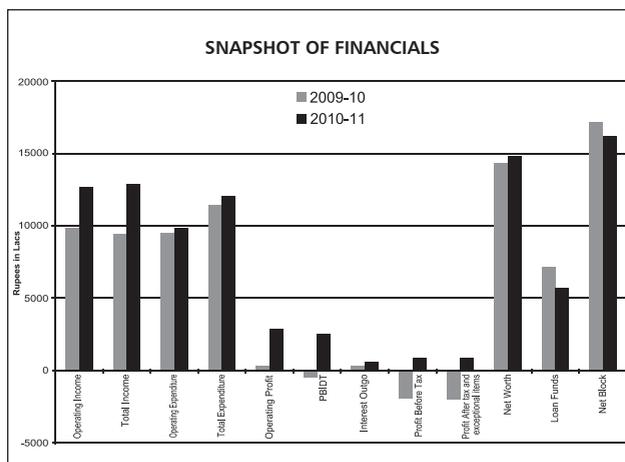
Shreyas has put up a commendable performance during the year. Shreyas had posted a Net Loss of ₹2047.39 lacs, in the previous year. However during the current year, it has been able to make a Profit After Tax (PAT) of ₹875.24 lacs. This clearly depicts a swing of ₹2922.63 lacs in the profits of the Company. This was possible due to the cost saving measures. Also the refocusing helped in building the top line.

Shreyas presently operates on the West coast and the South coast. As regards, containerized logistics, Shreyas has through its wholly owned subsidiary, ventured into road transportation and warehousing. It is also venturing into rail movement. Shreyas is now moving towards a complete backward integration of its

services thereby offering its clientele various value added services. Shreyas has through its wholly owned subsidiary plans to acquire trailers (owned and leased) for its road transportation. The fleet of trailers acquired by the Company have GPS connectivity thereby providing real time information to clients. In addition to the above, the Company has through its wholly owned subsidiary also signed an agreement for Warehouse & Domestic cargo distribution center at Tuticorin and Mundra. With this, Shreyas is now moving closer towards establishing itself as a Lead Logistics Player in the Industry giving complete logistics solutions to our clients.

We give below a snapshot of the salient features of the Company's stand-alone performance during 2010-2011 vis-à-vis the performance during 2009-2010:

- Total Income increased from ₹9,468.68 lacs to ₹12,921.63 lacs.
- Interest cost increased from ₹313 lacs to ₹618.33 lacs.
- Depreciation reduced from ₹1,157.86 lacs to ₹1,054.11 lacs.
- Profit before extraordinary and exceptional items and tax is ₹888.24 lacs against the loss of ₹1,993.63 lacs for the previous year.
- Profit After Tax is ₹875.24 lacs against the loss of ₹2,047.39 lacs.



Outlook on opportunities

Container shipping

Overall, the Indian maritime sector is poised for healthy growth complementing the growth of the Indian economy. This requires interest and investments by multiple stakeholders, including the government, the public and the private sector. The Shipping Ministry also plans to augment the overall capacity to 1 billion tons by 2012, from the existing 575 million tons. With this, major ports are expected to handle about 800 million tons of cargo by 2014-2015. The growing awareness of energy efficient and environment friendly products among the shippers and consumers complimented with the government initiatives and legislation are set to generate more opportunities in the market.

Currently, the containerisation level in India is at around 51%, compared to 80% globally, which indicates that there still exists room for growth driven by an improvement in infrastructure. Notably, the share of containerisation traffic registered substantial improvement in the last two years, increasing by 500-700bp despite the slowdown in trade in FY2009. This can be attributed to customers' preference for containerisation, as it reduces the handling costs. The ratio of 51% is expected to increase to 62-65% over the next five years.

Logistics

As the Indian logistics market is becoming more globally integrated and competitive, numerous companies would turn towards outsourcing of the entire logistics function to minimum possible number of entities in the aim to limit administrative burden. In such a scenario, companies which can provide an entire range of required services would stand a great chance to attract businesses.

The Indian logistics industry is poised to grow robustly in coming years on the back of third party logistics services providers and the development of logistics parks. A fast-track implementation of all key infrastructure projects can pave the way for better logistics management in the country.

The country's logistics industry is set to grow. Industries such as chemicals and pharmaceuticals, metals, FMCG, cement, textiles and capping it all the retail segment have been identified as the top contributors to the projected growth of the economy and therefore to logistics revenues. The new generation corporates are looking to outsource non-traditional logistics requirements such as reverse logistics, inventory management, order processing, distribution, and labelling and packaging.

Outlook on Threats, Risks and Concerns

Shipping

In spite of the obvious advantages that coastal shipping has over land-based modes in India, it has not grown to become an integral part of the country's transport infrastructure. Today, Coastal shipping in India is anchored almost where it was decades ago, despite the oft-repeated chant about its potential and the need to develop this mode of transportation. Moreover, there is need for urgency towards improving the physical and the legislative infrastructure related to this sector thereby creating an environment conducive for optimal growth and development.

Even if the present berthing and handling capacities at the Indian ports have improved since the past, they are far behind their international counterparts. The shipping industry needs a recognition as a critical infrastructure segment in order to receive due importance in terms of investments.

Shortage of seafarers continues to pose serious problems for the Indian shipping companies. The industry will also be faced with challenges such as fewer repair yard slots, the shortage of officers, soaring bunker costs, multiplicity of regulations, infrastructure constraints.

The rising oil prices shall continue to be a major concern for the shipping companies in India. Further the operational costs under

Indian flag and Indian registry are numerous. There are also several tax regimes involved. There is also a difficulty in attracting shipboard staff for coastal operations. Manning costs of Indian registered coastal vessels are extremely high which also needs attention.

Logistics

Logistics management in India is too complex, with millions and millions retailers catering to the requirements of more than one billion people and the infrastructure is yet to develop to cater properly to a growing economy. Furthermore the total logistics cost is a factor of transportation cost, inventory management cost, warehousing, packaging etc. All these costs mount up as there is a lack of infrastructure and also lack of economies of scale.

The poor condition of roads translates directly to higher vehicle turnover, which in turn pushes up the operating costs and reduces efficiency. The reduced efficiency is passed on the logistics service providers, with transportation costs accounting for nearly 40 per cent of the total logistics cost. There are other problems such as complex tax laws and insufficient technological aids.

Specifically the road transportation is yet to get organized. The fragmented market increases costs due to huge paperwork and the individual truck owners, dominating the market, are unable to contract directly with customers, with the result freight consolidators and brokers take a commission to generate business for the truck owners. Only about a few thousand vehicles out of a total of several millions have tracking system. The use of IT, thus, is limited.

Internal control systems and their adequacy

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data.

The Internal Audit, an independent appraisal function to examine and evaluate the efficiency and effectiveness of the internal control system, appraises periodically about activities and audit findings to the Audit Committee, Statutory auditors and the Top Management.

Internal audit ensures that systems are designed and implemented with adequate internal controls commensurate with the size and operations; transactions are executed and assets are safeguarded and deployed in accordance with the policies, existence of adequacy of internal controls in all existing policies and procedures.

Human resources

As on 31st March, 2011, the Company had 28 shore staff and 106 floating staff.

The relations between the employees and the Company remained cordial throughout the year. The Company continues to focus on the safety, training and development of the employees.

Cautionary statement

Statements in this report describing the company's objectives, projections, estimates and expectations may be forward looking statements, within the meaning of applicable laws and regulations, based on beliefs of Shreyas' Management. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including amongst others, changes in the general economic and business conditions, changes in the currency exchange rates and interest rates, introduction of competing services, lack of acceptance of new services, and changes in business strategy. Shreyas does not intend to assume any obligation to update any forward-looking statements or information, which speak as of their respective dates reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 25th May, 2011

S. Ramakrishnan
Chairman & Managing Director

Report on Corporate Governance

(Annexure II to the Directors' Report)

(As required by Annexure IC to Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

I. Corporate Governance Philosophy and Practice

The Corporate Governance philosophy of the Company is based on the principles of transparency and high degree of disclosure levels and accountability for all its stakeholders. We believe that sound corporate governance is critical to enhance and retain stakeholders' trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

II. Board of Directors

Composition of Board of Directors

The composition of the Board is in accordance with the requirements set forth by Clause 49 in this regard. All the Directors are experts in their respective fields / professions. The Board consists of nine Directors of which two are Executive Directors and seven are Non-Executive Directors. The Chairman and Managing Director is an Executive Director and Promoter. Five Directors of the Company are Independent Directors and four are Promoters.

Details, as on date, of the composition of the Board and changes therein since the last Report, category of the Directors and their attendance at Board meetings and the last Annual General Meeting, number of their other directorships and Committee Memberships / Chairmanships is given below:

Name of the Director	Category of Directorship ¹	Number of Board meetings attended out of five held during the year 2010-2011	Attendance at the last AGM (21.09.10)	No. of Directorships in other public limited companies as on 31.03.2011	No. of Committee positions held in other public limited companies as on 31.03.2011 ²	
					Chairman	Member
Mr. S. Ramakrishnan³ Chairman & Managing Director	ED	5	Yes	12	NIL	NIL
Mr. V. Ramnarayan Executive Director	ED	5	Yes	11	NIL	1
Mr. S. Mahesh³ Director	NED (NI)	2	Yes	9	NIL	1
Mr. L. B. Culas Director	NED (NI)	3	Yes	0	NIL	NIL
Mr. Mannil Venugopalan Director (Appointed w.e.f. 03/09/10)	NED (I)	2	NA	3	NIL	NIL
Capt. P. P. Radhakrishnan Director	NED (I)	4	Yes	3	NIL	NIL
Mr. Amitabha Ghosh Director	NED (I)	4	Yes	13	5	3
Mr. S. Ragothaman Director	NED (I)	3	Yes	7	2	2
Mr. D. T. Joseph Director	NED (I)	5	No	6	1	3
Mr. K. P. Medhekar Director (Resigned w.e.f. 01/10/10)	NED (I)	3	No	NA	NA	NA

Notes:

1. Category of Directorship:

- ED – Executive Director
- NED (NI) – Non-Executive Director and not Independent
- NED (I) – Non-Executive Director and Independent

2. As required by Clause 49 of the Listing agreement entered

into with the Stock Exchanges, only Membership / Chairmanship of the Audit Committee and Shareholders' / Investors Grievance Committee have been considered. None of the Directors of the Company is a Member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he is a Director.

3. Mr. S. Ramakrishnan and Mr. S. Mahesh are brothers.

Number of Board Meetings

Five Board meetings were held during the year ended on 31st March, 2011. These were on 29th April, 2010, 24th May, 2010, 27th July, 2010, 26th October, 2010 and 25th January, 2011.

The gap between any two Board meetings did not exceed four months as required by Clause 49 of the Listing agreement with the Stock Exchanges.

Information supplied to the Board

To enable the Board members to discharge their responsibilities effectively and take informed decisions, a comprehensive Agenda folder with explanation on each item is sent to each Director well in advance of the Board meeting. All the Agenda items are discussed in detail during the Board meeting. The Board members have complete access to any information within the Company and to any employee of the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as the related details that require deliberation by the members of the Board.

The information as specified in Annexure 1A to Clause 49 is made available to the Board whenever applicable and materially significant.

Code of Conduct

All Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year ended 31st March, 2011. The said Code has been posted on the website of the Company, i.e., www.shreyas.co.in.

III. Audit Committee of Directors (Audit Committee)

Composition

The present composition of the Audit Committee is as follows:

Name	Position held	Category
Mr. Amitabha Ghosh	Chairman	Non-Executive and Independent Director
Capt. P. P. Radhakrishnan	Member	Non-Executive and Independent Director
Mr. S. Ragothaman	Member	Non-Executive and Independent Director
Mr. D.T. Joseph	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary

All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, Mr. Amitabha Ghosh and Mr. S. Ragothaman are considered to have accounting and related financial management expertise.

The Chief Financial Officer, representative of the internal auditors and the statutory auditors are invitees to the meetings of the Audit Committee.

Terms of reference

The powers and terms of reference of the Audit Committee are comprehensive and include all that is mandated as per Clause 49 of the Listing agreement and Section 292A of the Companies Act, 1956. The Committee is vested with necessary powers, as defined in its Charter, to achieve its objectives.

The Committee, inter alia, has reviewed the financial statements including Auditors Report for the year ended 31st March, 2011 and has recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management and the financial statements of the subsidiary companies.

Meetings and attendance during the year

Sr. No.	Name of Director	Meetings / Attendance			
		24.05.2010	27.07.2010	25.10.2010	25.01.2011
1.	Mr. Amitabha Ghosh	Absent	Present	Present	Present
2.	Mr. K. P. Medhekar	Present	Present	N.A.	N.A.
3.	Capt. P. P. Radhakrishnan	Present	Absent	Present	Present
4.	Mr. S. Ragothaman	Present	Present	Present	Present
5.	Mr. D.T. Joseph	Present	Present	Absent	Present

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the Board meetings.

The Chairman of the Audit Committee was present at the Annual General Meeting held on 21st September, 2010.

IV. Shareholders' / Investors Grievance Committee of Directors

Composition

The present composition of the Shareholders' / Investors Grievance Committee is as follows:

Name	Position held	Category
Capt. P. P. Radhakrishnan	Chairman	Non-Executive and Independent Director
Mr. V. Ramnarayan	Member	Executive Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Terms of reference

- a. Review the existing investor redressal system and suggest measures for improvement.
- b. Resolution of investor grievances / complaints.
- c. Suggest improvement in investor relations.
- d. Consider and take on record Certificate from a practicing Company Secretary under Clause 47(c) of the Listing agreement.
- e. Propose to the Board of Directors, the appointment / re-appointment of the Registrar and Share Transfer Agent, including the terms and conditions, remuneration, service charge / fees.

Meetings and attendance during the year

The Company has held two meetings of the Shareholders' / Investors Grievance Committee during the year ended on 31st March, 2011. These were on 15th February, 2011 and 15th March, 2011. All members of the Committee and the Secretary were present at the above meetings.

The Secretarial Department of the Company, under the supervision of the Company Secretary, who is also nominated by the Company as the "Compliance Officer" as required under SEBI Regulations / Listing Agreement, and the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. attend to all grievances of the Shareholders and the investors. The Company and M/s. Link Intime India Pvt. Ltd. are making further attempts to ensure that the grievances are expeditiously addressed and redressed to the full satisfaction of the Shareholders. The minutes of the Share Transfer Committee are noted by the Board of Directors at the Board Meetings.

A comparative statement of the various complaints received and redressed by the Company and M/s. Link Intime India Pvt. Ltd. during the year 2010-11 is given below:

Nature of complaints	Number of complaints	
	Received	Pending
Non-receipt of dividend	11	0
Non-receipt of Share certificates after transfer	5	0
Non-receipt of Annual report	0	0
Non-receipt of demat credit / remat credit	1	0
Non-receipt of rejected Demat Requisition Form	0	0
Others (not included above)	0	0
TOTAL	17	0

V. Remuneration Committee

Composition

The present composition of the Remuneration Committee is as follows:

Name	Position held	Category
Capt. P. P. Radhakrishnan	Chairman	Non-Executive and Independent Director
Mr. S. Ragothaman	Member	Non-Executive and Independent Director
Mr. Amitabha Ghosh	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Terms of reference

- a. Determine the Company's policy on specific remuneration packages for Executive Directors.
- b. Bring about objectivity in determining the remuneration package of Executive Directors while striking a balance between the interest of the Company and the Shareholders.
- c. Recommend the remuneration package of Executive Directors to the Board for its approval.

During the year no meeting of remuneration committee was held.

Remuneration Policy

a. For Executive Directors

The Board of Directors is authorised to decide the remuneration of the Executive Director(s), subject to the recommendation of the Remuneration Committee of Directors and approval of the Shareholders and the Central Government, if required. The details of remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director for the year 2009-10 have been disclosed in Note no:5 to the accounts. The appointment of Mr. S. Ramakrishnan is in terms of the approval received from the Central Government vide its letter bearing reference no. A59091868-CL-VII dated 3rd February, 2010 which is valid from 1st April, 2009 upto 31st March, 2014.

The Whole-time director Mr. S. Ramakrishnan and Mr. V. Ramnarayan were paid remuneration as per their respective terms of appointment as approved by the Shareholders.

b. For Non-Executive Directors

All fees / compensation paid to Non-Executive Directors are fixed by the Board of Directors of the Company with the previous approval of the Shareholders in the General meeting. Presently, Non-Executive Directors are paid remuneration by way of Sitting fees of ₹12,000/- per Board Meeting and ₹10,000/- per Audit Committee and Remuneration Committee Meeting attended. The details of sitting fees paid to the Non-Executive Directors for the year 2010-11 and shares held by them in the Company as on 31st March, 2011 are as follows:

Name of the Director	Sitting Fees for Board Meetings attended (₹)	Sitting Fees for Audit Committee Meetings attended (₹)	Number of Equity shares held in Shreyas Shipping & Logistics Ltd. as on 31 st March, 2011
Mr. S. Mahesh	24,000/-	N.A.	112,475
Mr. L. B. Culas	36,000/-	N.A.	130,845
Mr. K. P. Medhekar ¹	36,000/-	20,000/-	N.A.
Capt. P. P. Radhakrishnan	48,000/-	30,000/-	NIL
Mr. Amitabha Ghosh	48,000/-	30,000/-	NIL
Mr. S. Ragothaman	36,000/-	40,000/-	3,000
Mr. D. T. Joseph	60,000/-	30,000/-	NIL
Mr. Mannil Venugopalan ²	24,000/-	N.A.	NIL

¹ Resigned w.e.f. 1st October, 2010

² Appointed w.e.f. 3rd September, 2010

Presently, the Directors of the Company who are not in whole-time employment of the Company are compensated only by way of sitting fees for attending the meetings of the Board and its Committees. The Board of Directors have not recommended commission for the Directors not in whole-time employment of the Company for the year ended 31st March, 2011.

The Company does not have a scheme for stock options for its Directors. None of the Non-executive Directors had pecuniary interest in or transactions with the Company during the year.

VI. Share Transfer Committee

The Share Transfer Committee has been specifically constituted for approving the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced share certificates, etc. ensuring compliance with legal requirements of share transfers and co-ordination with the Registrar and Share Transfer Agent, Depositories, etc. The present composition of the Committee is as follows:

Name	Position held	Category
Mr. S. Ramakrishnan	Chairman	Chairman & Managing Director
Mr. V. Ramnarayan	Member	Executive Director
Mr. S. Mahesh	Member	Director
Mr. Rajesh Desai	Member	General. Manager - Finance & Accounts
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Meetings of the Share Transfer Committee are usually held fortnightly. 24 meetings of the Share Transfer Committee were held during the year 2010-11.

VII. General Body Meetings

a. Particulars of the last three Annual General Meetings (AGM's)

Financial year	AGM No.	Date	Venue	Time
2009-10	22 nd	21 st September, 2010	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.
2008-09	21 st	25 th September, 2009	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.
2007-08	20 th	27 th September, 2008	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp.Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m.

b. Special resolutions passed at last three AGM's

The following two Special resolutions were passed by the Shareholders at the AGM held on 21st September, 2010:

- Approved the revised remuneration package of Mr. V. Ramnarayan, Executive Director of the Company.
- To raised the funds to the extent of ₹100 crores (Rupees One Hundred Crores only) through Rights Issue, public issue(s), preferential issue, private placement(s) or a combination thereof through prospectus, offer document, offer letter, offer circular or otherwise, at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest etc., as may be deemed appropriate by the Board at its absolute discretion.

The following two Special resolutions were passed by the Shareholders at the AGM held on 25th September, 2009:

- Reappointed of Mr. S. Ramakrishnan as a Chairman and Managing Director of the Company for the period of 5 years w.e.f. 1st April, 2009 on such remuneration and terms and conditions as set out in the notice.
- Appoint Mr. V. Ramnarayan as an Executive Director of the Company for the period of 5 years w.e.f. 13th January, 2009 on such remuneration and terms and conditions as set out in the notice.

The following two Special resolutions were passed by the Shareholders at the AGM held on 27th September, 2008:

- Approval and ratification of the excess remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director for the year 2007-08.
- Approval and ratification of the excess remuneration paid to Mr. Anil Devli, Executive Director for the year 2007-08.

c. Passing of resolutions by Postal ballot

No resolutions were passed by postal ballot during the year ended 31st March, 2011. Postal ballot shall be conducted as per the provisions of the Companies Act, 1956, as and when situations arise.

VIII. Disclosures

- a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interests of the Company in view of the following:
 - (i) All details relating to financial and commercial transactions, wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.
 - (ii) These are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
- b. In continuation of the practice of keeping the Board of Directors informed about the potential risks of running the business and the Company's processes for risk mitigation and control, the Management periodically submits to the Board, a Risk Assessment & Minimisation Report outlining the various risks encountered by the Company, the control mechanisms adopted for mitigating such risks and the impact of materialization of such risks. The Management continues to take effective steps to mitigate such risks by devising an elaborate business strategy to counter and deal with the components of risks.
- c. Disclosures have been received from Senior Management personnel to the effect that during the year ended 31st March, 2011, there were no financial and commercial transactions in which they had personal interest that may have a potential conflict with the interest of the Company at large.
- d. With regard to matters related to capital markets, the Company has duly complied with the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority.

- e. As on 31st March, 2011, the Company has two subsidiaries as follows:

Shreyas Relay Systems Ltd	: 100% holding by the Company
Haytrans (India) Ltd	: 51% holding by the Company

- f. The Company has fully complied with all the mandatory requirements of Clause 49.

The status of compliance with **non-mandatory requirements** stipulated by the said Clause is as under:

1. Tenure of Independent Directors is not being restricted to period of nine years in the aggregate since the Board of Directors unanimously opine that the length of the tenure on the Board would not have any material negative impact on the performance of Independent directors and discharge of their duties towards the Company.
2. The Board of Directors has constituted a Remuneration Committee consisting of four members, who are non-executive and independent. The Chairman of the Remuneration Committee was not present at the 21st Annual General Meeting held on 25th September, 2009.
3. Since the half-yearly financial results are being published in leading newspapers as well as being displayed on the Company's website, the said results and summary of significant events are not being sent to each household of Shareholders.
4. Adequate and transparent information is circulated to the members of the Board of Directors at its various meetings, which provide valuable inputs on the business of the Company and their responsibilities as Directors. Also, the Directors are kept abreast of the latest developments in Laws, Rules and Regulations, as also on the various risks to which the Company is subject and the manner in which these risks are mitigated and/or minimised. Therefore, the need for a formal training on these issues is not felt necessary presently.
5. The re-appointment of Non-executive Directors is proposed and seconded at meetings of the Board of Directors on the basis of the contribution and performance of the Director being re-appointed. The Director being re-appointed does not participate during such discussions nor does he vote on the resolution proposing his re-appointment.
6. The Company presently does not have a documented Whistle Blower Policy in place. However, given its dedication to principles such as honesty, quality, responsibility, compassion,

fairness, respect, adaptability and gratitude, the Company personnel feel free to report to the Management, any concerns they may have about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

7. The Company ensures that any person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an Independent Director.

g. Disclosure regarding appointment or re-appointment of Directors

Mr. S. Mahesh and Mr. Amitabha Ghosh retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. Mannil Venugopalan was appointed as Additional Director w.e.f. 3rd September, 2010 is being recommended for appointed as Director of the Company.

I. Name: S. Mahesh

Experience:

Mr. S. Mahesh, a Graduate in Commerce from the University of Mumbai, has hands on experience in ship owning and ship management. In addition, he has expertise in International Trading. He is presently based at Singapore and overlooks the activities of the Transworld Group of Companies in Far East countries. The Transworld Group of Companies has been able to expand its presence in these countries due to his expertise and vast experience.

Other Directorships:

No.	Name of the companies/firm	Nature of interest
1.	Relay Shipping Agency Limited	Director
2.	TLPL Shipping and Logistics Pvt. Ltd.	Director
3.	TLPL Logistics Pvt. Ltd.	Director
4.	Clarion Solutions Pvt. Ltd.	Director
5.	Crescent Shipping Agency (I) Ltd.	Whole time Director
6.	Haytrans (India) Ltd.	Director
7.	Meridian Shipping Agency Pvt Ltd.	Director
8.	NLS Agency (India) Pvt Ltd.	Director
9.	Orient Express Ship Management Ltd.	Director
10.	Shreyas Relay Systems Ltd.	Director
11.	Sivaswamy Holdings Pvt Ltd.	Director
12.	Tejas Oil Pvt Ltd.	Director
13.	Transcorp Finance Ltd.	Director
14.	Transworld Logistics Limited	Director
15.	Transworld Management Consultancy Pvt. Ltd.	Director
16.	Transworld Oil Pvt. Ltd.	Director
17.	Transworld Cultural and Sports Foundation	Director
18.	Trident Trading Pvt. Ltd.	Director
19.	Transworld Shipping and Logistics Limited	Director

Other Directorships:

No.	Name of the companies/firm	Nature of interest
20.	Albatross CFS Pvt. Ltd.	Director
21.	Albatross Logistics Centre (I) Pvt. Ltd.	Director
22.	Admec Logistics Ltd.	Director
23.	Trident Terminals Private Ltd.	Director
24.	Brigantine Admec Container Services (India) Pvt. Ltd	Director

Committee Memberships:

Shreyas Relay Systems Limited : Audit Committee Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2011: 112,475 shares

II. Name: Amitabha Ghosh

Experience:

Mr. Amitabha Ghosh is a Chartered Accountant by profession and a fellow member of the Indian Institute of Bankers. He joined Allahabad Bank in 1951 as a first Indian Probationary Officer and was elevated to the post of Chairman and Managing Director after holding various important assignments in the Bank. He was also the Deputy Governor of Reserve Bank of India from 1982 to 1984 and from 1985 to 1992. He was Chairman of Reserve Bank of India Services Board during 1992-1993. He is a member of various Working Groups / Committees. He has also contributed a number of articles to the various publications of Government of India and Reserve Bank of India.

Other Directorships:

Name of the companies/firm	Nature of interest	
1.	Centenary Leasing Company Pvt. Ltd.	Director
2.	Heidelberg Cement India Ltd.	Director
3.	Kesoram Industries Ltd.	Director
4.	Joonkollu Tea & Industries Ltd.	Director
5.	Orient Paper & Industries Ltd.	Director
6.	Palit Consultancy Pvt. Ltd.	Director
7.	Peninsula Land Ltd.	Director
8.	Sahara India Life Insurance Co. Ltd.	Director
9.	Sahara Prime City Ltd.	Director
10.	Shree Cement Ltd.	Director
11.	Xpro India Ltd.	Director
12.	Zenith Fibres Ltd.	Director
13.	Sahara Infrastructure & Housing Ltd.	Director
14.	Sahara Hospitality Ltd.	Director

Committee Memberships:

Name of the companies/firm	Name of Committee	Committee Position
1.	Heidelberg Cement India Ltd.	Audit Committee Chairman Shareholder Member Grievances Committee
2.	Kesoram Industries Ltd.	Audit Committee Member
3.	Orient Paper & Industries Ltd.	Audit Committee Chairman
4.	Peninsula Land Ltd.	Audit Committee Chairman

5. Sahara India Life Insurance Co. Ltd. Audit Committee Member
6. Sahara Prime City Ltd. Audit Committee Chairman
7. Sahara Infrastructure & Housing Ltd. Audit Committee Member
8. Sahara Hospitality Ltd. Audit Committee Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2011: NIL

**III. Name: Mr. Mannil Venugopalan
Experience:**

Mr. Mannil Venugopalan is the former Managing Director and Chief Executive Officer of the Federal Bank (May 2005 till July 2010). He was also been the Chairman & Managing Director of Bank of India since August, 2003 till April, 2005. He has career record spanning four and a half decades in the banking sector and has touched diverse geographies in leadership capacities in India and abroad. He started his career as a Probationary Officer with Bank of India in 1966 and within a stint for 3 years in between with Union Bank of India as Executive Director rose to the position of the Chairman and Managing Director of Bank of India.

His tenure at Federal Bank for half decade is memorable for the transformational initiatives that he launched in the Bank and today is one of the best banks in the country in efficiency parameters and in coping with the inevitable process of adapting to the rapidly changing business environment.

Other Directorships:

Name of the companies/firm	Nature of interest
L&T Finance Holdings Ltd.	Director
LICHFL Asset Management Co. Ltd.	Director
Kerala State Industrial Development Corporation Ltd.	Director
Vishwa Infrastructures and Services Pvt. Ltd.	Director
Neighborhood Agribusiness Solutions Pvt. Ltd.	Director
SunEdison Energy India Pvt. Ltd.	Director

Committee Memberships: NIL

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2011: NIL

IX. Means of communication

- a. The financial results of the Company are being published in leading newspapers to provide easier accessibility to the Shareholders and are also displayed on the Company's website www.shreyas.co.in. The financial results during the year 2010-11 were published in the newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31/03/2010	30/06/2010	30/09/2010	31/12/2010
FREE PRESS JOURNAL	25/05/10	-	27/10/10	26/01/11
NAVASHAKTI	25/05/10	-	27/10/10	26/01/11
BUSINESS STANDARD	-	28/07/10	-	-
SAKAL	-	28/07/10	-	-

- b. Official press releases and presentations as and when made to the media and Analysts are made available on the Company's website www.shreyas.co.in.
- c. The Management's Discussion & Analysis Report is appearing as Annexure I to the Directors' Report.

X. Auditors' certificate on Corporate Governance

The Auditors certificate on compliance with the Corporate Governance requirements under Clause 49 of the Listing agreements entered into with the Stock Exchanges is given as Annexure IV to the Directors' Report.

XI. Code of Conduct for prevention of Insider trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended in 2002 and 2008, the Company has adopted a comprehensive "Code of Conduct for Prevention of Insider Trading" and "Code of Corporate Disclosure Practices". The Company believes that these Codes will help in ensuring compliance of the SEBI Regulations.

XII. General Shareholders' Information

S. No.	Salient items of interest	Particulars
i.	AGM date	17 th August, 2011
ii.	AGM Time	11.00 a.m.
iii.	AGM Venue	Sivaswamy Auditorium of Fine Arts Cultural Centre, Chembur, (East), Mumbai – 400 071
iv.	Financial Calendar (tentative)	1.04.2011 to 31.03.2012
	Results for the quarter ending	
	30 th June, 2011	Upto 15 th August, 2011
	30 th September, 2011	Upto 15 th November, 2011
	31 st December, 2011	Upto 15 th February, 2012
	31 st March, 2012	Upto 30 th May, 2012
		Annual General Meeting is proposed to be held in September, 2012.
v.	Dates of Book Closure	10 th August, 2011 to 17 th August, 2011 (both days inclusive)
vi.	Dividend Payment date	Company paid a preference dividend @ 9.5% and Equity dividend @ 5% on 18 th November, 2010. The Board recommended Equity dividend @ 6% which is subject to approvals of shareholders at ensuring Annual General Meeting.
vii.	Listing on Stock Exchanges	A. Equity shares: The Bombay Stock Exchange Ltd., Mumbai National Stock Exchange of India Ltd.

S. No.	Salient items of interest	Particulars
viii.	Stock Code	<p>B. Preference shares: The Bombay Stock Exchange Ltd., Mumbai The Company has paid listing fees for the year 2010-11 to the Indian Stock Exchanges where its securities are listed.</p> <p>A. Equity shares: The Bombay Stock Exchange Ltd., Mumbai - 520151 National Stock Exchange of India Ltd. - SHREYAS</p>
ix	The International Securities Identification Number (ISIN) for the Company's Shares in dematerialised form.	<p>A. Equity shares : INE757B01015 B. Preference shares: INE757B04019</p>
x.	Registrar & Share Transfer Agent	<p>M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078 Tel no. 022 – 25946970, Fax No. 022 -25946969 E-mail: rnt.helpdesk@linkintime.co.in</p>
xi.	Share Transfer System	<p>Transfers of Shares in physical form are processed by M/s. Link Intime India Pvt. Ltd. and are approved by the Share Transfer Committee, which usually meets fortnightly. Transfers of Shares are effected and Share Certificates are dispatched within a period of 30 days from the date of receipt of the request, provided the relevant documents are valid and complete in all respects.</p> <p>Trading in the Company's Shares is permitted only in dematerialised form.</p> <p>In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit / credit of the accounts involved.</p>
xii.	Dematerialisation of shares (Equity)	<p>As at 31st March, 2011 57,45,307 Equity Shares of ₹10/- each (26.17% of the total Equity Shares) in dematerialised mode.</p>

S. No.	Salient items of interest	Particulars
xiii.	Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	NIL
xiv.	Plant locations	Not applicable as the Company is in shipping and logistics business.
xv.	Address for correspondence	<p>Registered office: 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (East), Mumbai - 400 088.</p> <p>Administrative office: 2nd Floor, Sahyadris, Geetmala Complex, Near Shah Industrial Estate, Opp. Deonar Village Road, Govandi (E), Mumbai - 400 088. Tel. No. 022 - 66220300 Fax. No.: 022 - 66220444.</p> <p>Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Limited. C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (West) Mumbai - 400 078. Tel No. 022 - 25946970, Fax No. 022 - 25946969 E-mail: rnt.helpdesk@linkintime.co.in</p>

Distribution of Shareholding as on 31st March, 2011

Category (Nominal value of shares) From - To	No. of Share-holders	% of Total Share-holders	Share amount (In ₹)	% of Total Share-holding
Upto 2,500	14,822	91.49	1,87,60,190	8.54
5,001-10,000	735	4.54	61,05,180	2.78
10,001-20,000	325	2.01	50,21,700	2.29
20,001-30,000	105	0.65	26,77,970	1.22
30,001-40,000	46	0.28	16,35,090	0.74
40,001-50,000	34	0.21	15,98,620	0.73
50,001-1,00,000	64	0.39	45,39,640	2.07
1,00,001 & above	70	0.43	17,92,36,940	81.63
Total	16,201	100.00	21,95,75,330	100.00

Shareholders' profile

As on 31st March, 2011, the Company had 16201 shareholders.

The Company's Shares are held by diverse entities as per the following break-up:

	Category	No. of Shares held	Percentage of Share holding	No. Shares Pledged or otherwise encumbered	Percentage of Shares Pledged
A	Promoter's Holding				
1	Promoters				
	Indian Promoters:	1014945	4.62	NIL	0.00
	Foreign Promoters:	15078150	68.67	NIL	0.00
B	Non-Promoter Holding				
2	Institutional Investors				
	a. Mutual Funds and UTI	900	0.00	N.A.	N.A.
	b. Banks, Financial Institutions	0	0.00	N.A.	N.A.
	c. Foreign Institutional Investors	172999	0.79	N.A.	N.A.
3	Others				
	a. Bodies Corporate	780971	3.56	N.A.	N.A.
	b. Indian Public	4302662	19.60	N.A.	N.A.
	c. NRIs/OCBs	337289	1.53	N.A.	N.A.
	d. HUF	189982	0.87	N.A.	N.A.
	e. Clearing Member	49698	0.23	N.A.	N.A.
	f. Market Maker	29937	0.14	N.A.	N.A.
	Total (1+2+3)	21957533	100.00	NIL	0.00

Top 10 shareholders as on 31st March, 2011

Sr. No	Name of the Shareholder	Number of Shares held as on 31.03.11	% of Shareholding
1	Transworld Holdings Limited	12351650	56.25
2	Anisha Ramakrishnan	975575	4.44
3	Mithila Mahesh	975575	4.44
4	Valli Sivaswamy	383500	1.75
5	Ritesh Ramakrishnan	168375	0.77
6	Master Murlu Mahesh	168375	0.77
7	Rhodes Diversified	150000	0.68
8	Rajan Ramnarayan	140875	0.64
9	Equity Intelligence India Pvt. Ltd.	138000	0.63
10	Rajeev Ramnarayan	136375	0.62

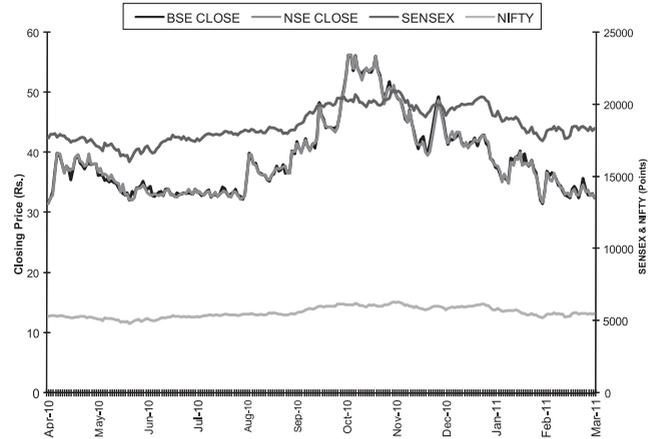
Stock price data

(1) The monthly high and low stock quotations during the financial year 2010-11 and performance in comparison to the BSE Sensex and S&P CNX Nifty is given below:

Month & Year	Share Price of Shreyas on BSE		BSE SENSEX		Share Price of Shreyas on NSE		S&P CNX Nifty	
	Month's High (₹)	Month's Low (₹)	Month's High (Index point)	Month's Low (Index point)	Month's High (₹)	Month's Low (₹)	Month's High (Index point)	Month's Low (Index point)
April 2010	41.80	30.75	18,047.86	17,276.80	41.50	30.55	5,399.65	5,160.90
May 2010	39.00	31.85	17,536.86	15,960.15	39.25	31.35	5,278.70	4,786.45
June 2010	36.30	31.30	17,919.62	16,318.39	35.85	31.80	5,366.75	4,961.05
July 2010	36.00	31.55	18,237.56	17,395.58	35.30	30.25	5,477.50	5,231.50
August 2010	41.00	32.10	18,475.27	17,819.99	41.00	31.60	5,549.80	5,348.90
September 2010	50.90	35.45	20,267.98	18,027.12	50.00	36.10	6,073.50	5,403.05
October 2010	58.85	43.10	20,854.55	18,954.96	59.00	43.50	6,284.10	5,937.10
November 2010	52.45	38.75	21,108.64	19,074.82	52.45	38.05	6,338.50	5,690.35
December 2010	50.95	40.60	20,552.03	18,038.57	49.85	38.30	6,147.30	5,721.15
January 2011	43.80	35.00	20,664.80	17,295.48	43.00	32.30	6,181.05	5,416.65
February 2011	40.45	30.60	18,690.97	17,792.62	39.70	30.15	5,599.25	5,177.70
March 2011	38.00	31.00	19,575.16	17,792.17	36.85	30.05	5,872.00	5,348.20

(2) Shares traded during 1st April, 2010 to 31st March, 2011

Particulars	On BSE	On NSE
No. of shares traded	28,18,334	40,70,259
Highest Share price	₹58.85 (11 th October, 2010)	₹59.00 (11 th October, 2010)
Lowest Share price	₹30.60 (11 th February, 2011)	₹30.05 (10 th March, 2011)
Closing Share price as on 31 st March, 2011	₹33.60	₹33.45
Market capitalization as on 31 st March, 2011	₹737,773,108.80	₹734,479,479.30

(3) The Company's share price movement during 2010-11 on BSE and NSE vis-à-vis respective indices:


For and on behalf of the Board of Directors

Place: Mumbai
 Date: 25th May, 2011

S. Ramakrishnan
 Chairman & Managing Director

Certificate

**(Annexure IV to the Directors' Report)
 (As required by clause 49 of the Listing Agreement entered into with Stock Exchanges)**

To the Members of Shreyas Shipping and Logistics Limited

We have examined the compliance of conditions of Corporate Governance by Shreyas Shipping and Logistics Ltd for the year ended on 31st March 2011 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements 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 conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the Certificate of the Registrar and Transfer Agents of the Company.

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

For **PKF Sridhar & Santhanam**
 Chartered Accountants
 Firm Regn No : 0039905

Place: Mumbai
 Date: 25th May, 2011

S.Narasimhan
 Partner
 M. No. 206047

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

(Annexure III to the Directors' Report)

(As required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

To
The Shareholders and the Board of Directors
Shreyas Shipping & Logistics Limited

We, S. Ramakrishnan, Chief Executive Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges) and Vinay Kshirsagar, Chief Financial Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges), of Shreyas Shipping & Logistics Limited, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2011 (hereinafter referred to as 'the year') and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 have taken requisite steps to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year; and
 - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- e. There have been no instances of significant fraud of which we have become aware and any involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- f. All Board members and Senior managerial personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics during the year ended 31st March, 2011.

Mumbai
25th May, 2011

S. Ramakrishnan
Chief Executive Officer

Vinay Kshirsagar
Chief Financial Officer

Auditors Report

To

The Members of Shreyas Shipping and Logistics Ltd.

1. We have audited the attached Balance Sheet of Shreyas Shipping and Logistics Ltd. as at 31st March 2011, the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (v) *As per the Guidance provided by the Accounting Standards Board of The Institute of Chartered Accountants of India through frequently asked questions on AS 11 Notification, the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to*
 - (a) *interest costs are to be considered as "borrowing costs" and accounted for in accordance with Accounting Standard 16 (AS16)-Borrowing Costs. The Company has not considered the "borrowing costs" while adjusting the foreign currency differences to the cost of the assets. In view of this*
 - a. *Cumulative foreign exchange loss is understated to the extent of ₹2,12,27,712 (of this ₹32,15,949 relates to period before March 31 2008, ₹1,44,20,050 for the year ended March 31 2009, ₹26,40,609 for the year ended March 31 2010 and ₹951,104 for the current year)*
 - b. *Depreciation related to above including the adjustment to opening reserves is cumulatively overstated to the extent of ₹24,14,872 (of this ₹1398 relates to period before March 31 2008, ₹1,73,929 for the year ended March 31 2009, ₹18,82,072 for the year ended March 31 2010 and ₹3,57,473 for the current year)*
 - c. *Loss for the current year is stated lower by ₹5,93,631 and*
 - d. *Fixed assets and Reserves are stated higher to the extent of ₹1,88,12,840*

(vi) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except to the extent indicated in para (v) above relating to capitalization of certain borrowing costs that are not eligible for capitalization.

(vii) Subject to our comments with respect to capitalization of certain borrowing costs that are not eligible for capitalization as referred to in paragraph (v) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
- (b) In case of the Profit and Loss account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn No 039905

S.Narasimhan

Partner

M. No. 206047

Place: Mumbai
Date: 25th May, 2011

Annexure to the Auditors' Report

Re: Shreyas Shipping and Logistics Limited

Referred to in paragraph 3 of our report of even date,

- | | |
|--|--|
| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;</p> <p>(c) The Company has not disposed off any material assets during the year.</p> <p>(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> <p>(iii) (a) During the year, except for an unsecured interest free loan of ₹5,25,00,000 to Shreyas Relay Systems Ltd, a wholly owned subsidiary, the Company has not granted any other loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. In our opinion the terms of the loan given to wholly owned subsidiary are not prejudicial to the interests of the company.</p> <p>(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.</p> <p>(iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;</p> <p>(v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and</p> <p>(b) In respect of transactions exceeding the value of ₹ five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time wherever applicable.</p> <p>(vi) The Company has not accepted deposits from the public;</p> <p>(vii) The Company has an internal audit system commensurate with its size and nature of its business;</p> <p>(viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act,</p> | <p>(ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.</p> <p>(b) There are no dues of Income tax / Sales tax / Wealth tax / Service tax / Custom duty / Cess that have not been deposited on account of any dispute.</p> <p>(x) The Company has no accumulated losses at the end of the financial year. There is no cash loss in the current financial year. However it has incurred cash losses in the previous financial year.</p> <p>(xi) The Company has not defaulted in repayment of dues to a financial institution or bank.</p> <p>(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;</p> <p>(xiii) As the Company is not a Nidhi / Mutual benefit fund/ Society, the provisions of special statute applicable to chit fund etc. is not applicable to this Company.</p> <p>(xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.</p> <p>(xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions except for guaranteeing loans taken by its Subsidiary, the terms and conditions of which are not prejudicial to the interest of the Company.</p> <p>(xvi) Term loans were applied for the purpose for which the loans were obtained;</p> <p>(xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment.</p> <p>(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.</p> <p>(xix) The Company has not issued any debentures.</p> <p>(xx) There have been no public issues during the year.</p> <p>(xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.</p> |
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For PKF Sridhar & Santhanam
Chartered Accountants
Firm Registration No 039905

S.Narasimhan
Partner
M. No. 206047

Place: Mumbai
Date : 25th May, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

(AMOUNT IN ₹)

	Schedule	AS AT 31.03.2011	AS AT 31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	299,575,330	299,575,330
RESERVES AND SURPLUS	2	<u>1,183,375,231</u>	<u>1,132,827,120</u>
		<u>1,482,950,561</u>	<u>1,432,402,450</u>
LOAN FUNDS			
SECURED LOANS	3	<u>571,119,867</u>	<u>716,923,834</u>
		<u>571,119,867</u>	<u>716,923,834</u>
TOTAL		<u><u>2,054,070,428</u></u>	<u><u>2,149,326,284</u></u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	2,081,610,212	2,072,999,017
LESS : DEPRECIATION		<u>458,283,252</u>	<u>352,954,966</u>
NET BLOCK		<u>1,623,326,960</u>	<u>1,720,044,051</u>
TOTAL		<u><u>1,623,326,960</u></u>	<u><u>1,720,044,051</u></u>
INVESTMENTS			
	5	194,037,500	288,738,501
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	47,949,354	30,067,943
SUNDRY DEBTORS	7	122,098,749	102,772,747
CASH AND BANK BALANCES	8	30,330,824	49,686,450
OTHER CURRENT ASSETS	9	17,006,836	12,847,197
LOANS AND ADVANCES	10	<u>173,752,631</u>	<u>102,640,754</u>
CURRENT ASSETS TOTAL (A)		<u><u>391,138,394</u></u>	<u><u>298,015,091</u></u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	135,453,371	145,046,962
PROVISIONS	12	<u>18,979,055</u>	<u>12,424,397</u>
CURRENT LIABILITIES TOTAL (B)		<u><u>154,432,426</u></u>	<u><u>157,471,359</u></u>
NET CURRENT ASSETS (A - B)		<u><u>236,705,968</u></u>	<u><u>140,543,732</u></u>
TOTAL		<u><u>2,054,070,428</u></u>	<u><u>2,149,326,284</u></u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
 Chartered Accountants
 Firm Regn No. 003990S

S.Narasimhan
 Partner
 Membership No. 206047

 Place : Mumbai
 Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman & Managing Director

Amitabha Ghosh
 Director

Namrata Malushte
 Company Secretary

 Place : Mumbai
 Date : 25th May, 2011

V. Ramnarayan
 Executive Director

Vinay Kshirsagar
 Chief Financial Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

(AMOUNT IN ₹)

	Schedule	Year ended 31.03.2011	Year ended 31.03.2010
INCOME			
OPERATING EARNINGS			
a) CHARTER HIRE INCOME		55,764,205	124,783,353
b) FREIGHT INCOME		1,195,651,897	859,119,516
c) NON LINER INCOME		380,249	654,175
d) DUTY CREDIT ENTITLEMENT		16,965,192	-
TOTAL OPERATING EARNINGS		1,268,761,543	984,557,044
OTHER INCOME			
a) PROFIT/(LOSS) ON SALE OF SHIP (net)		-	(61,327,819)
b) MISCELLANEOUS INCOME	13	23,401,327	23,638,849
c) FOREX GAIN (NET)		-	-
TOTAL OTHER INCOME		23,401,327	(37,688,970)
TOTAL INCOME		1,292,162,870	946,868,074
EXPENDITURE			
OPERATING EXPENSES	14	982,079,504	951,652,224
ADMINISTRATION & OTHER EXPENSES	15	50,626,162	43,649,796
INTEREST & FINANCE CHARGES	16	61,833,378	31,332,715
DEPRECIATION		105,410,838	115,785,966
FOREX LOSS (NET)		3,388,638	3,810,075
TOTAL EXPENDITURE		1,203,338,520	1,146,230,776
PROFIT BEFORE PRIOR PERIOD ITEMS AND TAXATION		88,824,350	(199,362,702)
PROFIT BEFORE TAX		88,824,350	(199,362,702)
LESS PROVISION FOR TAXATION			
- CURRENT		1,300,000	1,500,000
- FOREIGN TAX		-	3,875,827
PROFIT AFTER TAX		87,524,350	(204,738,529)
SURPLUS BROUGHT FORWARD FROM PREVIOUS YEAR		320,719,522	545,539,803
AMOUNT AVAILABLE FOR APPROPRIATION		408,243,872	340,801,274
APPROPRIATIONS			
TRANSFER TO GENERAL RESERVE		2,500,000	-
TRANSFER TO CAPITAL REDEMPTION RESERVE		-	11,000,000
TRANSFER TO TONNAGE TAX RESERVE		15,900,000	-
INTERIM DIVIDEND PAID ON EQUITY SHARES		10,978,767	-
TAX ON INTERIM DIVIDEND ON EQUITY SHARES		1,823,441	-
INTERIM DIVIDEND PAID ON PREFERENCE SHARES		7,600,000	7,788,225
TAX ON INTERIM DIVIDEND PAID ON PREFERENCE SHARES		1,262,269	1,293,527
PROPOSED DIVIDEND PAID ON EQUITY SHARES		13,174,520	-
TAX ON PROPOSED DIVIDEND ON EQUITY SHARES		2,137,242	-
SURPLUS CARRIED TO SCHEDULE 2		352,867,633	320,719,522
		408,243,872	340,801,274
NOTES TO ACCOUNTS	17		
FACE VALUE PER SHARE ₹10/- EACH			
Earnings per share-Basic and Diluted (Refer Note 12 in schedule 17)		3.58	(9.74)

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn No. 003990S

S. Ramakrishnan

Chairman & Managing Director

V. Ramnarayan

Executive Director

S.Narasimhan

Partner
Membership No. 206047

Amitabha Ghosh

Director

Vinay Kshirsagar

Chief Financial Officer

Namrata Malushte

Company Secretary

Place : Mumbai

Date : 25th May, 2011

Place : Mumbai

Date : 25th May, 2011

SCHEDULES TO BALANCE SHEET

(AMOUNT IN ₹)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED		
24,000,000 Equity Shares of ₹10/- each	240,000,000	240,000,000
1,400,000 Non Convertible Cumulative Redeemable Preference Shares of ₹100/- each	140,000,000	140,000,000
	<u>380,000,000</u>	<u>380,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
2,19,57,533 Equity Shares of ₹10/- each fully Paid up	219,575,330	219,575,330
Of the above,		
a) 1,23,51,650 Equity Shares held by Holding Company Transworld Holdings Limited., Mauritius.		
b) 10,162,750 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.		
c) 21,33,333 Equity shares issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR). (All the GDRs have been converted into Equity Shares).		
9.5% (Till 16.10.09, 8.2%) Non-Convertible, Cumulative, Redeemable Preference Shares of ₹100/- each fully paid up Date of allotment 27 th October, 2005 As per last Balance sheet	80,000,000	91,000,000
Less Redeemed during the year.	-	11,000,000
Balance	<u>80,000,000</u>	<u>80,000,000</u>
As per the original terms of allotment made on 27 th October 2005, 13,00,000 preference shares (₹130,00,000) were to be redeemed at par at the end of 3 rd , 4 th , and 5 th year from the date of allotment in the ratio of 30:30:40. First Tranche of ₹39,000,000 was redeemed on the 25 th October, 2008. However during the year 2009-10 the terms of redemption for the balance amount of ₹91,000,000 were amended with mutual consent as to be redeemed in 18 monthly instalments as below ending March, 2011.		
In terms of this admendment ₹11,000,000 was redeemed in 2009-10. In the current year the period of redemption for the amount of ₹80,000,000 has been further amended and the entire amount will be redeemed in full as on 21 st April, 2013		
TOTAL	<u>299,575,330</u>	<u>299,575,330</u>
SCHEDULE 2 : RESERVES AND SURPLUS		
SECURITIES PREMIUM		
As per last Balance sheet	(a) 382,292,449	382,292,449
GENERAL RESERVE		
As per last balance sheet	139,215,149	139,215,149
Add: Transfer from Profit and Loss account	2,500,000	-
	(b) 141,715,149	139,215,149
TONNAGE TAX RESERVE		
As per last balance sheet	107,146,945	107,146,945
Add: Transfer from Profit and Loss account	15,900,000	-
	(c) 123,046,945	107,146,945

		(AMOUNT IN ₹)	
		AS AT 31.03.2011	AS AT 31.03.2010
TONNAGE TAX UTILISATION RESERVE			
As per last balance sheet		103,453,055	103,453,055
Add: Transfer from Tonnage Tax Reserve		-	-
	(d)	<u>103,453,055</u>	<u>103,453,055</u>
ASSET IMPAIRMENT RESERVE			
As per last balance sheet	(c)	<u>30,000,000</u>	<u>30,000,000</u>
CAPITAL REDEMPTION RESERVE			
As per last balance sheet		50,000,000	39,000,000
Add: Transfer from Profit and Loss account on redemption of Non-Cumulative Redeemable Preference Shares (Refer Schedule No.1 for details of redemption)		-	11,000,000
	(d)	<u>50,000,000</u>	<u>50,000,000</u>
SURPLUS			
Balance in Profit & Loss Account		352,867,633	320,719,522
	(e)	<u>352,867,633</u>	<u>320,719,522</u>
	TOTAL (a+b+c+d+e)	<u><u>1,183,375,231</u></u>	<u><u>1,132,827,120</u></u>
 SCHEDULE 3 : SECURED LOANS			
FROM BANKS			
CANARA BANK (Foreign Currency Loan)		570,602,893	-
Secured by a first charge over the Vessel M.V. OEL Trust and M.V. OEL Shreyas and collateral charge over M.V. Unity (Due within 12 Months ₹30,700,001/-, Previous Year ₹ NIL)			
STATE BANK OF INDIA (Foreign Currency Loan)		-	289,882,759
Secured by a charge over the Vessel M.V. OEL Trust and collateral charge over M.V. Unity (Due within 12 Months NIL, Previous Year ₹72,444,786/-)			
STATE BANK OF INDIA (Foreign Currency Loan)*		-	286,982,064
Secured by a charge over the Vessel M.V. OEL Shreyas and collateral charge over M.V. Unity (Due within 12 Months NIL, Previous Year ₹67,681,980/-)			
ICICI BANK LTD (CAR LOAN)		516,974	1,085,337
Secured by hypothecation of Car (Due within 12 Months ₹516,974/- Previous ₹568,363/-)			
STANDARD CHARTERED BANK		-	73,977,588
(Working Capital Overdraft) Secured by hypothecation of present and future book debts & Stocks			
DEUTSCHE BANK AG, MUMBAI (Overdraft)		-	64,996,086
Secured by lien on Mutual Fund Investments & Debentures			
	TOTAL	<u><u>571,119,867</u></u>	<u><u>716,923,834</u></u>

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN ₹)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	COST AS AT 01.04.2010	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2011	AS AT 01.04.2010	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010	
FLEET	2,060,540,374	13,636,198	5,295,831	2,068,880,741	347,860,501	103,916,775	-	451,777,276	1,617,103,465	1,712,679,873	
FURNITURE & FIXTURES	196,469	-	-	196,469	47,761	12,437	-	60,198	136,271	148,708	
OFFICE EQUIPMENTS	2,698,413	109,388	17,161	2,790,640	424,164	129,896	6,586	547,474	2,243,166	2,274,249	
COMPUTERS (including Software - See Note 10)	5,199,392	256,601	78,000	5,377,993	3,163,406	937,110	75,967	4,024,549	1,353,444	2,035,986	
VEHICLES	4,364,369	-	-	4,364,369	1,459,134	414,621	-	1,873,755	2,490,614	2,905,235	
TOTAL AS ON 31.03.2011	2,072,999,017	14,002,187	5,390,992	2,081,610,212	352,954,966	105,410,838	82,553	458,283,252	1,623,326,960	1,720,044,051	
TOTAL AS ON 31.03.2010	2,466,145,321	147,537	393,293,841	2,072,999,017	441,553,924	115,785,966	204,384,924	352,954,966	1,720,044,051		

Deductions under Fleet represents adjustment towards exchange differences arising on reporting (including settlement) of long term monetary liabilities relating to acquisition of ships ₹52,95,831/- Previous year (₹81,697,360/-)

SCHEDULE 5 : INVESTMENTS
(A) LONG TERM INVESTMENTS (AT COST)

NAME OF THE COMPANY	Face Value ₹	As at 31.03.2011		As at 31.03.2010	
		No. of Shares/ debentures	Amount ₹	No. of Shares/ debentures	Amount ₹
1) TRADE-UNQUOTED- Fully Paid IN SUBSIDIARIES					
SHREYAS RELAY SYSTEMS LIMITED - Equity Shares.	10	2,500,000	25,000,000	2,500,000	25,000,000
SHREYAS RELAY SYSTEMS LIMITED - 11 % Non - Convertible Cumulative. Redeemable Preference Shares	100	1,000,000	100,000,000	1,000,000	100,000,000
HAYTRANS (INDIA) LTD. - Equity Shares.	100	10,450	5,434,171	10,450	5,434,171
HAYTRANS (INDIA) LTD.-Equity Share Application			12,800,000	128,000	12,800,000
OTHERS					
ORIENT EXPRESS SHIP MANAGEMENT LIMITED - Equity Shares.	10	15,000	150,000	15,000	150,000
2) Non TRADE -QUOTED					
Listed, Secured, Guaranteed, Non-Convertible Debentures of DSP Merrill Lynch Capital Ltd.	1,000,000	-	-	10	10,000,000
TOTAL LONG TERM INVESTMENTS (A)			143,384,171		153,384,171

(B) CURRENT INVESTMENTS IN MUTUAL FUNDS - (UNQUOTED , AT LOWER OF COST OR NET ASSET VALUE)

S. No.	DESCRIPTION	Face Value	As at 31.03.2011		As at 31.03.2010	
			Units	Amount ₹	Units	Amount ₹
1.	PRU ICICI INST. SHORT TERM PLAN-FORTNIGHTLY DIV.	10	-	-	2,646,850	31,766,176
2.	PRUDENTIAL ICICI FLEXIBLE INCOME PLAN PREMIUM-DAILY DIV.	100	95,840	10,133,689	440,844	46,612,683
3.	BIRLA SUNLIFE ULTRA SHORT TERM FUND-RETAIL-DAILY DIVIDEND	10	9,061	90,657	-	-
4.	IDBI ULTRA SHORT TERM FUND-DAILY DIVIDEND-REINVESTMENT	10	1,011,665	10,116,655	-	-
5.	RELIANCE SHORT TERM PLAN-RETAIL PLAN-DIV	10	-	-	975,416	10,384,477
6.	RELIANCE MONEY MANAGER FUND-RETAIL OPTION-DAILY DIV.	1,000	5,017	5,023,050	-	-
7.	TFLD TATA FLOTER FUND-DAILY DIVIDEND	10	1,261,041	12,655,304	-	-
8.	UTI TREASURY ADVANTAGE FUND-INST. PLAN-DAILY DIVIDEND-REINVESTMENT	1,000	12,631	12,633,974	-	-
9.	HDFC CASH MANAGEMENT FUND-TREASURY ADVANTAGE PLAN-DAILY DIV.	10	-	-	4,644,469	46,590,995
Total			-	50,653,329	-	135,354,331
TOTAL INVESTMENTS (A + B)			-	194,037,500	-	288,738,502

* Refer Annexure II (item 22 of Schedule 17 Notes to the Accounts) for details of Purchases and Sales of Investments.

(AMOUNT IN ₹)

SCHEDULE 6 : INVENTORIES

(At lower of Cost or Net Realisable Value)

Lube Oils and Fuel Oil *

Victualling Stock*

*(As valued and certified by the Management)

TOTAL

**AS AT
31.03.2011**

AS AT
31.03.2010

47,252,695

29,595,553

696,659

472,390

47,949,354

30,067,943

SCHEDULE 7 : SUNDRY DEBTORS

(Unsecured and considered good)

Debts outstanding for a period exceeding six months:

Other Debts

TOTAL

-

597,962

122,098,749

102,174,785

122,098,749

102,772,747

SCHEDULE 8 : CASH AND BANK BALANCES

Cash on Hand

With Scheduled Banks

in Current Accounts

in Term Deposits

in Unclaimed Dividend Accounts

TOTAL

652,700

1,148,823

5,997,550

5,475,635

20,166,982

39,754,106

3,513,592

3,307,886

30,330,824

49,686,450

(AMOUNT IN ₹)

SCHEDULE 9 : OTHER CURRENT ASSETS

	AS AT 31.03.2011	AS AT 31.03.2010
Claims Receivable (Unsecured, Considered good)	3,604,659	5,653,612
Interest accrued and not due on deposits	16,346	25,674
Income accrued	3,930,798	2,426,315
Unfinished Voyages Expenses	9,455,033	4,741,596
TOTAL	17,006,836	12,847,197

SCHEDULE 10 : LOANS AND ADVANCES**(Unsecured, considered good, unless otherwise stated)**

Loan to Subsidiary	52,500,000	-
Advances recoverable in cash or in kind or for value to be received		
Considered good	81,639,893	73,287,564
Considered doubtful	2,344,386	2,344,386
	83,984,279	75,631,950
Less: Provision for Doubtful Advances	2,344,386	2,344,386
	81,639,893	73,287,564
Gratuity Fund with Life Insurance Corporation	1,181,522	1,336,399
Advance Income Tax Less Provisions	37,728,687	27,617,547
Advance Fringe Benefits Tax Less Provisions	214,050	214,050
Bills receivable		
Considered good	-	-
Considered doubtful	2,266,418	2,266,418
	2,266,418	2,266,418
Less: Provision for Doubtful Bills receivable	2,266,418	2,266,418
	-	-
Deposits	488,479	185,194
TOTAL	173,752,631	102,640,754

SCHEDULE 11 : CURRENT LIABILITIES

Sundry Creditors for Trade		
Due to Micro and Small Enterprises (excluding Interest)	-	114,488
Due to Others	98,497,754	99,911,422
Creditors for Expenses	11,108,433	6,292,464
Other Liabilities	19,407,051	22,749,821
Unfinished Voyages Income	2,807,392	12,662,196
Investor Education and Protection Fund:		
Unclaimed Dividend	3,513,592	3,307,886
(No amount is due and outstanding to be credited to the fund.)		
Interest accrued but not due on loans	119,149	8,685
TOTAL	135,453,371	145,046,962

SCHEDULE 12 : PROVISIONS

Proposed Equity Dividend	13,174,520	-
Provision for tax on Equity Dividend	2,137,242	-
Proposed Preference Dividend	-	7,788,225
Provision for tax on Preference Dividend	-	1,293,527
Provision for Compensated Absence	3,667,293	3,342,645
TOTAL	18,979,055	12,424,397

SCHEDULE TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN ₹)

SCHEDULE 13 : MISCELLANEOUS INCOME

	Year ended 31.03.2011	Year ended 31.03.2010
Dividend from Mutual Fund Investments (Current - Non Trade)	3,129,145	5,972,718
Dividend Received from Subsidiary	11,000,000	5,605,480
Interest received on Deposits with Banks (TDS ₹ Nil , Previous Year ₹26,718/-)	384,978	766,261
Interest Received on Income Tax Refund	2,960,045	-
Profit on Sale of Mutual Fund Investments (Long Term)	2,200,000	3,204,992
Liabilities / Provisions for expenses no longer required written back	1,747,517	8,039,699
Other Income	1,979,642	49,699
TOTAL	23,401,327	23,638,849

SCHEDULE 14 : OPERATING EXPENSES

Salaries, Wages & Other Allowances for Floating Staff	123,544,634	139,545,748
Contribution to Provident Fund for Floating Staff	1,652,805	2,201,344
Staff Welfare for Floating Staff	660,566	839,461
TOTAL	125,858,005	142,586,553
Fuel / Lube Oils Consumed	475,355,669	453,601,546
Ocean Freight Charges	21,878,133	3,784,150
Port and Marine Dues	164,114,557	145,584,648
Stores and Spares Consumed	68,150,356	56,860,945
Crew Victualling	8,579,839	9,490,591
Repairs and Maintenance to Fleet	25,668,241	18,726,465
Insurance and Protection Club fee	27,882,047	31,361,085
Vessel Management and Agency Fees	40,683,431	48,970,373
Brokerage / Commission	748,846	-
Rates & Taxes	214,401	1,905,758
Dry Dock Expenses	15,726,086	26,872,636
Sundry Expenses	7,219,893	11,907,474
TOTAL	982,079,504	951,652,224

(AMOUNT IN ₹)

SCHEDULE 15 : ADMINISTRATION & OTHER EXPENSES

Salaries, wages and Other Allowances*

(*includes payments to Managerial Personnel as per item No 5 in Schedule 17 - Notes to the Accounts)

	Year ended 31.03.2011	Year ended 31.03.2010
Salaries and Bonus	25,170,176	18,185,229
Contribution to Provident Fund and Gratuity	1,766,383	1,781,122
Staff Welfare	2,912,059	1,683,059
TOTAL	29,848,618	21,649,410
Communication Expenses	1,456,174	1,360,027
Travelling and Conveyance	1,908,570	1,020,992
Professional & Consultancy Fees	3,168,668	4,682,311
Bad Debts Written off	136,795	-
Loss on Sale / Restatement of Current Non-trade Investments	973,412	-
Loss on Sale / Discard of Assets	10,075	1,662,542
Insurance Expenses	674,383	513,326
Rent	1,705,123	1,871,701
Rates & Taxes	30,461	367,460
Repairs and Maintenance- other assets.	1,632,123	1,792,318
Donations	5,000	87,590
Director's Sitting fees	492,000	462,000
Other Expenses	8,584,760	8,180,119
TOTAL	50,626,162	43,649,796

SCHEDULE 16: INTEREST AND FINANCE CHARGES

Interest

i) On Fixed Loans from Banks	41,550,482	22,764,105
ii) On Working Capital Loans from Banks	5,185,311	8,454,485
iii) Others	371,485	114,125
iv) Preclosure charges for Fixed Loan from Banks	7,201,226	-
Premium on forward Contracts	7,524,874	-
TOTAL	61,833,378	31,332,715

SCHEDULE 17 : NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting basis and convention

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

When assets are retired or otherwise disposed off, the cost of such assets and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in the profit and loss account.

(iii) Depreciation

In respect of fleet, the amount determined by charging the cost reduced by residual value as technically assessed equally over the expected useful life of the fleet or depreciation at the rate prescribed (5%) under the Schedule XIV to the Companies Act, 1956 which ever is higher, is provided as depreciation.

Depreciation of Fixed Assets except software has been provided on straight line method on pro-rata basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of software, Depreciation is provided at 33.33% on straight line method, which is higher than the rate prescribed in schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Depreciation has been provided prospectively, where the cost of depreciable asset has undergone change due to following :

- (a) Increase / decrease in Long term foreign currency liability on account of exchange fluctuations.
- (b) Additions and major improvements forming an integral part of an asset.

- (c) Assets individually costing ₹ 5000 or less are depreciated in full in the year of acquisition.

(iv) Investments

Long term Investments are stated at cost. Diminution in the value of investments, other than temporary in nature, is provided for.

Current investments are valued at cost or net realizable value whichever is lower.

(v) Inventories

Inventories are valued at lower of Cost or Net Realisable Value. The cost is determined under "First in First out" formula.

(vi) Foreign Exchange Transactions

- a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.
- b) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from the cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.
- c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard 11.
- d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the Profit and Loss Account.
- e) In respect of forward exchange contracts covering either Company's earnings or payments (other than firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

(vii) Derivatives:

Derivatives are accounted as follows based on a limited early

adoption of AS-30 to the extent not in conflict with legal provisions and other Accounting Standards:

- a) Fair value hedges are marked to market and the notional Loss or Gain is accounted in the Profit and Loss account.
- b) Cash flow hedges are marked to market and the notional loss or gain is taken to Hedging reserve account.
- c) Other derivatives are marked to market and the notional losses or gains are booked in the Profit and Loss account.

(viii) Revenue Recognition

- a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills.
- b) Operating Earnings represent the value of charter hire and freight earnings. Freight income is recognized once the ship calls on the port of delivery.
- c) Income and Expenses relating to unfinished leg of the voyage as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg of voyages include fixed and semi-fixed ship operating costs.
- d) Stores and Spares (other than lube oils and victualling) are charged off to Profit and Loss Account, on receipt.
- e) The revenue in respect of the duty free import licenses, under Served From India Scheme, is recognized as income in the books of account when and to the extent there is no significant uncertainty as to their ultimate realization.
- f) Interest on deposits of surplus funds is recognised on time proportion basis.

(ix) Dry Dock / Special Survey expenses

Major Improvements / Upgradation included in dry dock expenditure are capitalised as part of cost of ship. Other dry dock / Special Survey expenses are charged to Profit and Loss account as and when incurred.

(x) Asset Impairment

The company reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognised in the year in which impairment takes place.

(xi) Assets Impairment Reserve:

Considering that Shipping is cyclical and capital intensive, the Board, if so required in its judgment, sets aside a portion of Net Profits to Asset Impairment Reserve which will be utilized when an impairment loss arises.

(xii) Employee Benefits

The Company has a defined Contribution plan for shore employees for provident fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss account. Company has no other obligation except the monthly contributions.

Company has defined benefit plans for shore employees namely gratuity and leave encashment and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognised immediately in Profit and Loss account as Income / Expense.

Any other termination benefits are recognised as expenses immediately on the basis of actual expenses.

In respect of Floating staff, Provident fund and Gratuity contributions are made to Seamens Provident Fund and Seafarers Welfare Fund Society respectively. No Gratuity is payable in respect of officers who are on contract with the Company. Company has no further obligation except the monthly contributions.

(xiii) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition / construction of the underlying qualifying fixed assets are capitalised as a part of the respective asset up to the date of acquisition / completion of construction.

(xiv) Provisions and Contingent liabilities

Provisions are recognised when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation can not be measured or where a realistic estimate of the obligation can not be made, contingent liabilities are recognised.

Contingent liabilities are also recognised when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more future events not wholly within the control of the company.

(xv) Taxation

The Company has opted for Tonnage Tax and Current Tax is the aggregate of Tonnage Tax for shipping income and income tax on non-shipping income. In view of Company opting for Tonnage Tax, no provision is made for deferred tax.

NOTES ON ACCOUNTS

- 1) The Company's Subsidiary, Haytrans (India) Limited has made a loss of ₹82,70,799/- for the year ended 31st March, 2011 and has a positive net worth of ₹43,09,070/- as on 31st March, 2011. In view of the long term plans for the company, the diminution in value is considered as temporary and hence no provision is made.
- 2) Disclosures as required by AS 15 on Employee benefits:

(A) Gratuity Benefits

(a) Description of the Gratuity Plan:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement / death / incapacitation / termination of employment, of amounts that are based on salaries and tenure of the employees.

(b) Amount recognized in the Balance Sheet and movements in net liability:

(In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Present Value of Funded Obligations	52.99	47.33
Fair Value of Plan Assets	(64.80)	(60.69)
Net Liability / (Asset) recognised in the Balance Sheet	(11.81)	(13.36)

*Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation. This is available for future adjustment and considered recoverable.

**The fair value of the plan assets does not include the Company's own financial instruments.

***The net asset recognized is grouped under "Loans & Advances".

(c) Expenses recognized in the Statement of Profit & Loss Account

(In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Current Service Cost	4.36	5.26
Interest on Defined Benefit Obligation	3.98	3.64
Expected Return on Plan Assets	(4.52)	(4.87)
Net Actuarial Losses / (Gains) Recognized in the year	(1.62)	1.00
Past Service Cost	-	-
Losses / (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	(0.65)	(0.95)
Total	1.55	4.08

* The actual return on Plan Assets is ₹3.46 lakhs (Previous year ₹5.27 lakhs.)

(d) Reconciliation of Benefit obligation & Plan assets for the Period

(In ₹ Lakhs)

Particulars	Period Ended	
	2010-2011	2009-2010
<u>Change in Defined Benefit Obligation</u>		
Opening Defined Benefit Obligation	47.33	46.88
Current Service Cost	4.36	5.26
Interest Cost	3.98	3.64
Actuarial Losses / (Gain)	(2.68)	1.40
Liabilities Assumed on Acquisition / Settled on Divestiture	-	3.22
Exchange Difference on Foreign Plans	-	-
Benefits Paid	-	(13.07)
Closing Defined Benefit Obligation	52.99	47.33

Particulars	Period Ended	
	2010-2011	2009-2010
<u>Change in Fair Value of Assets</u>		
Opening Fair Value of Plan Assets	62.23	66.81
Expected Return on Plan Assets	4.52	4.87
Actuarial Gain / (Losses)	(1.05)	0.40
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	3.22
Exchange Difference on Foreign Plans	-	-
Benefits Paid	-	(13.07)
Sub - Total	65.70	62.23
Amount not recognized as per assets (Limit para 59(b))	(0.89)	(1.54)
Closing Fair Value of Plan Assets	64.81	60.69
Expected Employer's Contribution Next Year	-	-

(e) Actuarial Assumptions at the Valuation date.

Particulars	2010-2011	2009-2010
Discount Rate	8.05% p.a	8.00% p.a
Expected Rate of Return on Plan Assets*	7.50% p.a	7.50% p.a
Salary Escalation Rate	10% for the first 1 yr & 7% thereafter	10% for the first 2 yrs & 7% thereafter

*This is based on estimation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Description of the Plan Assets

Category of Assets	2010-2011	2009-2010
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(₹ In Lakhs)

Particulars	2010-2011	2009-2010	2008-2009
Defined Benefit Obligation	52.99	47.33	46.88
Plan Assets	65.70	62.23	66.81
Surplus / (Deficit)	12.71	14.90	19.94
Exp. Adj. on Plan Liabilities	(2.51)	3.90	(16.34)
Exp. Adj. on Assets	(1.06)	0.40	(0.01)

(B) Privilege Leave Encashment (Compensated Absence)

The Company permits encashment of privilege leave accumulated by the employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privilege leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2010-2011	2009-2010
Discount Rate	8.05 % p.a.	8.00 % p.a.
Salary Escalation Rate	10% for the first 1 yr & 7% thereafter	10% for the first 2 yrs & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	33.43	33.93
Closing balance of present value of Compensated Absences (Y)	36.67	33.43
Movement in Net Liability (X-Y)	(3.24)	0.50

 (c) Payments made under defined Contribution Scheme:
 (In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Contribution to Seamans Provident Fund & Gratuity		
Crew & Offshore Staff for floating Staff.	16.53	22.01
Contribution to Provident Fund for shore Staff	15.71	13.43

3. Information pursuant to para 4-D, clauses a,b,c and e of Part II of Schedule VI of the Companies Act, 1956 has not been given in view of exemption granted by the Department of Company Affairs Vide Order No 46/65/2011-CL-III. Dated 28th January, 2011

4. Dividend remitted in Foreign Currency

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
Dividend (Gross)	61,75,825	Nil
Number of Non-resident shareholders	1	
Number of Shares held.	1,23,51,650	Nil
Type	Interim	
For the year - Interim	2010-2011	-

5. MANAGERIAL REMUNERATION*

(Included under Salary, Wages and Allowances-Schedule-15)

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
TO MANAGING DIRECTOR*		
(i) Remuneration	59,40,000	47,98,000
(ii) Contribution to Provident Fund	5,76,000	4,70,400
(iii) Leave Travel Allowance	3,68,800	-
Total	68,84,800	52,68,400

6 AUDITORS REMUNERATION

(included in Administration & Other expenses –Schedule 15)

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
(i) As Auditors (including Service Tax)	11,03,000	8,27,250
(ii) In other capacity (including Service Tax)		
a) Tax and Transfer pricing Audit Fees	2,20,600	1,65,450
b) Fees for Limited Review of Quarterly Accounts	3,30,900	3,19,538
c) Fees for Certification.	27,079	16,854
(iii) Out of Pocket Expenses	2,37,394	3,53,605

7. CONTINGENT LIABILITIES

(Amount in ₹)

	As at 31.03.2011	As at 31.03.2010
a) Claims against the Company not acknowledged as debts	NIL	10,57,00,000
b) Corporate guarantee given on behalf of Subsidiary company (including interest)	1,02,21,200	9,31,06,425
c) Investments of Company given as security for overdraft facility availed by subsidiary.	NIL	2,31,87,560
d) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for.	NIL	NIL
e) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company)	3,05,97,784	3,05,97,784
f) Income Tax demand for Assessment year 2007-2008 contested and appealed against.	NIL	9,03,135

8. Foreign currency exposures that are not hedged by derivative instruments.

(Amount in equivalent US Dollars)

Particulars	2010-2011	2009-2010
a) Receivables	9,44,075	9,16,848
b) Payables	7,64,904	10,83,504
c) FCNR Loan from Bank	1,27,79,460	1,27,79,660
d) Cash and Bank Balance	5,81,929	9,37,483
e) Balance with collection Agents	63,003	1,96,802

The Company has no derivatives as at 31st March, 2011.

9) Segment Reporting:

a) Segment wise Revenue and Results:

(₹ In Lacs)

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Revenue by Segment		
Shipping	6,179.48	5,534.06
Logistics (Shipping part)	6,334.68	4,304.97
Others	173.45	(606.74)
Total Revenue	12,687.61	9,232.29

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Segment Results		
Shipping	(1,268.70)	(1,684.19)
Logistics (Shipping part)	2,924.06	(865.90)
Others	172.03	(606.74)
Total	1,827.39	(1,425.03)
Add: Other Income	234.01	236.39
Less: i) Interest & Finance Charges	618.33	313.33
ii) Unallocated Expenditure	554.83	491.66
Profit before Tax , Prior Period, Exceptional & Extra Ordinary items	888.24	(1993.63)
Segment Depreciation		
Shipping	762.38	823.97
Logistics (Shipping part)	276.79	316.83
Unallocated	14.94	17.06

The Company operates in two business segments viz. Shipping and Logistics. Shipping comprises Charter hire and Feeder and Logistics includes Shipping part of Domestic and Liner business.

b) Geographical Segment (Based on primary Location of Customers)
(₹ In Lacs)

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
In India	10,246.38	6,832.02
In Pakistan	49.82	28.39
Rest of World	2,391.41	2,371.88
Total Revenue	12,687.61	9,232.29

c) Segment Capital employed

Fixed Assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to individual segment assets and liabilities has been made. However Depreciation has been allocated amongst segments based on best estimates of usage of fixed assets in the respective segments during the year.

10. Intangible Assets

Software is amortised over 3 Years and included under Computers in Schedule-4:Fixed Assets.

(Amount in ₹)

Particulars	Year ended 31.3.2011	Year ended 31.3.2010
Opening Balance	6,56,406	11,22,578
Addition during the year		
Total	6,56,406	11,22,578
Amortisation	4,69,314	4,66,172
Closing Balance	1,87,092	6,56,406

11. Accounting for Lease

The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of ₹8,67,000/- (₹6,33,000/-) is charged to the Profit and Loss account.

12. Working of Earnings Per Share:

Particulars	Year ended on 31.3.2011	Year ended on 31.3.2010
Weighted average number of Equity shares	2,19,57,533	2,19,57,533
Nominal value Per Share	₹10/-	₹10/-
Profit / (Loss) for the year after Tax	₹8,75,24,350	₹(20,47,38,529)
Less: Provision for Preference Dividend + Tax (including proposed dividend)	₹88,62,269	₹90,81,752
Net Balance available to Equity Shareholders	₹7,86,62,081	₹(21,38,20,281)
Earnings Per Share (Basic & Diluted)	₹3.58	(₹9.74)

13. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

	2010-2011	2009-2010
A The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Nil	Principal: ₹1,14,488/- Interest: ₹6,644
B The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	₹6,644/-	
C The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;)	Nil	₹6,644/-

	2010-2011	2009-2010
D The amount of interest accrued and remaining unpaid at the end of each accounting year;		₹6,644
E The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Note: This disclosure is related to such parties as have been identified on the basis of information available with the Company.

14. The aggregate of expenses, appearing in Schedule 14 & 15, is given below:

(Amount in ₹)

Expense Head	Year ended on 31.3.2011	Year ended on 31.3.2010
A. Salaries, Wages & Other Allowances	14,87,14,810	15,77,30,977
B. Contribution to Provident Fund and Gratuity	34,19,188	39,82,466
C. Staff Welfare	35,72,625	25,22,520
D. Insurance Expenses	2,85,56,430	3,18,74,411
E. Rates & Taxes	2,44,862	22,73,218

15. Loan and Advances include following dues from companies under the same management

(Amount in ₹)

Name of the Company	As At 31.3.2011	As At 31.3.2010	Maximum amount due at any one time during the year
Relay Shipping Agency Limited	3,65,99,524	2,32,02,322	5,68,46,670

16. Deposits include amount with Port Trust of India ₹50,000/- (PY ₹50,000/-)

17. The present National Maritime Board (NMB) wage settlement for crew expired on 31st March, 2010 and is pending fresh settlement no provision for wage arrears has been made in accounts.

18. Disclosure made in terms of clause 32 of the listing agreement with stock exchange.

Particulars	Name of the company	Amount outstanding as on 31.03.2011 (₹)	Maximum amount due at any one time during the year (₹)
a) Loans and advances			
(i) Loans and advances in the nature of loans made to subsidiary company.	Shreyas Relay Systems Ltd.	₹5,25,00,000	NIL
(ii) Loans and advances in the nature of loans made to associate company.	}	NIL	NIL
(iii) Loans and advances in the nature of loans where there is.			
1) no repayment schedule or repayment beyond seven year (or)			
2) no interest or interest below section 372A of the Companies Act.			
(iv) Loans and advances in the nature of loans made to firms / companies in which directors of the company are interested.			
b) Investments by the company.			
(i) In subsidiary company.	Shreyas Relay Systems Ltd.		
	a) 25,00,000 Equity shares of ₹10 each fully paid	2,50,00,000	2,50,00,000
	b) 10,00,000 Non Convertible, Cumulative, Redeemable Preference Shares each of ₹100/- paid	10,00,00,000	10,00,00,000
(ii) In subsidiary company	Haytrans (India) Ltd		
	a) 10,450 Equity Shares of ₹100 each fully paid.	54,34,171	54,34,171
	b) Share Application Money	1,28,00,000	1,28,00,000
(iii) In associates company.		NIL	NIL
c) Investments by the loanee in the shares of the parent company and Subsidiary company when the company has made a loan or advance in the nature of Loan.		NIL	NIL

19. Related Party Transactions (Refer Annexure I)

20. Details of Purchases and Sales of Investments (Schedule -5) (Refer Annexure II)

21. Previous years figures have been regrouped / recast wherever necessary to conform to the current year's classifications

SIGNATURES TO SCHEDULES 1 TO 17.

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 003990S

S.Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

Amitabha Ghosh
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 25th May, 2011

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

RELATED PARTY TRANSACTIONS (as on 31.03.2011)

(Amount in ₹000)

TRANSACTION	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL AS AT 31.03.2011	TOTAL AS AT 31.03.2010
Service / Freight Income								
Balaji Shipping (UK) Ltd.	-	-	6,886	-	-	-	6,886	5,991
Orient Exp.Line Singapore	-	-	-	-	-	-	-	18
Orient Express Lines Ltd., Mauritius	-	-	-	-	-	-	-	2551
Shreyas Relay Systems Ltd.	-	633,468	-	-	-	-	633,468	430497
Albatross Shipping Ltd.	-	-	-	-	-	-	-	378
Dividend Received on Preference Shares								
Shreyas Relay Systems Ltd.	-	11,000	-	-	-	-	11,000	5605
Loan given								
Shreyas Relay Systems Ltd.	-	60,000	-	-	-	-	60,000	-
Repayment of loan given								
Shreyas Relay Systems Ltd.	-	7,500	-	-	-	-	7,500	-
Vessel management fees paid								
Orient Express Ship Management Ltd.	-	-	-	19,854	-	-	19,854	21204
Dividend on preference shares paid to related parties								
Transworld Shipping and Logistics Ltd.	-	-	-	7,694	-	-	7,694	-
Crescent Shipping Agency (India) Ltd.	-	-	-	7,694	-	-	7,694	-
Agency Fees paid								
Relay Shipping Agency Ltd.	-	-	-	20,084	-	-	20,084	26235
Lanka Orient Express line	-	-	-	211	-	-	211	766
Seabridge Shipping LLC	-	-	-	-	-	-	-	278
Ocean Sea freight charges								
Orient Express Lines Ltd., Mauritius	-	-	-	-	-	-	-	4268
Commission paid								
Transworld Logistics Ltd.	-	-	-	749	-	-	749	-

RELATED PARTY TRANSACTIONS (as on 31.03.2011) (Contd.)

(Amount in ₹000)

TRANSACTION	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	TOTAL AS AT 31.03.2011	TOTAL AS AT 31.03.2010
Rent paid								
Sivaswamy Holdings Pvt. Ltd.	-	-	-	1,710	-	-	1,710	1781
Managerial Remuneration paid								
Mr. S. Ramakrishnan	-	-	-	-	6,885	-	6,885	5268
Mr. Vinay Kshirsagar	-	-	-	-	4,143	-	4,143	2704
Stores, Spares, Victualling, Repairs expenses, etc.paid								
ADMEC Logistics Ltd.	-	-	-	10,252	-	-	10,252	6388
Haytrans (India) Ltd.	-	10	-	-	-	-	10	-
Investment made								
Haytrans (India) Ltd.	-	-	-	-	-	-	-	12800
Allotment of 9.5% Non-Convertible Cumulative Redeemable Preference shares of ₹100 each								
Transworld Shipping and Logistics Ltd.	-	-	-	40,000	-	-	40,000	-
Crescent Shipping Agency (India) Ltd.	-	-	-	40,000	-	-	40,000	-
Dividend Paid on Equity Shares								
Transworld Holdings Ltd.	6,176	-	-	-	-	-	6,176	-
Mr. S. Ramakrishnan	-	-	-	-	55	-	55	-
Mrs. Geeta Ramakrishnan	-	-	-	-	-	54	54	-
Mr. Ritesh Ramakrishnan	-	-	-	-	-	84	84	-
Ms. Anisha Ramakrishnan	-	-	-	-	-	488	488	-
Mrs. Valli Sivaswamy	-	-	-	-	-	192	192	-
Mrs. Mala Mahesh	-	-	-	-	-	54	54	-
Master Murali Mahesh	-	-	-	-	-	84	84	-
Kumari Mithila Mahesh	-	-	-	-	-	488	488	-
Mr. S. Mahesh	-	-	-	-	-	56	56	-
Mr. V.Ramnarayan	-	-	-	-	-	55	55	-
Mrs. Brinda Ramnarayan	-	-	-	-	-	54	54	-
Mr. Rajan Ramnarayan	-	-	-	-	-	70	70	-
Mr. Rajiv Ramnarayan	-	-	-	-	-	68	68	-

RELATED PARTY TRANSACTIONS (as on 31.03.2011) (Contd.)
Outstanding balances pertaining to related parties as at 31st March, 2011 (In ₹'000)

Nature of balance	Holding Company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as on 31.03.2011	Total as on 31.03.2010
Debit balance due to company	-	64,879	1,612	32,170	-	-	98,661	76,203
Loan to Subsidiary Company	-	52,500	-	-	-	-	52,500	-
Credit balance due from company	-	-	63	1,942	-	-	2,005	11,127

NOTE : 1) Figure have been adjusted for exchange rate variations

2) Reimbursement of expenses incurred by / to Group Companies is not included here.

*** Names of related parties**

Nature of relationship	Name of the related party
Holding Company	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31 st March 2011)
Fellow subsidiaries	Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Balaji Shipping Lines FZCO Sea Bridge Shipping L.L.C
Subsidiary Company	Shreyas Relay Systems Ltd Haytrans (India) Ltd.
Other related parties	Orient Express Ship Management Ltd. Sivaswamy Holdings Pvt. Ltd. Lanka Orient Express Lines Ltd. Colombo ADMEC Logistics Ltd. Relay Shipping Agency Ltd. Transworld Logistics Ltd. Transworld Shipping & Logistics Ltd. Crescent Shipping Agency (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V.Ramnarayan Mr. Vinay Kshirsagar
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Mr. Murali Mahesh Ms. Mithila Mahesh Mrs. Valli Sivaswamy Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar

(Refer Annexure II)

(B) SHORT TERM INVESTMENTS IN MUTUAL FUND

Details of Purchases and Sales of Investments Schedule -5

S. No.	DESCRIPTION	YEAR 2010-2011				YEAR 2009-2010			
		PURCHASE/SWITCH IN		SOLD/SWITCH OUT		PURCHASE/SWITCH IN		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
1	Birla Sunlife Dynamic Bond Fund-Retail Plan Monthly Div.	-	-	-	-	1,453,836	15,269,593	2,921,654	30,376,493
2	Birla Sunlife Gilt Plus-Regular-Quarterly Dividend	-	-	-	-	-	-	1,199,111	15,127,391
3	Birla Sun Life Cash Manager-IP-Daily Div-Reinv.	499,850	5,000,000	502,855	5,030,062	-	-	-	-
4	Birla Sun Life Ultra Short Term Fund-Retail-Daily Div	502,956	5,032,327	499,725	5,000,000	-	-	-	-
5	DSP Black Rock Liquidity Fund-Regular Plan-Daily Div	-	-	-	-	249,772	2,500,219	249,772	2,500,219
6	DSP Black Rock Cash Plus Fund-Regular Plan-Weekly Div.	-	-	-	-	-	-	-	-
7	DSP Black Rock Strategic Bond Fund- Institutional Plan-Weekly Div.	-	-	-	-	2,745	2,753,914	53,130	53,320,661
8	DWS Short Maturity Fund-Institutional Weekly Div.-Reinv.	3,523,425	36,700,000	3,584,436	37,120,984	-	-	-	-
9	DSP BlackRock Money Manager Fund-Regular-Daily Div.	7,483	7,500,000	7,549	7,566,164	-	-	-	-
10	HDFC Cash Management-Call Plan-Daily Div	-	-	-	-	4,316,091	45,002,158	4,316,091	45,002,158
11	HDFC CASH MANAGEMENT FUND TREASURY ADVANTAGE PLAN - WHOLESALE - DAILY DIVIDEND	-	-	4,659,817	46,744,959	4,644,469	46,590,995	-	-
12	IDBI Ultra Short Term Fund-Daily Div.-Reinv.	1,250,000	12,500,000	250,000	2,500,000	-	-	-	-
13	Prudential ICICI Gilt Investment Plan-Qtrly Div[1708370/79]	-	-	-	-	-	-	2,268,437	30,522,505

(Refer Annexure II)

(B) SHORT TERM INVESTMENTS IN MUTUAL FUND

Details of Purchases and Sales of Investments Schedule -5 (Contd.)

S. No.	DESCRIPTION	YEAR 2010-2011				YEAR 2009-2010			
		PURCHASE/SWITCH IN		SOLD/SWITCH OUT		PURCHASE/SWITCH IN		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
14	Prudential ICICI Gilt Investment Plan-Qtrly Div[4258258/29]	-	-	-	-	-	-	1,160,304	15,560,434
15	Prudential ICICI Flexible Income Plan-Daily Div.	118,220	12,500,000	465,969	49,269,264	4,780,724	92,511,549	4,339,879	45,898,996
16	Prudential ICICI Institutional Short Term Plan-Fortnightly Div [4258258/29]	-	-	-	-	1,280,733	15,626,562	1,280,733	15,505,837
17	Prudential ICICI Liquid -Super Institutional Plan-Daily Div.	-	-	-	-	4,500,723	45,011,578	4,500,723	45,015,777
18	Prudential ICICI Short Term Plan-Fortnightly Div [1708370/79]	-	-	2,691,441	32,248,034	2,632,012	32,094,220	1,232,853	32,094,220
19	Reliance Liquid Plus Fund-Retail Option-Dly Dividend [40414459948]	-	-	-	-	2,617,690	40,017,157	2,617,690	40,017,157
20	Reliance Short Term Fund - Retail Plan - Dividend Plan	-	-	993,884	10,541,032	975,416	10,398,892	-	-
21	Reliance Regular Savings Fund-Debt Plan-Institutional Dividend	1,631,069	20,000,000	1,631,069	19,834,675	-	-	-	-
22	Reliance Money Manager Fund-Retail Option-Daily Div	7,492	7,500,000	2,507	2,509,422	-	-	-	-
23	SBI SHF Liquid Fund	4,994	5,000,000	-	-	-	-	-	-
24	TFLD TATA Floater Fund-Daily Dividend	1,494,679	15,000,000	250,123	2,510,134	-	-	-	-
25	TSTD-TATA Short Term Bond Fund-Dividend	-	-	-	-	24,602	294,955	3,387,368	40,748,677
26	Templeton India Treasury Management-Institutional Plan-Daily Div.	-	-	-	-	14,992	15,001,628	14,992	15,001,628

(Refer Annexure II)

(B) SHORT TERM INVESTMENTS IN MUTUAL FUND

Details of Purchases and Sales of Investments Schedule -5 (Contd.)

S. No.	DESCRIPTION	YEAR 2010-2011				YEAR 2009-2010			
		PURCHASE/SWITCH IN		SOLD/SWITCH OUT		PURCHASE/SWITCH IN		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
27	Templeton India Ultra Short Bond Fund-Institutional Plus -Daily Div.	-	-	-	-	1,500,853	15,028,406	1,500,853	15,025,193
28	Templeton India Short Term Income Retail Plan-Weekly Div. Reinv.	34,013	36,700,000	34,470	36,904,186	-	-	-	-
29	UTI Treasury Advantage Fund-Institutional Plan-Daily Div.	19,996	20,000,000	7,501	7,502,697	-	-	-	-

Additional information under Part IV of Schedule VI to the Companies Act, 1956 Balance Sheet Abstract and Company's General Business Profile.

I Registration details	
Registration No.	48500
State Code	11
Balance Sheet Date	31/03/2011
II Capital raised during the year	Amount (₹ in '000)
Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	
Non-Convertible, Cumulative, Redeemable Preference Share of ₹100/- each	Nil
III Position of Mobilization and Deployment of Funds	Amount (₹ in '000)
Total Liabilities	2,054,070
Total Assets	2,054,070
Source of Funds	
Share Capital	299,575
Reserves & Surplus	1,183,375
Secured Loans	571,120
Unsecured Loans	NIL
Deferred Tax Liability	NIL
Application of Funds	
Net Fixed Assets	1,623,327
Investments	194,037
Net Current Assets	236,706
Misc. Expenditure	NIL
Accumulated losses	NIL
IV Performance of the Company	
Turnover (Including other income)	1,291,189
Total Expenditure	1,202,365
Profit before extraordinary, exceptional items and tax	88,824
Profit / (Loss) after Tax	87,524
Preference Dividend Paid	7,600
Interim Equity Dividend Paid	10,979
Tax on Dividend Paid	3,086
Proposed Equity Dividend	13,175
Tax on Proposed Equity Dividend	2,137
Transfer to Tonnage Tax Reserve	15,900
Transfer to General Reserve	2500
Balance available to Equity Shareholders	78,662
Earning per share including Exceptional Items (₹)	3.58
Earning per share excluding Exceptional items (₹)	3.58
Interim Equity Dividend Rate %	5%
Final Equity Dividend rate %	6%
V Generic Names of three Principal products / Services of the Company	
Item Code No. (ITC Code)	Nil
Product description	Nil

Note: This is a Shipping Company.

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

V. Ramnarayan
Executive Director

Amitabha Ghosh
Director

Vinay Kshirsagar
Chief Financial Officer

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 25th May, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in ₹)

Particulars	Year Ended 31 st March 2011	Year Ended 31 st March 2010
A Cashflow from operating activities		
Net profit / (Loss) before tax	88,824,350	(199,362,702)
Adjusted for Non cash / Non Operating items		
Depreciation	105,410,838	115,785,966
Loss on Sale on Fixed assets	10,075	1,662,542
Loss / (Profit) on Sale of Investments	2,200,000	(3,204,992)
Interest Expenses on Loans	61,833,378	31,218,590
Unrealised Exchange / swap Loss / (Gain) on current assets & Liabilities	(599,556)	717,485
Dividend received from Subsidiary	(11,000,000)	(5,605,480)
Income for current Investments	(3,129,145)	(5,972,718)
Interest Income	(384,978)	(766,261)
(Profit) / Loss on Sale of Ship		61,327,819
Operating Profit Before Working Capital changes	(a) 243,164,962	(4,199,751)
Adjustments for : Increase / (Decrease) in Working Capital		
Increase / (Decrease) in Current Assets		
Inventories	17,881,411	(4,043,220)
Sundry Debtors	19,866,233	21,584,184
Other Current Assets, Loans and Advances	12,660,365	(63,864,725)
	50,408,009	(46,323,761)
Less: increase / (Decrease) in Current Liabilities & Provision	(9,465,342)	(37,682,924)
Net increase / (Decrease) in Working Capital	(b) 59,873,351	(8,640,837)
Cash Generated from Operations	(a)-(b)=(c) 183,291,611	4,441,086
Less: Taxation	(11,411,139)	(11,718,960)
NET CASH FROM OPERATING ACTIVITIES	(A) 171,880,472	(7,277,874)
B Cash flow from investing activities		
Addition / Revaluation to Fixed Assets including Capital Work in Progress	(19,298,031)	(147,537)
Sale of Fixed Assets	5,298,364	44,221,194
Sale of Investments	10,000,000	
Purchase of Investments		(12,800,000)
Interest Income	384,978	766,261
Dividend received from Subsidiary	11,000,000	5,605,480
Income from Current Investments	929,145	9,177,710
NET CASH FROM INVESTING ACTIVITIES	(B) 8,314,456	46,823,108
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(140,508,136)	(7,259,297)
Redemption of Preference Share capital		(11,000,000)
Loan to Subsidiary (Net of Repayment)	(52,500,000)	-
Interest Expenses	(61,833,378)	(31,218,590)
Dividend Paid	(30,746,229)	(8,730,170)
NET CASH FROM FINANCING ACTIVITIES	(C) (285,587,743)	(58,208,058)
NET CHANGES IN CASH & CASH EQUIVALENT	(A+B+C) (105,392,815)	(18,662,824)
CASH & CASH EQUIVALENTS - OPENING BALANCE	181,732,895	201,933,166
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(105,392,815)	(18,662,824)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	1,130,481	(1,537,447)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	77,470,561	181,732,895
	(105,392,815)	(18,662,824)
CLOSING CASH & CASH EQUIVALENTS CONSISTS OF		
CASH ON HAND (Refer Schedule 8)	652,700	1,148,823
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Schedule 8)	26,164,532	45,229,741
INVESTMENT IN LIQUID FUND SECURITIES	50,653,329	135,354,331
TOTAL	77,470,561	181,732,895

Notes:

- 1) The above statement has been prepared by indirect method.
- 2) Cash and Cash equivalents include cash and bank balances and Investments in Liquid fund securities of Mutual Funds maturing within 90 days and exclude margin money deposits.

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 0039905

S.Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

Amitabha Ghosh
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 25th May, 2011

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

SR. NO.	PARTICULARS	SHREYAS RELAY SYSTEMS LIMITED	HAYTRANS (INDIA) LIMITED
1	The relevant financial year of the subsidiary ends on	31 st March, 2011	31 st March, 2011
2	No. of shares held as on 31 st March, 2011	25,00,000 Equity shares of ₹10/- each fully paid-up	10,450 Equity shares of ₹100/- each fully paid-up
3	Extent of holding as on 31 st March, 2011	100%	51.10%
4	The net aggregate of profit/(loss) of subsidiary so far as they concern the members of the company		
	(a) Dealt with in the accounts of company for the year ended 31 st March, 2011	11,000,000	-
	(b) Not dealt with in the accounts of company for the year ended 31 st March, 2011	42,973,781	8,831,061
5	The net aggregate of profit/(loss) for previous financial years of the subsidiary, since it became subsidiary so far as they concern members of the company		
	(a) Dealt with in the accounts of company	5,605,480	-
	(b) Not dealt with in the accounts of company	(15,455,315)	(38,222,302)

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

V. Ramnarayan
Executive Director

Amitabha Ghosh
Director

Vinay Kshirsagar
Chief Financial Officer

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 25th May, 2011

Auditor's Report on Consolidated Financial Statements

To The Board of Directors of Shreyas Shipping & Logistics Ltd.

1. We have audited the attached consolidated Balance Sheet of Shreyas Shipping & Logistics Ltd. ('the Company') and its subsidiaries (the company and its subsidiaries constitutes 'the Group') as at 31st March 2011, and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both annexed thereto. The financial statements are the responsibility of the company's management. Our responsibility is to express our opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted Auditing Standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one subsidiary (Haytrans (India) Ltd). The financial statement of Haytrans (India) Ltd as on 31st March, 11 (Total Assets: ₹145.30 lakhs; Total Revenue ₹1488.36 lakhs; Total Cash Flows of ₹30.65 lakhs) has been audited by another auditor whose report has been furnished to us and, our opinion, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on the reports of the other auditor.
4. (i) We report that the consolidated Financial Statements have been prepared in accordance with the requirement of Accounting Standard (AS 21) "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, on the basis of the individual audited Financial Statements of the Company and its subsidiary.
 - (ii) *As per the Guidance provided by the Accounting Standards Board of the Institute of Chartered Accountants of India through Frequently Asked Questions on AS 11 Notification, the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are to be considered as "borrowing*

costs" and accounted for in accordance with Accounting Standard 16 (AS 16) - Borrowing Costs. In view of this a) the foreign exchange loss is understated to the extent of ₹951,104/-, depreciation related to adjustment to opening reserves is overstated to the extent of ₹3,57,473/- and hence Profit after tax for the year ended 31 March, 2011 is stated lower by ₹5,93,631/-, b) the foreign exchange gain reversed and debited to general reserves as of 1 Apr 10 is less to the extent of ₹1,82,19,209 (net of depreciation) and c) hence fixed assets and reserves are stated higher to the extent of ₹1,88,12,840/-.

- (iii) On the basis of the information and according to the explanations given to us, *subject to our comments with respect to capitalization of certain borrowing costs that are not eligible for capitalisation as referred to in paragraph (ii) above and provision for gratuity and leave salary not made as per Accounting Standard -15 'Employee Benefits', in the books of subsidiary Haytrans (India) Ltd., the amount whereof is indeterminate*, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) in the case of consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2011;
 - b) in the case of consolidated Profit and Loss Account of the consolidated results of operations of the Group for the year ended as on that date, and
 - c) in the case of consolidated Cash Flow statement of the consolidated cash flows of the Group for the year ended as on that date.

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No: 0039905

S. Narasimhan
Partner
M. No. 206047

Place: Mumbai
Date: 25th May, 2011

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	AS AT 31.03.2011	(AMOUNT IN ₹) AS AT 31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	299,575,330	299,575,330
RESERVES AND SURPLUS	2	1,182,883,916	1,093,875,700
		<u>1,482,459,246</u>	<u>1,393,451,030</u>
LOAN FUNDS			
SECURED LOANS	3	612,063,810	848,927,265
		<u>612,063,810</u>	<u>848,927,265</u>
DEFERRED TAX LIABILITY (NET)		14,224,698	-
	TOTAL	<u>2,108,747,754</u>	<u>2,242,378,295</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	2,276,339,935	2,246,467,040
LESS : DEPRECIATION		499,631,845	384,809,234
NET BLOCK		<u>1,776,708,090</u>	<u>1,861,657,806</u>
CAPITAL WORK-IN-PROGRESS		15,322,839	
	TOTAL	<u>1,792,030,929</u>	<u>1,861,657,806</u>
INVESTMENTS	5	50,988,764	145,689,081
DEFERRED TAX ASSETS		-	934,570
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	47,949,354	30,067,943
SUNDRY DEBTORS	7	183,487,871	185,061,193
CASH AND BANK BALANCES	8	41,667,384	58,348,775
OTHER CURRENT ASSETS	9	17,896,707	12,848,068
LOANS AND ADVANCES	10	197,035,201	177,997,675
CURRENT ASSETS TOTAL (A)		<u>488,036,517</u>	<u>464,323,654</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	198,361,929	212,197,433
PROVISIONS	12	23,946,527	18,029,383
CURRENT LIABILITIES TOTAL (B)		<u>222,308,456</u>	<u>230,226,816</u>
NET CURRENT ASSETS (A-B)		<u>265,728,061</u>	<u>234,096,838</u>
	TOTAL	<u>2,108,747,754</u>	<u>2,242,378,295</u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
 Chartered Accountants
 Firm Regn No. 003990S

S.Narasimhan
 Partner
 Membership No. 206047

Place : Mumbai
 Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman & Managing Director

Amitabha Ghosh
 Director

Namrata Malushte
 Company Secretary

Place : Mumbai
 Date : 25th May, 2011

V. Ramnarayan
 Executive Director

Vinay Kshirsagar
 Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2011

(AMOUNT IN ₹)

	Schedule	Year ended 31.03.2011	Year ended 31.03.2010
INCOME			
OPERATING EARNINGS			
a) CHARTER HIRE INCOME		55,764,205	124,783,353
b) FREIGHT INCOME		1,688,459,866	1,328,805,617
c) NON LINER		380,249	654,175
d) FREIGHT FORWARDING INCOME		142,304,027	85,630,199
e) DUTY CREDIT ENTITLEMENT UNDER SFIS		16,965,192	-
TOTAL OPERATING EARNINGS		1,903,873,539	1,539,873,344
OTHER INCOME			
a) PROFIT ON SALE OF SHIP (NET)		-	(61,327,819)
b) MISCELLANEOUS INCOME	13	25,691,867	21,922,113
c) FOREX GAIN/ (NET)		-	-
TOTAL OTHER INCOME		25,691,867	(39,405,706)
TOTAL INCOME		1,929,565,406	1,500,467,638
EXPENDITURE			
OPERATING EXPENSES	14	1,492,872,527	1,378,922,899
ADMINISTRATION & OTHER EXPENSES	15	102,763,374	98,962,696
FOREX LOSS (NET)		3,877,450	2,858,389
INTEREST AND FINANCE CHARGES	16	67,538,871	45,951,155
DEPRECIATION		114,923,866	124,840,160
TOTAL EXPENDITURE		1,781,976,088	1,651,535,299
PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL AND PRIOR PERIOD ITEMS AND TAXATION		147,589,318	(151,067,661)
ADD / (Less) : EXCEPTIONAL ITEMS		464,435	-
PROFIT BEFORE TAX		147,124,883	(151,067,661)
LESS PROVISION FOR TAXATION			
- CURRENT		12,399,272	11,465,116
- FOREIGN TAX		-	3,875,827
- DEFERRED TAX		15,159,266	(934,570)
- PRIOR YEAR		560,261	224,044
- MINIMUM ALTERNATE TAX CREDITS		(8,762,846)	(8,647,598)
PROFIT AFTER TAX		127,768,930	(157,050,480)
AMOUNT AVAILABLE FOR APPROPRIATION		413,400,141	308,492,577
APPROPRIATIONS			
TRANSFER TO GENERAL RESERVE		2,500,000	-
TRANSFER TO CAPITAL REDEMPTION RESERVE		-	11,000,000
TRANSFER TO TONNAGE TAX RESERVE		15,900,000	-
INTERIM DIVIDEND PAID ON EQUITY SHARES		10,978,767	-
TAX ON INTERIM DIVIDEND ON EQUITY SHARES		1,823,441	-
INTERIM DIVIDEND PAID ON PREFERENCE SHARES		7,600,000	7,788,225
TAX ON INTERIM DIVIDEND PAID ON PREFERENCE SHARES		1,262,269	3,120,490
TAX ON DIVIDEND		1,784,475	952,651
PROPOSED DIVIDEND ON EQUITY SHARES		13,174,520	-
TAX ON PROPOSED DIVIDEND ON EQUITY SHARES		2,137,242	-
SURPLUS CARRIED TO SCHEDULE 2		356,239,427	285,631,211
		413,400,141	308,492,577
Earnings per share-Basic and Diluted (excluding Extraordinary / exceptional items)(Refer Note 10 in schedule 17)	17	5.33	(7.69)

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn No. 0039905

S. Ramakrishnan

Chairman & Managing Director

V. Ramnarayan

Executive Director

S.Narasimhan

Partner
Membership No. 206047

Amitabha Ghosh

Director

Vinay Kshirsagar

Chief Financial Officer

Namrata Malushte

Company Secretary

Place : Mumbai

Date : 25th May, 2011

Place : Mumbai

Date : 25th May, 2011

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(AMOUNT IN ₹)

SCHEDULE 1 : SHARE CAPITAL

AUTHORISED

	AS AT 31.03.2011	AS AT 31.03.2010
24,000,000 Equity Shares of ₹10/- each	240,000,000	240,000,000
1,400,000 8.2% Non Convertible Cumulative Redeemable Preference Shares of ₹100/- each	140,000,000	140,000,000
	380,000,000	380,000,000

ISSUED, SUBSCRIBED AND PAID UP

2,19,57,533 Equity Shares of ₹10/- each fully Paid up	219,575,330	219,575,330
a) 1,23,51,650 Equity Shares held by Holding Company Transworld Holdings Limited., Mauritius.		
b) 10,162,750 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.		
c) 21,33,333 Equity shares issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR). (All the GDRs have been converted into Equity Shares).		

1,000,000. 11% Non-Convertible, Cumulative, Redeemable Preference

Shares of ₹100/- each fully paid up

Date of allotment 14th August, 2008

SHARE APPLICATION MONEY

9.5% (Till 16.10.09, 8.2%) Non-Convertible, Cumulative, Redeemable

Shares of ₹100/- each fully paid up

Date of allotment 27th October, 2005

As per Last Balance Sheet

Less Redeemed during the year

Balance

	80,000,000	91,000,000
	-	11,000,000
	80,000,000	80,000,000

As per the original terms of allotment made on 27th October 2005, 13,00,000 preference shares (₹130,00,000) were to be redeemed at par at the end of 3rd, 4th, and 5th year from the date of allotment in the ratio of 30:30:40. First Tranche of ₹39,000,000 was redeemed on the 25th October, 2008. However during the year 2009-10 the terms of redemption for the balance amount of ₹91,000,000 were amended with mutual consent as to be redeemed in 18 monthly instalments as below ending March, 2011.

In terms of this admendment ₹11,000,000 was redeemed in 2009-10. In the current year the period of redemption for the amount of ₹80,000,000 has been further amended and the entire amount will be redeemed in full as on 21st April, 2013

TOTAL

	299,575,330	299,575,330
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SCHEDULE 2 : RESERVES AND SURPLUS

SECURITIES PREMIUM

As per last Balance sheet	(a)	382,292,449	382,292,449
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GENERAL RESERVE

As per last balance sheet		135,352,040	135,352,040
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Add: Transfer from Profit and Loss account		2,500,000	-
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	(b)	137,852,040	135,352,040
--	-----	--------------------	--------------------

TONNAGE TAX RESERVE

As per last balance sheet		107,146,945	-
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Add Transfer from Profit and Loss account		15,900,000	-
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		123,046,945	107,146,945
--	--	--------------------	--------------------

		(AMOUNT IN ₹)	
		AS AT 31.03.2011	AS AT 31.03.2010
ASSET IMPAIRMENT RESERVE			
Add: Transfer from Profit and Loss account			
As per last balance sheet	(d)	<u>30,000,000</u>	<u>30,000,000</u>
TONNAGE TAX UTILISATION RESERVE			
As per last balance sheet		103,453,055	103,453,055
Add : Transferred from Tonnage Tax Reserve		-	-
	(e)	<u>103,453,055</u>	<u>103,453,055</u>
CAPITAL REDEMPTION RESERVE			
As per last balance sheet		50,000,000	39,000,000
Add: Transfer from Profit and Loss account on redemption of Non-Cumulative Redeemable (Refer Schedule No.1 for details of redemption)		-	11,000,000
	(f)	<u>50,000,000</u>	<u>50,000,000</u>
SURPLUS			
Balance in Profit & Loss Account	(g)	<u>356,239,427</u>	<u>285,631,211</u>
		<u>356,239,427</u>	<u>285,631,211</u>
TOTAL (a+b+c+d+e+f+g)		<u><u>1,182,883,916</u></u>	<u><u>1,093,875,700</u></u>

SCHEDULE 3 : SECURED LOANS

FROM BANKS.

CANARA BANK (FCNR LOAN)*

Secured by a first charge over the Vessel M.V.OEL Trust and M.V.OEL Shreyas and collateral charge over M.V. Unity

570,602,893 -

***STATE BANK OF INDIA (FCNR LOAN)**

Secured by a charge over the Vessel M.V.OEL Trust and collateral charge over M. V. Unity

- 289,882,759

***STATE BANK OF INDIA (FCNR LOAN)**

Secured by a charge over the Vessel M.V. Shreyas and collateral charge over M.V. Unity

- 286,982,064

ICICI BANK LTD (CAR LOAN).

Secured by hypothecation of Cars

516,974 1,085,337

STANDARD CHARTERED BANK (TERM LOAN)

Secured by Hypothecation of specific Containers

- 8,133,333

ICICI Bank (Trailer Loan)

Secured by Hypothecation of specific Trailer

30,722,743

STATE BANK OF INDIA (FCNR LOAN)

Secured by Hypothecation of specific Containers

- 13,542,000

STANDARD CHARTERED BANK. (Working Capital Overdraft)

Secured by hypothecation of present and future book debts & Stocks

10,221,200 161,118,125

DEUTSCHE BANK AG, MUMBAI (Overdraft)

Secured by lien on Mutual Fund Investments & Debentures

- 88,183,647

TOTAL

612,063,810 848,927,265

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN ₹)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2010	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2011	AS AT 01.04.2010	FOR THE PERIOD	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
FLEET	2,060,540,374	13,636,198	5,295,831	2,068,880,741	347,860,501	103,916,775	-	451,777,276	1,617,103,465	1,712,679,873
CONTAINER EQUIPMENT	165,016,660	2,189,710	-	167,206,370	27,347,373	7,925,510	-	35,272,883	131,933,487	137,669,288
FURNITURE & FIXTURES	1,678,578	719,200	-	2,397,778	828,896	43,078	-	871,974	1,525,804	849,682
OFFICE EQUIPMENTS	5,472,778	574,666	34,661	6,012,783	1,879,755	360,338	17,325	2,222,768	3,790,015	3,593,023
COMPUTERS (including Software - See Note 10)	7,015,416	795,911	93,800	7,717,527	3,952,055	1,291,753	83,930	5,159,878	2,557,649	3,063,361
TRAILOR (VEHICLE)	2,332,268	16,450,785	-	18,783,053	1,478,706	937,941	-	2,416,647	16,366,406	853,562
VEHICLES	4,410,965	930,718	-	5,341,683	1,461,947	448,472	-	1,910,419	3,431,264	2,949,017
TOTAL AS ON 31.03.2011	2,246,467,039	35,297,188	5,424,292	2,276,339,935	384,809,233	114,923,867	101,255	499,631,845	1,776,708,090	1,861,657,806
TOTAL AS ON 31.03.2010	2,643,752,764	672,354	397,958,079	2,246,467,039	465,727,879	124,840,160	205,758,806	384,809,233	1,861,657,806	

Deductions under Fleet represents adjustment towards exchange differences arising on reporting (including settlement) of long term monetary liabilities relating to acquisition of ships ₹52,48,581/- Previous year (₹842,66,671/-)

(AMOUNT IN ₹)

SCHEDULE 5 : INVESTMENTS
(A) LONG TERM INVESTMENTS (AT COST)

TRADE - UNQUOTED-FULLY PAID

150,000

10,150,000

(B) CURRENT NON TRADE INVESTMENT- (UNQUOTED)

MUTUAL FUNDS INVESTMENTS

50,838,764

135,539,081

(AT LOWER OF COST OR NET ASSET VALUE)

TOTAL (A + B)
50,988,764
145,689,081

	AS AT 31.03.2011	(AMOUNT IN ₹) AS AT 31.03.2010
SCHEDULE 6 : INVENTORIES		
(At lower of Cost or Net Realisable Value)		
Lube Oils and Fuel Oil*	47,252,695	29,595,553
Victualling Stock*	696,659	472,390
(*As valued and Certified by the Management)		
TOTAL	47,949,354	30,067,943
 SCHEDULE 7 : SUNDRY DEBTORS		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months		
Considered Good:	1,639,363	8,732,470
Considered doubtful	1,754,184	3,826,144
Others		
Considered Good:	181,848,508	176,328,723
Considered doubtful	506,812	15,873,909
	185,748,867	204,761,246
Less: Provision for doubtful debts	2,260,996	19,700,053
TOTAL	183,487,871	185,061,193
 SCHEDULE 8 : CASH AND BANK BALANCES		
Cash on Hand	705,278	1,201,672
With Scheduled Banks		
in Current Accounts	16,664,280	14,085,111
in Term Deposits	20,184,235	39,754,106
in Margin Money Deposits*	300,000	-
(*Pledged with Bank as Margin for Guarantees issued)		
Fund in Transit	300,000	-
in Unclaimed Dividend Account	3,513,591	3,307,886
TOTAL	41,667,384	58,348,775
 SCHEDULE 9 : OTHER CURRENT ASSETS		
Claims Receivable (Considered good)	4,488,693	5,653,612
Considered doubtful	-	-
	4,488,693	5,653,612
Income accrued	3,930,798	2,426,315
Interest income accrued but not due on deposits	22,183	26,545
Unfinished Voyages Expenses	9,455,033	4,741,596
TOTAL	17,896,707	12,848,068

(AMOUNT IN ₹)

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received

	AS AT 31.03.2011	AS AT 31.03.2010
Considered good	110,935,407	94,364,412
Considered doubtful	2,344,386	2,344,386
Less: Provision for Doubtful Advances	<u>2,344,386</u>	<u>2,344,386</u>
	110,935,407	94,364,412
Gratuity Fund with Life Insurance Corporation	2,073,753	1,921,645
Advance Income Tax Less Provisions	63,484,391	70,077,025
Advance Fringe Benefits Tax Less Provisions	(350,503)	398,498
Bills receivable		
Considered good	-	-
Considered doubtful	<u>2,266,418</u>	<u>2,266,418</u>
	2,266,418	2,266,418
Less: Provision for Doubtful Bills receivable	<u>2,266,418</u>	<u>2,266,418</u>
	-	-
Deposits	3,481,709	2,588,497
Minimum Alternate Tax Credit Entitlements	17,410,444	8,647,598
TOTAL	<u><u>197,035,201</u></u>	<u><u>177,997,675</u></u>

SCHEDULE 11 : CURRENT LIABILITIES

Sundry Creditors for Trade

Due to Micro and Small Enterprises (excluding Interest)

Due to Others

Creditors for Expenses

Other Liabilities

Unfinished Voyages Income

Investor Education and Protection Fund:

Unclaimed Dividend

(No amount is due and outstanding to be credited to the fund.)

Interest accrued but not due on loans

Share Application money received from Minority Share Holders in a Subsidiary
(Pending Allotment)

*(Dues to small scale industrial undertakings NIL)

	467,510	262,383
	125,541,332	138,776,213
	33,334,753	19,626,450
	20,378,201	25,353,620
	2,807,392	12,662,196
	3,513,592	3,307,886
	119,149	8,685
	12,200,000	12,200,000
TOTAL	<u><u>198,361,929</u></u>	<u><u>212,197,433</u></u>

SCHEDULE 12 : PROVISIONS

Proposed Equity Dividend

Provision for tax on Equity Dividend

Proposed Preference Dividend

Provision for tax on Preference Dividend

Provision for notional Hedging Loss / (Gain)

Provision for Gratuity

Provision for Compensated Absence

	13,174,520	-
	2,137,242	-
	-	7,788,225
	1,784,475	3,120,490
	-	-
	197,940	563,715
	6,652,350	6,556,953
TOTAL	<u><u>23,946,527</u></u>	<u><u>18,029,383</u></u>

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2011

(AMOUNT IN ₹)

	Year ended 31.03.2011	Year ended 31.03.2010
SCHEDULE 13 : OTHER INCOME		
Dividend from Mutual Fund Investment (Current - Non Trade)	3,129,829	5,979,008
Interest received on Deposits with Banks (TDS ₹ NIL, Previous Year ₹26,718/-)	929,878	1,269,592
Interest on Income Tax Refund	5,784,759	452,619
Profit on Sale of Mutual Fund Investments (Long Term)	2,200,000	3,204,992
Profit on sale of Asset	-	1,496
Liabilities for expenses no longer required written back	10,303,338	8,039,699
Other Income	3,344,063	2,974,707
TOTAL	25,691,867	21,922,113
SCHEDULE 14 : OPERATING EXPENSES		
Salaries, Wages & Other Allowances for Floating Staff	123,544,634	139,545,748
Contribution to Provident Fund for Floating Staff	1,652,805	2,201,344
Staff Welfare for Floating Staff	660,566	839,461
TOTAL	125,858,005	142,586,553
Fuel / Lube Oils Consumed	475,355,669	453,601,546
Ocean Freight Charges	3,859,678	(24,744)
Port and Marine Dues	164,114,557	145,584,648
Stores and Spares Consumed	68,140,276	56,860,945
Crew Victualling	8,579,839	9,490,591
Repairs and Maintenance to Fleet	25,668,241	18,726,465
Insurance and Protection Club fee	29,006,403	32,352,915
Vessel Management and Agency Fees	43,491,521	54,650,304
Brokerage / Commission	1,728,886	119,529
Rates & Taxes	214,401	1,905,758
Dry Dock Expenses	15,726,086	26,872,636
Sundry Expenses	7,219,893	11,907,474
Terminal Handling Charges Domestic	183,537,908	213,679,291
Transportation Expenses	116,919,813	77,420,063
Other Domestic Expenses	24,050,320	21,016,184
Terminal Handling Charges Liner	41,301,568	15,168,017
Other Liner Expenses	1,249,716	955,993
Godown Rent	582,129	163,750
Container Lease Rent	22,554,524	18,388,101
Trailer Expenses	6,758,955	2,656,962
Freight Forwarding Expenses	126,954,139	74,839,918
TOTAL	1,492,872,527	1,378,922,899

(AMOUNT IN ₹)

SCHEDULE 15 : ADMINISTRATION & OTHER EXPENSES

Salaries, wages and Other Allowances*

(*includes payments to Managerial Personnel)

Salaries and Bonus

Contribution to Provident Fund and Gratuity

Staff Welfare

TOTAL**Year ended
31.03.2011**Year ended
31.03.2010**53,230,153**

43,769,892

2,844,719

3,046,823

5,463,042

5,042,285

61,537,914**51,859,000**

Bad debts

Less Provision for eariler year no longer required written back

TOTAL**462,636**

5,409,099

462,636

4,867,082

-**542,017**

Provision for Doubtful Debts

Communication Expenses

Travelling and Conveyance

Professional & Consultancy Fees

Bad Debts Written off

Loss on Sale / Restatement of Current Non-trade Investments

Loss on Sale / Discard of Assets

Insurance Expenses

Rent

Rates & Taxes

Repairs and Maintenance- other assets.

Gifts & Presents

Donations

Director's Sitting fees

Other Expenses

TOTAL**707,369**

14,382

3,114,288

2,715,662

4,439,344

3,141,554

5,939,020

9,117,136

136,795

4,186,935

973,412

-

12,911

1,909,027

1,201,320

867,264

4,580,779

4,652,109

449,869

661,890

2,666,577

3,407,474

163,172

101,717

55,000

87,590

666,500

642,000

16,119,104

15,056,939

102,763,374**98,962,696****SCHEDULE 16: INTEREST AND FINANCE CHARGES**

Interest

i) On Fixed Loans from Banks

ii) On Working Capital Loans from Banks

iii) Others

iv) Preclosure charges for Fixed Loan from Banks

Premium on forward Contracts

TOTAL**42,599,688**

27,321,568

9,841,598

18,515,462

371,485

114,125

7,201,226

-

7,524,874

-

67,538,871**45,951,155**

SCHEDULE 17 : NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting basis and convention

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Expenses specifically attributable to construction of a new built ship including forex loss / gain on forward covers taken for the purposes of payment of installments to the ship-builder are capitalised.

When assets are retired or otherwise disposed off, the cost of such assets and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in the profit and loss account.

(iii) Depreciation

In respect of fleet, the amount determined by charging the cost reduced by residual value as technically assessed equally over the expected useful life of the fleet or depreciation at the rate prescribed (5%) under the Schedule XIV of Companies Act, 1956 which ever is higher, is provided as depreciation.

In respect of second hand Trailers, the depreciation rate is based on balance useful life derived from the rate specified in Schedule XIV to the Companies Act, 1956.

Depreciation of Fixed Assets except software has been provided on straight line method on pro-rata basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of software, Depreciation is provided at 33.33% on Straight line method, which is higher than rate prescribed in schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Depreciation has been provided prospectively, where the cost of depreciable asset has undergone change due to following :

- (a) Increase / decrease in Long term liability on account of exchange fluctuations.
- (b) Additions and major improvements forming an integral part of an asset,

Haytrans (India) Limited, a subsidiary, has provided depreciation on written down value method. The impact of depreciation on straight line method is not likely to be material and hence, not quantified or adjusted.

(iv) Investments

Long term Investments are stated at cost. Diminution in the value of investments, other than temporary in nature, is provided for.

Current investments are valued at cost or net realizable value whichever is lower.

(v) Inventories

Inventories are valued at lower of Cost or Net Realisable Value. The cost is determined under "First in First out" formula.

(vi) Foreign Exchange Transactions

- a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.
- b) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from the cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.
- c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard 11.
- d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the Profit and Loss Account.
- e) In respect of forward exchange contracts covering either Holding Company's earnings or payment related to acquisition of fixed assets (other than firm

commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period. In case of New Build ship, in respect of forward exchange contract entered into to hedge the foreign currency risk of a firm commitment or a highly probable forecast transaction (not covered by Accounting Standing 11 revised 2003), the company capitalizes all the related costs including premium or discount, exchange differences and Profit/Loss on cancellation of such contracts, if any.

(vii) Derivatives

Derivatives are accounted as follows based on a limited early adoption of AS-30 to the extent not in conflict with legal provisions and other Accounting Standards:

- a) Fair value hedges are marked to market and the notional Loss or Gain is accounted in the Profit and Loss account.
- b) Cash flow hedges are marked to market and the notional loss or gain is taken to Hedging reserve account.
- c) Other derivatives are marked to market and the notional losses or gains are booked in the Profit and Loss account.

(viii) Revenue Recognition

- a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills.
- b) Operating Earnings represent the value of charter hire and freight earnings. Freight income is recognized once the ship calls on the port of delivery. In case of operations in Shreyas Relay Systems Ltd., a subsidiary, Freight income is recognized once the ship sails from the port of loading.
- c) Income and Expenses relating to unfinished leg of the voyage as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg of voyages include fixed and semi-fixed ship operating costs.
- d) Stores and Spares (other than lube oils and victualling) are charged off to Profit and Loss Account, on receipt.
- e) The revenue in respect of the duty free import licenses, under Served From India Scheme, is recognized as income in the books of account when and to the

extent there is no significant uncertainty as to their ultimate realization.

(ix) Dry Dock / Special Survey expenses

Major Improvements / Upgradation included in dry dock expenditure are capitalized as part of cost of ship.

Other dry dock / Special Survey expenses are charged to Profit and Loss account as and when incurred.

(x) Asset Impairment

The Group reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

(xi) Assets Impairment Reserve

Considering that Shipping is cyclical and capital intensive, the Board, if so required in its judgment, sets aside a portion of Net Profits to Asset Impairment Reserve which will be utilized when an impairment loss arises.

(xii) Employee Benefits

The Group has a defined Contribution plan for shore Employees for Provident Fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss account. The Group Company has no other obligation except the monthly contributions.

The Group has defined benefit plans namely gratuity and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognised immediately in Profit and Loss account as Income / Expense.

Any other termination benefits are recognised as expenses immediately on the basis of actual expenses.

In respect of Floating staff, Provident fund and Gratuity contributions are made to Seamen's Provident Fund and Seafarers Welfare Fund Society respectively. No Gratuity is payable in respect of officers who are on contract with the Company. Company has no further obligation except the monthly contributions.

(xiii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition / construction of the underlying qualifying fixed assets are capitalised as a part of the respective asset up to the date of acquisition / completion of construction.

(xiv) Provisions and Contingent liabilities

Provisions are recognised when there is a present obligation

as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation can not be measured or where a realistic estimate of the obligation can not be made, contingent liabilities are recognised.

Contingent liabilities are also recognised when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more future events not wholly within the control of the Group.

(xv) Taxation

The Holding Company has opted for Tonnage Tax and Current Tax is the aggregate of Tonnage Tax for shipping income and income tax on non-shipping income. In view of Holding Company opting for Tonnage Tax, there is no provision for deferred tax.

In case of subsidiaries, provision for tax is made as per Income Tax Act, 1961. Deferred tax resulting from difference between book and tax profit is accounted for at the current rate of tax, to the extent the timing differences are expected to crystallize. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date. When there are unabsorbed depreciation and carry forward losses as per Income Tax act, deferred tax assets are recognized only if there exists virtual certainty of their realization.

Deferred tax liability and deferred tax assets of the companies in the Group have been aggregated in Consolidated financial statement.

NOTES ON ACCOUNTS

(In ₹ Lakhs)

Name of the Company	No. of Equity Shares held by Shreyas Shipping & Logistics Limited		Holding %	
	2010-2011	2009-10	2010-2011	2009-10
Shreyas Relay Systems Ltd.	25,00,000	25,00,000	100	100
Haytrans (India) Ltd	10,450	10,450	51.10	51.10

2) Disclosures as required by AS 15 on Employee benefits:-

(A) Gratuity Benefits

(a) Description of the Gratuity Plan:

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement / death / incapacitation/ termination of employment, of

amounts that are based on salaries and tenure of the employees.

(b) Amount recognized in the Balance Sheet and movements in net liability:

(In ₹ Lakhs)

PARTICULARS	2010-2011	2009-2010
Present Value of Funded Obligations	83.92	72.64
Fair Value of Plan Assets	(105.47)	(92.11)
Amount not recognized as an Asset (Limit in Para 59(b))	0.82	0.26
Net Liability / (Asset) recognised in the Balance Sheet	(20.73)	(19.21)

*Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation. This is available for future adjustment and considered recoverable.

**The fair value of the plan assets does not include the Company's own financial instruments.

*** The above figures do not include that of Subsidiary, Haytrans (India) Ltd. HIL in the absence of Detailed disclosures in the standalone accounts. HIL has a provision of ₹1.98 Lakhs (Previous Year ₹5.63 Lakhs) towards Gratuity.

****The net asset as aggregated for the Group ₹18.76 Lakhs (Previous year ₹15.21 Lakhs) is grouped under "Loans & Advances".

(c) Expenses recognized in the Statement of Profit & Loss Account

(In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Current Service Cost	7.54	8.36
Interest on Defined Benefit Obligation	6.14	5.02
Expected Return on Plan Assets	(6.94)	(5.98)
Net Actuarial Losses / (Gains) Recognized in the year	(0.20)	(4.54)
Past Service Cost	-	-
Losses / (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	(0.09)	(0.69)
Total	6.45	2.17

*The actual return on Plan Assets is ₹6.15 lakhs (Previous year ₹6.36 lakhs.)

(d) Reconciliation of Benefit obligation & Plan assets for the Period

(₹ In Lakhs)

Particulars	Period Ended	
	2010-2011	2009-2010
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	72.64	62.94
Current Service Cost	7.54	8.36
Interest Cost	6.14	5.02
Actuarial Losses / (Gain)	(1.00)	(4.16)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / Settled on Divestiture	-	19.25
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(1.40)	(18.77)
Closing Defined Benefit Obligation	83.92	72.64

Particulars	Period Ended	
	2010-2011	2009-2010
Change in Fair Value of Assets		
Opening Fair Value of Plan Assets	93.65	77.70
Expected Return on Plan Assets	6.95	5.98
Actuarial Gain / (Losses)	(0.79)	0.38
Assets Distributed on Settlements	-	-
Contributions by Employer	7.97	9.11
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	19.25
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(1.40)	(18.77)
Sub - Total	106.38	93.65
Amount not recognized as per assets (Limit para 59(b))	(0.89)	(1.80)
Closing Fair Value of Plan Assets	105.49	91.85
Expected Employer's Contribution Next Year	5.00	5.00

(e) Actuarial Assumptions at the Valuation date

Particulars	2010-2011	2009-2010
Discount Rate	8.05% p.a.	8.00% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	10% for the first 1 yr & 7% thereafter	10% for the first 2 yrs & 7% thereafter

*This is based on estimation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Description of the Plan Assets

Category of Assets	2010-2011	2009-2010
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(₹ in Lakhs)

Particulars	2010-2011	2009-2010	2008-2009
Defined Benefit Obligation	83.92	72.64	62.94
Plan Assets	106.38	93.65	77.70
Surplus / (Deficit)	22.46	21.01	14.77
Exp.Adj.on Plan Liabilities	(0.70)	(0.14)	(18.63)
Exp. Adj. on Assets	(0.80)	0.38	0.16

(B) Privilege Leave Encashment (Compensated Absences for Employees)

The Group permits encashment of privilege leave accumulated by the employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privilege leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2010-2011	2009-2010
Discount Rate	8.05 % p.a.	8.00 % p.a.
Salary Escalation Rate	10% for the first 1 yr & 7% thereafter	10% for the first 2 yrs & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	58.92	58.51
Closing balance of present value of Compensated Absences (Y)	60.93	58.92
Movement in Net Liability (X - Y)	(2.01)	(0.41)

* The above figures do not include that of Subsidiary, Haytrans (India) Ltd (HIL) in the absence of detailed disclosures in the Standalone accounts. HIL has a provision of ₹5.59 Lakhs (Previous Year ₹6.66 Lakhs) towards Leave encashment.

(c) Payments made under defined Contribution Scheme :

(In ₹ Lakhs)

Particulars	2010-2011	2009-2010
Contribution to Provident Fund & Gratuity		
Crew & Offshore Staff	16.53	22.01
Contribution to Provident Fund	23.25	24.76

* The above figures do not include that of Subsidiary, Haytrans (India) Ltd. HIL in the absence of detailed disclosure in the standalone accounts.

4. MANAGERIAL REMUNERATION*

(Included under Salary, Wages and Allowances - Schedule -15)

TO MANAGING DIRECTOR*

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
(i) Remuneration	59,40,000	47,98,000
(ii) Contribution to Provident Fund	5,76,000	4,70,400
(iii) Leave Travel Allowance	3,68,800	
Total	68,84,800	52,68,400

* The above figures do not include contribution to Gratuity and provision for compensated absence as separate figures are not available.

5. CONTINGENT LIABILITIES

(Amount in ₹)

	As at 31.03.2011	As at 31.03.2010
a) Claims against the Company not acknowledged as debts	NIL	10,64,09,031
b) Corporate Guarantees given on behalf of Subsidiary Company (Including Interest)	1,02,21,200	
c) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for.	NIL	NIL
d) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company)	3,05,97,784	3,05,97,784
e) Income Tax demand for Assessment year 2007-2008 contested as appeal	NIL	9,03,135
f) Bank Guarantees issued to customers/vendors	22,75,000	55,05,000

6. Foreign currency exposures that are not hedged by derivative instruments

(Amount in equivalent US Dollars)

Particulars	2010-2011	2009-2010
a) Receivables	9,46,111	9,17,534
b) Payables	8,07,708	12,18,943
c) FCNR Loan from Bank	1,27,79,460	1,30,79,660
d) Cash and Bank Balance in FCNR	5,81,929	9,37,483
e) Balance with collection Agents	63,003	1,96,802

The Group has no derivatives as at 31st March ,2011.

7. Segment Reporting:

a) Segment wise Revenue and Results:

(₹ In Lacs)

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Revenue by Segment		
Shipping	6,179.48	5,534.06
Logistics	17,597.44	13,306.80
Freight Forwarding	1,423.14	856.30
Others	173.45	(606.74)
Total Revenue	25,373.51	19,090.42
Less: Intersegment Revenue	6,334.78	4,304.97
	19,038.73	14,785.45
Segment Results		
Shipping	(1,268.70)	(1,684.19)
Logistics	3,505.08	1,563.21
Freight Forwarding	40.78	(51.02)
Others	172.03	(606.74)
Total	2,449.19	(778.74)
Add: Other Income	256.92	219.22
Less: i) Interest & Finance Charges	675.39	459.51
ii) Unallocated Expenditure	554.83	491.67
Profit before Tax, Prior Period, Exceptional & Extra Ordinary items	1,475.89	(1,510.70)
Segment Depreciation		
Shipping	762.38	823.97
Logistics	370.37	404.78
Freight Forwarding	1.55	2.59
Unallocated	14.94	17.06

The Company operates in three business segments viz. Shipping, Logistics and Freight Forwarding. Shipping comprises Charter hire and Feeder, Logistics includes Shipping part of Domestic and Liner business and Freight Forwarding includes sea and air services of Haytrans (India) Ltd.

b) Geographical Segment (Based on primary Location of Customers)

(₹ In Lacs)

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
In India	22,693.92	16,690.15
In Pakistan	240.82	28.39
Rest of World	2,438.77	2,371.88
Total Revenue	25,373.51	19,090.42

c) Segment Capital employed

Fixed Assets used in the Group's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to individual segment assets and liabilities has been made. However depreciation has been allocated amongst segments based on best estimates of usage of fixed assets in the respective segments during the year.

d) Others under Revenue and Results include Profit / (Loss) on sale of ship ₹ Nil (Previous year ₹6,13,27,819/- Net).

8. Intangible Assets

Software is amortised over 3 Years and included under Office equipment in Schedule-4 : Fixed Assets.

(Amount in ₹)

Particulars	Year ended 31.3.2011	Year ended 31.3.2010
Opening Balance	6,56,406	11,22,578
Addition during the year	-	-
Total	6,56,406	11,22,578
Amortisation	4,69,314	4,66,172
Closing Balance	1,87,092	6,56,406

9. Accounting for Lease

a) Shreyas Relay Systems Limited, a subsidiary, has taken Containers on Cancelable Operating Lease and the lease rental of ₹2,25,54,524/- (P.Y ₹1,83,88,101/-) is charged to the Profit and Loss account.

b) The Group has taken Vehicles on Cancelable Operating Lease and the lease rental of ₹23,74,777/- (P. Y ₹21,90,304/-) is charged to the Profit and Loss

10. Working of Earnings Per Share:

(Amount in ₹)

Particulars	Year ended on 31.3.2011	Year ended on 31.3.2010
Weighted average number of Equity shares	2,19,57,533	2,19,57,533
Nominal value Per Share	₹10/-	₹10/-
Profit / (Loss) for the year after Tax	12,77,68,930	(15,70,50,480)

10. Working of Earnings Per Share: (Contd.)

(Amount in ₹)

Particulars	Year ended on 31.3.2011	Year ended on 31.3.2010
Less: Preference Dividend + Tax (including proposed dividend)	1,06,46,744	1,18,61,366
Net Balance available to Equity Shareholders	11,71,22,186	(16,89,11,846)
Earnings Per Share (Basic & Diluted)	5.33	(7.69)

11. Deferred Tax

Shreyas Relay Systems Ltd, a subsidiary, has recognized Deferred Tax Liability relating to unabsorbed depreciation, provision for doubtful debts reversal, employee defined

obligations. The break up of net Deferred Tax Liabilities recognized in Accounts of subsidiary is as below :

Particulars	Year ended 31.3.2011	Year ended 31.3.2010
Deferred Tax Assets		
Timing Difference on :		
Provision for Compensated Absence	787,214	846,635
Provision for Doubtful Debts	733,580	1,225,966
Unabsorbed Loss	NIL	14,780,043
Less:		
Deferred Tax Liabilities		
Timing Difference on :		
Depreciation	15,456,005	15,723,670
Gratuity	289,484	194,404
Net Deferred Tax (Liability) / Assets	(14,224,695)	934,570

12. Related Party Transactions (Refer Annexure I)

13. Previous years figures have been regrouped/recast wherever necessary to conform to the current year's classifications.

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 003990S

S.Narasimhan
Partner
Membership No. 206047

Place : Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

Amitabha Ghosh
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 25th May, 2011

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

RELATED PARTY TRANSACTIONS (as on 31.03.2011)
Annexure - I

(₹ in 000)

Transaction	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2011	Total as at 31.03.2010
Service / freight income							
Balaji Shipping Lines FZCO	-	6,886	-	-	-	6,886	5,991
Orient Express Lines Ltd., Mauritius	-	-	-	-	-	-	2,551
Orient Express Linse (S) Pte. Ltd., Singapore	-	-	-	-	-	-	18
Relay Shipping Agency Ltd	-	-	-	-	-	-	64,702
Clarion Solutions Pvt. Ltd	-	-	138,598	-	-	138,598	145,076
Albatross shipping ltd	-	-	-	-	-	-	378
Admec Logistics Ltd.	-	-	141	-	-	141	-
Trailer Income							
Admec Logistics Ltd	-	-	2,970	-	-	2,970	3,026
Clarion Solutions Pvt. Ltd	-	-	1,347	-	-	1,347	-
Other Income							
Clarion Solutions Pvt. Ltd.	-	-	6,445	-	-	6,445	-
Relay Shipping Agency Ltd.	-	-	131	-	-	131	-
Container Lease Rental Received							
Albatross Shipping Ltd.	-	-	195	-	-	195	561
Transworld Logistics Ltd.	-	-	370	-	-	370	-
Ocean Sea Freight Charges paid							
Orient Express Lines Ltd., Mauritius	-	1,634	-	-	-	1,634	4,436
Stores, spares, victualling, Repairs, handling and forwarding expenses, etc. paid							
ADMEC Logistics Ltd.	-	-	10,252	-	-	10,252	6,388
Vessel management fees paid							
Orient Express Ship Management Ltd.	-	-	19,854	-	-	19,854	21,204
Agency Fees paid							
Relay Shipping Agency Ltd.	-	-	20,437	-	-	20,437	34,709
Lanka Orient Express Lines Ltd. Colombo	-	-	211	-	-	211	766
Clarion Solutions Pvt. Ltd.	-	-	1,112	-	-	1,112	730
Clarion Shipping Ltd Colombo	-	-	34	-	-	34	5
Seabridge Shipping co LLC	-	-	-	-	-	-	278
Transworld Logistics Ltd	-	-	16	-	-	16	-
Commission paid							
Transworld Logistics Ltd.	-	-	749	-	-	749	-
Documentation charges reced							
Clarion Solutions Pvt. Ltd	-	-	4,433	-	-	4,433	2,734
Transporation charges paid							
Admec Logistics Ltd	-	-	2,310	-	-	2,310	10,944
Balaji Shipping Lines FZCO	-	-	-	-	-	-	1,078
Clarion Solutions Pvt. Ltd	-	-	820	-	-	820	-
Trailer Expenses							
Admec Logistics Ltd	-	-	3,232	-	-	3,232	3,761
Clarion Solutions Pvt. Ltd	-	-	1,455	-	-	1,455	-

RELATED PARTY TRANSACTIONS (as on 31.03.2011) (Contd.)

Annexure - I

(₹ in 000)

Transaction	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2011	Total as at 31.03.2010
Donation paid							
Sivaswamy Memorial Charitable Trust	-	-	50	-	-	50	-
Rent paid							
Sivaswamy Holdings Pvt. Ltd.	-	-	3,630	-	-	3,630	3,737
S. Ramakrishnan	-	-	-	-	-	-	-
Transworld Shipping and Logistics Ltd.	-	-	290	-	-	290	-
Container lease rental and repair charges paid							
Admec Logistics Ltd	-	-	4,905	-	-	4,905	3,296
Balaji Shipping Lines FZCO	-	-	4,354	-	-	4,354	3,477
Relay Shipping Agency Limited	-	-	273	-	-	273	367
Managerial Remuneration paid							
Mr. S. Ramakrishnan	-	-	-	6,885	-	6,885	5,268
Mr. Vinay Kshirsagar	-	-	-	4,143	-	4,143	2,704
Purchase of Assets							
Relay Shipping Agency Limited	-	-	48	-	-	48	-
Sale of Asset							
Relay Shipping Agency Limited	-	-	5	-	-	5	-
Dividend Paid on preference shares							
Transworld Shipping and Logistics Ltd.	-	-	7,694	-	-	7,694	-
Crescent Shipping Agency (India) Ltd.	-	-	7,694	-	-	7,694	-
Allotment of 9.5% Non-Convertible Cumulative Redeemable Preference shares of ₹100 each							
Transworld Shipping and Logistics Ltd.	-	-	40,000	-	-	40,000	-
Crescent Shipping Agency (India) Ltd.	-	-	40,000	-	-	40,000	-
Dividend Paid on Equity Shares							
Transworld Holdings Ltd.	6,176	-	-	-	-	6,176	-
Mr. S. Ramakrishnan	-	-	-	55	-	55	-
Mrs. Geeta Ramakrishnan	-	-	-	-	54	54	-
Mr. Ritesh Ramakrishnan	-	-	-	-	84	84	-
Ms. Anisha Ramakrishnan	-	-	-	-	488	488	-
Mrs. Valli Sivaswamy	-	-	-	-	192	192	-
Mrs. Mala Mahesh	-	-	-	-	54	54	-
Master Murali Mahesh	-	-	-	-	84	84	-
Kumari Mithila Mahesh	-	-	-	-	488	488	-
Mr. S. Mahesh	-	-	-	-	56	56	-
Mr. V.Ramnarayan	-	-	-	-	55	55	-
Mrs. Brinda Ramnarayan	-	-	-	-	54	54	-
Mr. Rajan Ramnarayan	-	-	-	-	70	70	-
Mr. Rajiv Ramnarayan	-	-	-	-	68	68	-

Outstanding balances pertaining to related parties as at 31st March, 2011 (In ₹' 000)
Annexure-I

(₹ in 000)

Transaction	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2011	Total as at 31.03.2010
Debit balance due to company	-	1,612	55,080	-	-	56,692	66,165
Credit balance due from company	-	(75)	7,399	-	-	7,474	14,732

NOTE : 1) Figure have been adjusted for exchange rate variations

2) Reimbursement of expenses incurred by/to Group Companies is not included here.

*** Names of related parties**

Nature of relationship	Name of the related party
Holding company	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31 st March, 2011)
Fellow subsidiaries	Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Orient Express Lines Inc, Panama Balaji Shipping Lines FZCO Sea Bridge Shipping L.L.C
Other related parties	ADMEC Logistics Ltd. Albatross Shipping Ltd. Clarion Shipping Ltd, Colombo Clarion Solutions Pvt. Ltd Crescent Shipping Agency (India) Ltd. Lanka Orient Express Lines Ltd. Colombo Orient Express Ship Management Ltd. Relay Shipping Agency Ltd. Sivaswamy Holdings Pvt. Ltd. Transworld Logistics Ltd. Transworld Shipping & Logistics Ltd. United Arab Shipping Co.(i) Pvt Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V. Ramnarayan Mr. Vinay Kshirsagar
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Mr. Murali Mahesh Ms. Mithila Mahesh Mrs. Valli Sivaswamy Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in ₹)

Particulars	Year Ended 31 st March 2011	Year Ended 31 st March 2010
A Cashflow from operating activities		
Net profit / (Loss) Before tax	147,124,883	(151,067,661)
Adjusted for non operating expenses (income)		
Depreciation	114,923,867	124,840,160
Loss on Sale on Fixed assets	12,911	1,907,531
Loss / (Profit) on Sale of Investments	(2,200,000)	(3,204,992)
Interest Expenses	67,167,386	45,837,030
Exchange Loss / (Gain) on Current Assets & Liabilities	(599,556)	717,485
Income for current Investments	(3,129,829)	(5,979,008)
Interest Income	(6,714,637)	(1,722,211)
Profit on Sale on Asset		61,327,819
Operating Profit Before Working Capital changes	(a) 316,585,025	72,656,153
Adjustments for : Increase / (Decrease) in Working Capital		
Increases / (Decreases) in Current Assets		
Inventories	17,881,411	(4,043,220)
Sundry Debtors	(1,033,090)	(3,441,194)
Other Current Assets, Loans and Advances	22,964,962	(71,484,992)
	39,813,283	(78,969,406)
Less: increases (Decreases) in Current Liabilities & Provision	(14,302,280)	(55,957,354)
Net increases (Decreases) in Working Capital	(b) 54,115,563	(23,012,052)
Cash Generated from Operations	(a) - (b) = (c) 262,469,462	95,668,205
Less: Taxation	(5,617,898)	(17,363,767)
NET CASH FROM OPERATING ACTIVITIES	(A) 256,851,565	78,304,438
B Cash flow from investing activities		
Addition / Revaluation to fixed Assets including Capital Work in Progress	(50,620,027)	(672,354)
Sale of Fixed Assets	5,310,133	44,697,244
Sale of investments	10,000,000	
Interest Income	6,714,637	1,722,211
Income from current investments	5,329,829	9,184,000
NET CASH FROM INVESTING ACTIVITIES	(B) (23,265,427)	54,931,101
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(236,863,455)	(87,007,257)
Redemption of Preference Shares	-	(11,000,000)
Interest Expenses	(67,167,386)	(45,837,030)
Dividend Paid	(32,573,192)	(9,682,821)
NET CASH FROM FINANCING ACTIVITIES	(C) (336,604,033)	(153,527,108)
NET CHANGES IN CASH & CASH EQUIVALENT	(A+B+C) (103,017,896)	(20,291,569)
OPENING BALANCE of CASH & CASH EQUIVALENTS	190,579,970	212,408,986
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(103,017,896)	(20,291,569)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	1,130,481	(1,537,447)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	88,692,556	190,579,970
	(103,017,895)	(20,291,569)
CASH ON HAND (Refer Schedule 8)	705,278	1,201,672
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Schedule 8)	37,148,515	53,839,217
INVESTMENT IN LIQUID FUND SECURITIES (Refer Schedule 5)	50,838,764	135,539,081
TOTAL	88,692,556	190,579,970

Notes:

- 1) The above statement has been prepared by indirect method except in case of dividend and investments which have been considered on the basis of actual movement of cash.
- 2) Cash and Cash equivalents include cash and bank balances and Investments in Liquid funds and Mutual Funds

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 003990S

S.Narasimhan
Partner
Membership No. 206047

Place: Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

Amitabha Ghosh
Director

Namrata Malushte
Company Secretary

Place: Mumbai
Date : 25th May, 2011

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer



Directors' Report

Your Directors are pleased to present the Eighteenth Annual Report and the Audited Accounts for the financial year ended 31st March 2011.

FINANCIAL PERFORMANCE

(₹ in Lacs)

	Current Year ended 31.03.2011	Previous Year ended 31.03.2010
Operating Income	11,262.76	9,001.83
Other Income	68.33	31.19
Profit before Interest, Depreciation and Tax	742.92	816.46
Less: Interest	44.65	121.84
Depreciation	93.58	87.95
Profit Before Tax	604.69	606.67
Less: Provision for Tax		
Current	110.99	91.48
Deferred	151.59	(9.35)
Prior Year	-	2.24
Minimum Alternate Tax Credit	(87.62)	(86.47)
Profit / (Loss) After Tax	429.73	608.77
Surplus / Deficit Brought Forward from Previous Year	(155.56)	(570.48)
Opening adjustment towards capitalization of changes in foreign exchange rates	-	-
Appropriations:	-	
Dividend paid on Preference Shares	-	56.05
Tax on Dividend Paid	-	9.53
Proposed Dividend on Preference Shares	110.00	110.00
Tax on Proposed Dividend on Preference Shares	17.84	18.27
Surplus / Deficit Carried to Balance Sheet	146.33	(155.56)

DIVIDEND

The Directors recommended preference dividend at the rate of 11.00 percent (i.e. ₹11.00/- per share) out of the profits of the Company on 10,00,000 11% Non-convertible, cumulative, redeemable Preference shares of ₹100/- each for the period from 1st April 2010 to 31st March, 2011 absorbing a sum of ₹1,27,84,475/- including dividend distribution tax.

REVIEW OF OPERATIONS

Your company is the logistics arm of Shreyas Shipping & Logistics Ltd. The Indian logistics industry offers immense growth opportunities and are expected to grow over the next decade. This has prompted competition in the Indian domestic market. The Company presently operates on the West coast and the South coast.

The logistics in India is unorganised to the tune of 75 to 80 percent with large number of market participants across value chain making it expensive. Out of all the element of logistics cost, the transportation cost constitutes almost 35% of the total cost followed by inventories, packaging etc. Transportation can be

done through rail, road, sea as well as air movement. Amongst any other mode of transportation, road movement constitutes 60% followed by rail which is 33% and coastal movement is only 7%.

Logistics management in India is complex, with multiple retailers catering to the requirements of multiple end users. Furthermore the total logistics cost is a factor of transportation cost, inventory management cost, warehousing, packaging etc. All these result in lack of economies of scale. This gives immense scope to your Company which is organized Corporate Player in India to offer total logistics solutions to its clients. Your Company is now poised to expand its scope of operations to other modes of transport like road, rail, air and offering international liner service and other value added services inter alia warehousing, contract logistics, LCL (Less than container Load) service. Your Company aspires to connect as strategic and knowledge partners of its customers leading to efficient business operations resulting in higher profitability and productivity for all. Your Company has embarked upon organising its back end operations like acquisition of trailers, engaging expert personnel from respective fields.

**QUALITY**

Your Company firmly believes that the pursuit of excellence is one of the most critical components for success in the competitive market and therefore consistently strives to adhere to the highest quality standards. Your company has been certified by DNV Quality Registrar in accordance with Standard ISO 9001: 2008 for Systems for Multimodal Transportation of Cargo upto 17th November 2012.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

HOLDING COMPANY

Your Company continues to be a subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 4(1)(b) of the Companies Act, 1956.

SUBSIDIARY COMPANY

The Company has no subsidiary company during the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. S. Ramakrishnan retires by rotation at the ensuing Annual General Meeting and eligible, offers himself for re- appointment.

Mr. S. Ragothman was appointed as Additional Director with effect from 12th November, 2010 to hold office till the conclusion of the forthcoming Annual General Meeting of the Company. The Company has received notice under section 257 of the Companies Act, 1956 from member proposing their appointment as a Director of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO

Under the Notification No. GSR 1029 dated 31st December 1988, Companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This however does not apply to your Company, as the industry in which the Company operates is not included in the Schedule to the relevant rules.

With regard to foreign exchange earnings and outgo, the position is as under:

Sr. No.	Particulars	₹ in Lacs (2010-11)
(i)	Foreign exchange earnings (on accrual basis)	238.55
(ii)	Foreign exchange outgo including operating and other expenditure, repayment of containers loan in foreign currency (on accrual basis)	374.62

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the

Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2011;

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on 31st March, 2011;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a 'going concern' basis'.

AUDITORS

M/s PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and offer themselves for reappointment. A certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

COST AUDIT

The Central Government has not recommended cost audit of the Company during the year under consideration.

PERSONNEL

For the financial year 2010-11 none of the employee's salary exceeded ₹60 lacs p.a. or ₹5 lacs p.m.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation and acknowledge with gratitude, the support and co-operation that Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Corporate Affairs, the Directorate General of Shipping, Port Authorities, the Reserve Bank of India, the Central Board of Excise and Customs and other government agencies.

Your Directors thank the Company's clients, vendors, bankers and the employees and look forward to their continued support.

For and on behalf of the Board of Directors

Place: Mumbai

Date: 25th May, 2011

S. Ramakrishnan

Chairman



Auditors' Report

To
The Members of Shreyas Relay Systems Ltd.

1. We have audited the attached Balance Sheet of Shreyas Relay Systems Ltd. as at 31st March 2011, the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) In case of the Profit and Loss account, of the profit for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam.
Chartered Accountants
Firm Registration No. 0039905

S.Narasimhan
Partner
M. No. 206047

Place: Mumbai
Date: 25th May 2011

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date.)

- | | |
|--|---|
| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;</p> <p>(c) A substantial part of fixed assets have not been disposed off during the year;</p> | <p>Custom Duty, Cess and any other material statutory dues with the appropriate authorities. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable;</p> |
| <p>(ii) The Company has no inventories;</p> | <p>(b) There are no dues of Income tax/ Wealth tax / Service tax / custom duty / Cess that have not been deposited on account of any dispute;</p> |
| <p>(iii) (a) The Company has not given any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act;</p> <p>(b) Except for the interest free unsecured loan of ₹52,500,000 taken from Shreyas Shipping and Logistics Limited, the holding Company, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. In our opinion, the terms of the loan are not prejudicial to the interest of the Company;</p> | <p>(x) The Company does not have any accumulated losses at the end of the year. The Company has not incurred cash loss during the year and the preceeding financial year;</p> <p>(xi) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders;</p> <p>(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;</p> <p>(xiii) As the Company is not a Nidhi/Mutual benefit fund/ Society, the provisions of special statute applicable to chit fund, etc is not applicable to this Company;</p> |
| <p>(iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;</p> | <p>(xiv) The Company is not dealing or trading in shares, securities, debentures and other investments;</p> |
| <p>(v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and</p> <p>(b) In respect of transactions exceeding the value of ₹ Five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time; wherever applicable.</p> | <p>(xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions;</p> <p>(xvi) The term loans taken from the Bank were applied for the purpose for which they were obtained;</p> <p>(xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment;</p> <p>(xviii) During the year, the Company has not made any preferential allotment of shares.</p> |
| <p>(vi) The Company has not accepted deposits from the public;</p> | <p>(xix) The Company has not issued any debentures;</p> |
| <p>(vii) The Company has an internal audit system commensurate with its size and nature of its business;</p> | <p>(xx) There have been no public issues during the year;</p> |
| <p>(viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act;</p> | <p>(xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.</p> |
| <p>(ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax,</p> | |

For PKF Sridhar & Santhanam.
Chartered Accountants
Firm Registration No. 0039905

S.Narasimhan
Partner
M. No. 206047

Place: Mumbai
Date: 25th May 2011

**BALANCE SHEET AS AT 31ST MARCH, 2011**

(AMOUNT IN ₹)

	Schedule	AS AT 31.03.2011	AS AT 31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	125,000,000	125,000,000
RESERVES AND SURPLUS	2	14,633,791	-
		<u>139,633,791</u>	<u>125,000,000</u>
LOAN FUNDS			
SECURED LOANS	3	30,722,743	116,293,984
UNSECURED LOANS	3A	52,500,000	-
		<u>83,222,743</u>	<u>116,293,984</u>
DEFERRED TAX LIABILITY (NET)		14,224,698	-
(Refer Note 6 to Schedule 17)			
TOTAL		<u>237,081,232</u>	<u>241,293,984</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	192,922,716	171,769,315
LESS : DEPRECIATION		39,900,822	30,550,558
NET BLOCK		153,021,894	141,218,757
CAPITAL WORK IN PROGRESS		15,322,839	-
DEFERRED TAX ASSET (NET)		-	934,570
CURRENT ASSETS, LOANS AND ADVANCES			
SUNDRY DEBTORS	5	111,699,390	124,160,522
CASH AND BANK BALANCES	6	10,507,409	4,767,896
OTHER CURRENT ASSETS	7	889,871	871
LOANS AND ADVANCES	8	60,205,283	57,319,471
CURRENT ASSETS TOTAL (A)		<u>183,301,953</u>	<u>186,248,760</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	9	99,354,676	87,287,893
PROVISIONS	10	15,210,778	15,375,725
CURRENT LIABILITIES TOTAL (B)		<u>114,565,454</u>	<u>102,663,618</u>
NET CURRENT ASSETS (A-B)		68,736,499	83,585,142
PROFIT & LOSS ACCOUNT- DEFICIT	16	-	15,555,515
TOTAL		<u>237,081,232</u>	<u>241,293,984</u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 003990S

S. Ramakrishnan
Chairman

V. Ramnarayan
Executive Director

S.Narasimhan
Partner
Membership No. 206047

Sameer Chavan
Company Secretary

Place : Mumbai
Date : 25th May, 2011

Place : Mumbai
Date : 25th May, 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(AMOUNT IN ₹)

	Schedule	Year ended 31.03.2011	Year ended 31.03.2010
INCOME			
OPERATING EARNINGS	11	1,126,275,868	900,183,310
OTHER INCOME	12	6,832,524	3,119,287
TOTAL INCOME		1,133,108,392	903,302,597
EXPENDITURE			
OPERATING EXPENSES	13	1,017,316,862	782,821,216
ADMINISTRATION & OTHER EXPENSES	14	41,499,085	38,834,968
INTEREST	15	4,464,745	12,184,262
DEPRECIATION	4	9,358,227	8,795,403
TOTAL EXPENDITURE		1,072,638,919	842,635,849
PROFIT/ (LOSS) BEFORE TAX		60,469,473	60,666,748
PROVISION FOR TAX			
- CURRENT		11,099,272	9,147,598
- DEFERRED TAX / (BENEFIT)		15,159,266	(934,570)
- PRIOR YEAR		-	224,044
- MINIMUM ALTERNATE TAX CREDIT		(8,762,846)	(8,647,598)
PROFIT/(LOSS) AFTER TAX		42,973,781	60,877,274
APPROPRIATIONS			
DIVIDEND PAID ON PREFERENCE SHARES		-	5,605,480
TAX ON DIVIDEND PAID		-	952,651
PROPOSED DIVIDEND ON PREFERENCE SHARES		11,000,000	11,000,000
TAX ON PROPOSED DIVIDEND ON PREFERENCE SHARES		1,784,475	1,826,963
SURPLUS CARRIED TO SCHEDULE 2		30,189,306	41,492,180
NOTES TO THE ACCOUNTS	17		
Face value of Shares ₹10/- each			
Earnings per Share (Basic & Diluted) Ref Note No. 5 In schedule No 17		12.08	19.21

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 0039905

S. Ramakrishnan
Chairman

V. Ramnarayan
Executive Director

S.Narasimhan
Partner
Membership No. 206047

Sameer Chavan
Company Secretary

Place : Mumbai
Date : 25th May, 2011

Place : Mumbai
Date : 25th May, 2011

SCHEDULES TO BALANCE SHEET

(AMOUNT IN ₹)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED		
3,000,000 Equity Shares of ₹10/- each	30,000,000	30,000,000
1,000,000 11% Non-Convertible,Cumulative, Redeemable Preference Shares of ₹100/- each.	100,000,000	100,000,000
	<u>130,000,000</u>	<u>130,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
2,500,000 Equity Shares of ₹10/- each fully Paid up	25,000,000	25,000,000
1,000,000 11% Non-Convertible,Cumulative, Redeemable Preference Shares of ₹100/- each fully paid up Date of allotment 27 th September, 2008 As per the original terms of allotment, the preference shares were to be redeemed at par, in four equal tranches at the end of 12 th , 24 th , 36 th and 48 th month from the date of allotment. However, during last year, it was agreed with mutual consent to defer the redemption of first tranche falling due at the end of 12 th month to 24 th month from the date of allotment along with the second tranche. During the current year it was agreed that Preference Shares will be redeemed in four equal tranches every 6 months beginning from 27 th September, 2011. All the shares (Both Equity and Preference) are held by Shreyas Shipping & Logistics Ltd, the Holding Company and/or its nominees.	100,000,000	
TOTAL	<u>125,000,000</u>	<u>125,000,000</u>
SCHEDULE 2 : RESERVES AND SURPLUS		
SURPLUS:		
As per last Balance Sheet	(15,555,515)	(57,047,695)
Add : Profit/(Loss) after tax transferred from Profit and Loss Account	30,189,306	41,492,180
	<u>14,633,791</u>	<u>(15,555,515)</u>
Less : Deficit transferred to Schedule No.16 Profit and Loss Account- Deficit	-	(15,555,515)
TOTAL	<u>14,633,791</u>	<u>-</u>
SCHEDULE 3 : SECURED LOANS		
From Banks		
Standard Chartered Bank (Term Loan)	-	8,133,333
Secured by Hypothecation of specific Containers, Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius, the Ultimate Holding Company.		
State Bank of India (FCNR Term Loan including interest due)	-	13,542,000
Secured by Hypothecation of specific Containers and Corporate guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company.		
ICICI Bank (Trailer Loan)	30,722,743	-
Secured by Hypothecation of specific Trailers		
Standard Chartered Bank (Working Capital Overdraft)	-	71,431,091
Secured by first pari passu charge over the books debts of the company , Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius, the Ultimate Holding Company.		
Deutsche Bank AG, Mumbai (Working Capital Overdraft)	-	23,187,560
Secured by lien on Mutual Fund Investments of Shreyas Shipping and Logistics Limited, the Holding Company.		
TOTAL	<u>30,722,743</u>	<u>116,293,984</u>
SCHEDULE 3A : UNSECURED LOANS		
From Holding Company	52,500,000	-
TOTAL	<u>52,500,000</u>	<u>-</u>

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN ₹)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2010	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2011	AS AT 01.04.2010	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
CONTAINERS	165,016,661	2,189,710	-	167,206,371	27,347,373	7,925,510	-	35,272,883	131,933,488	137,669,288
FURNITURE & FIXTURES	1,440,043	719,200	-	2,159,243	769,028	25,218	-	794,246	1,364,997	671,015
COMPUTERS	1,816,024	539,310	15,800	2,339,534	788,649	354,643	7,963	1,135,329	1,204,205	1,027,375
OFFICE EQUIPMENTS	1,117,723	339,478	-	1,457,201	163,988	81,064	-	245,052	1,212,149	953,735
TRAILER (COMMERCIAL VEHICLE)	2,332,268	16,450,785	-	18,783,053	1,478,706	937,941	-	2,416,647	16,366,406	853,562
MOTOR VEHICLE	46,596	930,718	-	977,314	2,814	33,851	-	36,665	940,649	43,782
TOTAL AS ON 31.03.2011	171,769,315	21,169,201	15,800	192,922,716	30,550,558	9,358,227	7,963	39,900,822	153,021,894	141,218,757
TOTAL AS ON 31.03.2010	174,083,737	524,817	2,839,239	171,769,315	21,831,985	8,795,403	76,830	30,550,558	152,251,752	

Note :
Current year addition under Container Equipments include forex loss of ₹47,250/- (Previous Year forex gain of ₹25,69,311) towards adjustment for exchange differences arising on foreign currency loans related to acquisition of Container Equipments.

(AMOUNT IN ₹)

SCHEDULE 5 : SUNDRY DEBTORS

(Unsecured, Considered good, unless otherwise stated)

Debts outstanding for a period exceeding six months

Considered Good

147,699

1,105,886

Considered doubtful

1,754,184

3,826,144

Others

Considered Good

111,551,691

123,054,636

Considered doubtful

506,812

-

113,960,386

127,986,666

Less: Provision for doubtful debts

2,260,996

3,826,144

TOTAL
111,699,390
124,160,522
SCHEDULE 6 : CASH AND BANK BALANCES

Cash on Hand

39,379

25,795

With Scheduled Banks

in Current Accounts

9,850,777

4,742,101

in Margin Money Deposit*

300,000

-

Fund in Transit

300,000

-

Fixed Deposit

17,253

-

(*Pledged with Bank as Margin for Guarantees issued)

TOTAL
10,507,409
4,767,896

(AMOUNT IN ₹)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE 7 : OTHER CURRENT ASSETS		
Interest income accrued but not due	5,836	871
Claims Receivable	884,035	-
TOTAL	889,871	871
SCHEDULE 8 : LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	28,854,655	20,887,378
Advance Income Tax Less Provisions	11,765,458	26,193,800
Advance Fringe Benefits Tax Less Provisions	55,448	184,448
Gratuity Fund with Life Insurance Corporation	892,231	585,246
Deposits	1,227,047	821,001
Minumum Alternate Tax Credit Entitlements	17,410,444	8,647,598
TOTAL	60,205,283	57,319,471
SCHEDULE 9 : CURRENT LIABILITIES		
Sundry Creditors for Trade		
Due to Micro and Small Enterprises (excluding Interest)	578,735	147,895
Due to Others	80,977,828	75,628,078
Creditors for Expenses	16,826,963	8,908,121
Other Liabilities	971,150	2,603,799
TOTAL	99,354,676	87,287,893
SCHEDULE 10 : PROVISIONS		
Provision for Compensated Absence	2,426,303	2,548,762
Provision for Proposed Preference Dividend	11,000,000	11,000,000
Provision for Proposed Preference Dividend Distribution Tax	1,784,475	1,826,963
TOTAL	15,210,778	15,375,725

SCHEDULES TO PROFIT & LOSS ACCOUNT

(AMOUNT IN ₹)

	Year ended 31.03.2011	Year ended 31.03.2010
SCHEDULE 11 : OPERATING EARNINGS		
Domestic Service Income	1,012,283,492	861,423,565
Liner Income	106,407,721	35,733,345
Trailer Income	7,497,400	3,026,400
Warehouse Income	87,255	-
TOTAL	<u>1,126,275,868</u>	<u>900,183,310</u>
SCHEDULE 12: OTHER INCOME		
Interest on bank deposit (Gross)	7,218	-
Interest on Income Tax Refund	2,824,714	452,619
Sundry Creditors Written Back	1,202,178	39,187
Other Income	115,183	252,808
Excess Provision for Doubtful Debts No Longer Required-Written back	1,102,513	2,373,177
Other Provisions for Expenses No Longer Required-Written back	1,580,718	-
Profit/(Loss) on sale of Assets	-	1,496
TOTAL	<u>6,832,524</u>	<u>3,119,287</u>
SCHEDULE 13 : OPERATING EXPENSES		
Terminal Handling Charges Domestic	183,537,908	213,679,291
Transportation Expenses	116,919,813	77,420,063
Other Domestic Expenses	24,050,320	21,016,184
Terminal Handling Charges Liner	41,301,568	15,168,017
Other Liner Expenses	1,249,715	955,993
Godown Rent	582,129	57,000
Trailer Expenses	6,758,955	2,656,962
Container/Cargo Insurance	1,124,356	991,830
Container Lease Rent	22,554,524	18,388,101
Agency Fees	2,808,090	5,679,931
Brokerage / Commission	980,040	119,529
Ocean Freight Charges	615,449,444	426,688,315
TOTAL	<u>1,017,316,862</u>	<u>782,821,216</u>



(AMOUNT IN ₹)

SCHEDULE 14 : ADMINISTRATION & OTHER EXPENSES

Salaries and Other Allowances

Salaries and Bonus

Contribution to Provident Fund and Gratuity

Staff Welfare

TOTAL**Year ended
31.03.2011**Year ended
31.03.2010

21,821,711

19,496,091

753,502

942,288

2,552,157

2,123,520

25,127,37022,561,899

Bad debts W/off

Less:Provision for eariler year no longer required written back

TOTAL

462,636

5,409,099

462,636

4,867,082

-542,017

Communication Expenses

Travelling and Conveyance

Professional & Consultancy Fees

Printing & Stationery

Vehicle Lease Rent

Electricity Expenses

Insurance Expenses

Gifts & Presents

Rent

Loss on Sale / Discard of Assets

Director Sitting Fees

Rates and Taxes

Repairs and Maintenance

Donation

Exchange Difference

Miscellaneous Expenses

TOTAL

1,184,434

918,609

2,194,207

1,782,659

2,326,466

3,973,516

650,979

437,607

1,296,277

1,557,304

875,031

529,469

526,937

280,024

163,172

101,717

2,470,951

2,335,213

2,836

-

174,500

180,000

59,849

65,010

1,034,454

1,615,156

50,000

-

365,843

(662,449)

2,995,779

2,617,217

41,499,08538,834,968**SCHEDULE 15 : INTEREST**

On Loans for Fixed Periods

On Working Capital Loan & Overdraft

TOTAL

1,049,206

4,557,463

3,415,539

7,626,799

4,464,74512,184,262**SCHEDULE 16 : PROFIT AND LOSS ACCOUNT - DEFICIT**

Deficit transferred from Reserve and Surplus (Refer Schedule No. 2)

TOTAL

-

15,555,515

-15,555,515

SCHEDULE 17 : NOTES TO THE ACCOUNTS
SIGNIFICANT ACCOUNTING POLICIES
(i) Accounting basis and convention

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rule 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

When assets are retired or otherwise disposed off, the cost of such assets and related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in Profit and Loss Account.

(iii) Depreciation

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of second hand Trailers, the depreciation rate is based on balance useful life derived from the rate specified in Schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Where the cost of depreciable asset has undergone change due to increase/decrease in

- (a) Long term liability on account of exchange fluctuation.
- (b) Additions and major improvements forming an integral part of an asset, depreciation on such changes has been provided prospectively.

Fixed assets individually costing up to ₹5000 are fully depreciated in the year of purchase.

(iv) Foreign Exchange Transactions

a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.

b) The exchange differences on repayment/translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.

c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset with effect from 1st April, 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard -11.

d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognized in the Profit and Loss Account.

(v) Revenue Recognition

- a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills which is accounted on receipt basis.
- b) Operating Income represent freight earnings. Freight income is recognized once the ship sails from the port of loading.

(vi) Employee Benefits

The Company has a defined Contribution plan for Employees for Provident Fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss account. Company has no other obligation except the monthly contributions.

Company has defined benefit plans namely gratuity and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognized immediately in Profit and Loss Account as Income / Expense.

Any other termination benefits are recognized as expenses immediately on the basis of actual expenses.

(vii) Taxation

Provision for tax is made as per Income Tax Act, 1961. Deferred tax resulting from difference between book and tax profit is accounted for at the current rate of tax, to the extent the timing differences are expected to crystallize. Deferred tax assets are recognized only if there is reasonable

certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date. When there are unabsorbed depreciation and carry forward losses as per Income Tax act, deferred tax assets are recognized only if there exists virtual certainty of their realization. Credit for book profits tax is accrued if there is a reasonable certainty of it being set off against future normal tax.

(viii) Asset Impairment

The company reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which impairment takes places.

(ix) Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation cannot be measured or where a realistic estimate of the obligation cannot be made, contingent liabilities are recognized.

Contingent liabilities are also recognized when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more certain future events not wholly within the control of the company.

NOTES ON ACCOUNTS

(A) Gratuity Benefits

(a) Description of the Gratuity Plan:

The Company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees.

(b) Amount recognized in the Balance Sheet and movements in net liability:

(₹ in Lakhs)

Particulars	2010-2011	2009-2010
Present Value of Funded Obligations	30.93	25.31
Fair Value of Plan Assets	(40.67)	(31.42)
Amount not Recognized as an Asset (limit in Para 59(b))	0.82	0.26
Net Liability / (Asset) recognized in the Balance Sheet	(8.92)	(5.85)

Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation This is available for future adjustment and considered recoverable.

The fair value of the plan assets does not include the Company's own financial instruments.

The net asset recognized is grouped under "Loans & Advances".

(c) Expenses recognized in the Statement of Profit & Loss Account :

(₹ in Lakhs)

Particulars	2010-2011	2009-2010
Current Service Cost	3.18	3.10
Interest on Defined Benefit Obligation	2.16	1.38
Expected Return on Plan Assets	(2.42)	(1.11)
Net Actuarial Losses/ (Gains) Recognized in the year	(1.42)	(5.54)
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	0.56	0.26
Total	4.90	(1.91)

*The Actual Return on Plan Assets is ₹2.69 Lakhs (Previous Year ₹1.09 Lakhs).

(d) Reconciliation of Benefit Obligation & Plan assets for the Period

Change in Defined Benefit Obligation

(₹ In Lakhs)

Particulars	2010-2011	2009-2010
Opening Defined Benefit Obligation	25.31	16.06
Current Service Cost	3.18	3.10
Interest Cost	2.16	1.38
Actuarial Losses / (Gain)	1.68	(5.56)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / (Settled on Divestiture)	-	16.03
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(1.40)	(5.70)
Closing Defined Benefit Obligation	30.93	25.31

Change in Fair Value of Assets

(₹ in Lakhs)

Particulars	2010-2011	2009-2010
Opening Fair Value of Plan Assets	31.42	10.89
Expected Return on Plan Assets	2.43	1.11
Actuarial Gain / (Losses)	0.26	(0.02)
Assets Distributed on Settlements		-
Contributions by Employer	7.97	9.11
Assets Acquired on Acquisition / (Distributed on Divestiture)		16.03
Exchange Difference on Foreign Plans		0.00
Benefits Paid	(1.40)	(5.70)
Sub Total	40.68	31.42
Amount not recognized as per asset (Limit para 59(b))		(0.26)
Closing Fair Value of Plan Assets	40.68	31.16
Expected Employer's Contribution Next Year	5.00	5.00

(e) Actuarial Assumptions at the Valuation date

Particulars	2010-2011	2009-2010
Discount Rate	8.05% p.a.	8.00% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	10 % for the first year & 7% thereafter	10 % for the first 2 yrs & 7% thereafter

* This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Descriptions of the Plan Assets

Category of Assets	2010-2011	2009-2010
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(₹ In Lakhs)

Particulars	2010-2011	2009-2010	2008-2009
Defined Benefit Obligation	30.93	25.31	16.06
Plan Assets	40.68	31.42	10.89
Surplus / (Deficit)	9.75	6.11	(5.17)
Exp. Adj. on Plan Liabilities	1.81	(4.04)	(2.29)
Exp. Adj. on Plan Assets	0.26	(0.02)	0.17

(B) Privileged Leave Encashment (Compensated Absences for Employees)

- The Company permits encashment of privileged leave accumulated by their employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2010-2011	2009-2010
Discount Rate	8.05 % p.a.	8.00 % p.a.
Salary Escalation Rate	10% for the first yrs & 7% thereafter.	10% for the first 2 yrs & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(₹ In Lakhs)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	25.49	24.58
Closing balance of present value of Compensated Absences (Y)	24.26	25.49
Movement in Net Liability (X-Y)	1.23	(0.91)

(c) Payments made under defined contribution scheme.

(₹ In Lakhs)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Contribution to Provident Fund	7.54	11.33

- Information pursuant to para 4-D, clauses a,b,c and e of Part II of Schedule VI of the Companies Act, 1956 has not been given as general exemption has been granted by the Department of Company Affairs Vide notification no. S.O. 301(E) dated 8th February, 2011.

4. Foreign Currency exposures not hedged by derivative instrument.

(Amount in equivalent US Dollar)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
a) Receivables	2,036	686
b) Payables	42,804	135,439
c) FCNR Loan taken from Bank	-	3,00,000

The company does not have any derivatives exposures as at 31st March, 2011

5. Working for Earnings per share

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Weighted average number of Equity shares	25,00,000	25,00,000
Nominal value Per Share	₹10/-	₹10/-
Profit/(Loss) after Tax	₹42,973,781/-	₹60,877,274/-
Add/(Less) : Preference Dividend (including Dividend Distribution Tax)	(₹12,784,475)	(₹12,862,222)
Adjusted Balance for Calculation of EPS	₹30,189,306	₹48,015,052
Earnings Per Share (Basic & Diluted)	₹12.08	₹19.21

6. Deferred Tax

The Company has recognized Deferred Tax Liability relating to unabsorbed depreciation, provision for doubtful debts reversal as per Income Tax Act, employee defined obligations.

The breakup of net Deferred Tax Liabilities in Accounts is as below :

(Amount in ₹)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Deferred Tax Assets		
Timing Difference on :		
Provision for Compensated Absence	787,214	846,635
Provision for Doubtful Debts	733,580	1,225,966
Unabsorbed Loss	NIL	14,780,043
Less:		
Deferred Tax Liabilities		
Timing Difference on :	15,456,005	15,723,670
Depreciation		
Gratuity	289,484	194,404
Net Deferred Tax (Liability)/Assets	(14,224,695)	934,570

7. Sundry Debtors, Loans & advances include the following dues from companies under the same management.

(Amount in ₹)

Name of the Company	Year ended on 31.03.2011	Year ended on 31.03.2010	Maximum amount due at any one time during the year
Relay Shipping Agency Limited	NIL	13,090,809	14,432,929
Clarion Solutions Private Limited	20,118,755	4,851,682	21,946,133

8. Auditor's Remuneration (included in Administration & Other expenses-Schedule 14)

(Amount in ₹)

Name of the Company	Year ended 31.03.2011	Year ended 31.03.2010
i) As Auditors (including Service Tax)	882,400	496,350
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	165,450	99,270
b) Fees for Certification	NIL	1,103
iii) Out of Pocket Expenses	21,402	1,422

9. Contingent Liabilities

Particulars	As at 31.03.2011	As at 31.03.2010
a) Bank Guarantees issued to Customers/vendors.	22,75,000	5,505,000
b) Estimated amount of contracts on Capital Account not provided for.	NIL	NIL
c) Arrears of Dividend on Preference Shares (including Dividend Distribution Tax)	NIL	NIL
d) Claims against the Company not acknowledged as debts	NIL	709,031

10. Segment Reporting

- The company's business is only in one segment namely Logistics.
- Geographical Segment (Based on Location of customers)

(Amount in ₹)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
In India	1,109,253,757	896,365,559
In Pakistan	19,118,241	6,663,756
Rest of World	4,736,394	935,731
TOTAL REVENUE	1,133,108,392	903,965,046

11. Accounting for Lease

- a) The Company has taken Containers on Cancelable Operating Lease and the lease rental of ₹22,554,524/- (P.Y ₹18,388,101/-) is charged to the Profit and Loss Account.
- b) The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of ₹1,296,277/- (P.Y ₹1,557,304/-) is charged to the Profit and Loss Account.

12. Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.

Particulars	2010-2011	2009-2010
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Principal ₹578,735 Interest ₹20,952/-	Principal ₹147,895 Interest ₹2,139
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil

Particulars	2010-2011	2009-2010
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	₹20,952/-	₹2,139
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	₹20,952/-	₹2,139
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	N.A.	N.A.

13. Related Party Transactions (Refer Annexure 1)

14. Previous years figures have been regrouped/recast wherever necessary to conform to the current year's classifications.

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 0039905

S.Narasimhan
Partner
Membership No. 206047

Place: Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

Sameer Chavan
Company Secretary

Place: Mumbai
Date : 25th May, 2011

V. Ramnarayan
Executive Director



13) RELATED PARTY TRANSACTIONS (as on 31.03.11)

Amount in ₹ 000

TRANSACTION	Holding Company*	Fellow subsidiary*	Other Related Party	Other Related Parties*	Key Management personnel*	Total as at 31.03.2011	Total as at 31.03.2010
Service / freight / thc income received							
Relay Shipping Agency Ltd.	-	-	-	-	-	-	64,702.00
Clarion Solutions Pvt Ltd	-	-	138,598.40	-	-	138,598.40	145,076.00
Admec Logistics Ltd	-	-	141.18	-	-	141.18	938.00
Agency Fees /commission & brokerage							
Relay Shipping Agency Ltd.	-	-	352.96	-	-	352.96	8,474.00
Transworld Logistics Ltd	-	-	15.90	-	-	15.90	-
Clarion solutions Pvt. Ltd	-	-	1,112.25	-	-	1,112.25	730.00
Clarion Shipping Ltd - Colombo	-	-	34.33	-	-	34.33	5.00
Rent paid							
Sivaswamy Holdings Pvt. Ltd	-	-	1,751.78	-	-	1,751.78	1,788.00
Transworld Shipping & Logistics Ltd	-	-	289.93	-	-	289.93	-
Container charges paid							
Admec Logistics Ltd	-	-	4,905.33	-	-	4,905.33	3,296.00
Container lease rent received							
Albatross Shipping Ltd	-	-	195.48	-	-	195.48	561.00
Transoworld Logistics Ltd	-	-	369.77	-	-	369.77	-
Container lease rent paid							
Balaji Shipping Lines FZCO	-	-	4,353.51	-	-	4,353.51	3,477.00
Relay Shipping Agency Ltd	-	-	273.48	-	-	273.48	367.00
Transporation charges paid							
Admec Logistics Ltd	-	-	2,310.30	-	-	2,310.30	10,994.00
Clarion Solutions Pvt.Ltd	-	-	820.00	-	-	820.00	-
Balaji Shipping Lines FZCO	-	-	-	-	-	-	1,078.00
Trailor Income							
Admec Logistics Ltd	-	-	2,970.00	-	-	2,970.00	3,026.00
Clarlion Solutions Pvt. Ltd	-	-	1,347.00	-	-	1,347.00	-
	-	-	-	-	-	-	-

13) RELATED PARTY TRANSACTIONS (as on 31.03.11) (Contd.)

Amount in ₹000

TRANSACTION	Holding Company*	Fellow subsidiary*	Other Related Party	Other Related Parties*	Key Management personnel*	Total as at 31.03.2011	Total as at 31.03.2010
Trailer Expenses (Management fee)							
Admec Logistics Ltd	-	-	3,231.52	-	-	3,231.52	3,761.00
Clarlion Solutions Pvt. Ltd	-	-	1,454.75	-	-	1,454.75	-
Slot charges paid							
Shreyas Shipping & Logistics Ltd	633,467.91	-	-	-	-	633,467.91	430,497.00
Orient Express Lines Ltd	-	-	1,634.04	-	-	1,634.04	169.00
Loan received							
Shreyas Shipping & Logistics Ltd	60,000.00	-	-	-	-	60,000.00	-
Loan Repayment							
Shreyas Shipping & Logistics Ltd	7,500.00	-	-	-	-	7,500.00	-
Preference Dividend paid							
Shreyas Shipping & Logistics Ltd	11,000.00	-	-	-	-	11,000.00	5,605.00
Documentation income received							
Clarlion Solutions Pvt. Ltd	-	-	4,432.62	-	-	4,432.62	2,734.00
Other domestic income received							
Clarlion Solutions Pvt. Ltd	-	-	6,444.52	-	-	6,444.52	-
Relay Shipping Agency Ltd	-	-	131.48	-	-	131.48	-
Purchase of fixed assets							
Haytrans (India) Ltd	6.76	-	-	-	-	6.76	281.00
Relay shipping Agency Ltd	-	-	48.44	-	-	48.44	-
Sale of Fixed Assets							
Relay shipping Agency Ltd	-	-	5.00	-	-	5.00	-
Donation paid							
Sivaswami Memorial Charitable Trust	-	-	50.00	-	-	50.00	-
Total	711,974.67	-	177,273.99	-	-	889,248.66	687,559.00



13) RELATED PARTY TRANSACTIONS (as on 31.03.11)

Amount in ₹ 000

Nature of balance	Holding Company	Fellow subsidiary*	Other Related Parties*	Key Management personnel*	Total as at 31.03.2011	Total as at 31.03.2010
Debit balance due to company	-	-	22,687,386	-	22,687,386	39,300
Credit balance due from company	117,379,080	-	2,655,855	-	120,034,935	52,727

NOTE: 1) Figure have been adjusted for exchange rate variations

2) Reimbursement of expenses incurred by / to Group Companies is not included here.

* Names of related parties

Nature of relationship	Name of the related party
Holding Company	Shreyas Shipping & Logistics Ltd.
Fellow Subsidiary	Haytrans (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V. Ramnarayan
Other related parties	Admec Logistics Ltd. Albatross Shipping Ltd. Balaji Shipping Lines FZCO Clarion Solutions Pvt. Ltd. Clarion Shipping Ltd., Colombo Crescent Shipping Agency (India) Ltd. Meridian Shipping & Trdg LLC, Muscat OEL Shipping Agency SDN Bhd-PKL Orient Express Lines Ltd., Mauritius Orient Express Lines Ltd., Singapore Relay Shipping Agency Ltd. Seabridge Shipping Co LLC Sivaswamy Holdings Pvt. Ltd. Transworld Logistics Ltd. Transworld Management Consultancy P. Ltd

Additional information under Part IV of Schedule VI to the Companies Act, 1956 Balance Sheet Abstract and Company's General Business Profile.

I	Registration details	
	Registration No.	77152
	State Code	11
	Balance Sheet Date	31/03/2011
II	Capital raised during the year	Amount (₹ in '000)
	Public Issue	NIL
	Rights Issue	NIL
	Private Placement	NIL
III	Position of Mobilization and Deployment of Funds	Amount (₹ in '000)
	Total Liabilities	237,081
	Total Assets	237,081
	Source of Funds	
	Share Capital	125,000
	Reserves & Surplus	14,634
	Secured Loans	30,723
	Unsecured Loans	52,500
	Deferred Tax Liability	14,224
	Application of Funds	
	Net Fixed Assets	153,022
	Capital Working in Progress	15,323
	Investments	NIL
	Net Current Assets	68,736
	Misc. Expenditure	NIL
	Accumulated losses	NIL
IV	Performance of the Company	
	Turnover (Including other income)	1,133,108
	Total Expenditure	1,072,639
	Profit/(Loss) before Tax	60,469
	Profit/(Loss) after Tax and prior period item	42,973
	Profit/(Loss) after Exceptional Items	42,973
	Dividend on Preference Shares	11,000
	Tax on Preference Dividend	1,784
	Balance available to Equity Shareholders	30,189
	Earning per share including Exceptional Items (₹)	12.08
	Earning per share excluding Exceptional items (₹)	12.08
	Interim Equity Dividend Rate %	NIL
	Final Equity Dividend rate%	NIL
V	Generic Names of three Principal products/Services of the Company	
	Item Code No. (ITC Code)	NIL
	Product description	NIL

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman

V. Ramnarayan
 Executive Director

Sameer Chavan
 Company Secretary

 Place : Mumbai
 Date : 25th May, 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

Particulars	(Amount in ₹)	
	Year ended 31 st March, 2011	Year ended 31 st March, 2010
A Cashflow from operating activities		
Net profit/ (Loss) Before tax	60,469,473	60,666,748
Adjusted for Non cash/ Non operating item		
Depreciation	9,358,227	8,795,403
(Profit)/Loss on Sale of Fixed Asset	2,836	(1,496)
Interest Expenses	4,464,745	12,184,262
Interest income	2,831,932	(452,619)
Operating Profit Before Working Capital changes	(a) 77,127,213	81,192,298
Adjustments for Increase/Decrease in Working Capital		
Increase/(Decrease) in Current Assets		
Sundry Debtors	(12,461,132)	35,389,123
Margin money deposits	300,000	(630,000)
Other Current assets	889,000	(13,553,305)
Loans & Advances	17,443,154	4,741,154
	6,171,022	25,946,972
Less: Increase/(Decrease) in Current Liabilities	11,944,325	9,666,475
Net increase/(Decrease) in working Capital	(b) (5,773,303)	16,280,497
Cash Generated from/(used in) operations Operations	(a) - (b) = (c) 82,900,516	64,911,801
Less: Taxation	(12,220,913)	(4,805,667)
NET CASH FROM OPERATING ACTIVITIES	(A) 95,121,429	69,717,468
B Cash flow from investing activities		
(Addition) to Fixed Assets including capital advances	(36,492,036)	(524,817)
Sale of Asset	5,002	194,593
Interest income	(2,831,932)	452,619
NET CASH FROM INVESTING ACTIVITIES	(B) (39,318,966)	122,395
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(33,071,241)	(55,345,903)
Issue of Preference Share	-	-
Preference Share Dividend & Distribution Tax Paid	(12,826,963)	(6,558,131)
Interest Expenses	(4,464,745)	(12,184,262)
NET CASH FROM FINANCING ACTIVITIES	(C) (50,362,949)	(74,088,296)
NET CHANGES IN CASH & CASH EQUIVALENT	(A+B+C) 5,439,514	(4,248,433)
CASH & CASH EQUIVALENTS - OPENING BALANCE	4,767,896	9,016,329
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	5,439,514	(4,248,433)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	10,207,410	4,767,896
CLOSING CASH & CASH EQUIVALENTS CONSISTS OF (Refer Schedule 6)		
CASH ON HAND	39,379	25,795
BALANCE WITH SCHEDULED BANK IN CURRENT ACCOUNT	10,168,031	4,742,101
TOTAL	10,207,410	4,767,896

Notes: 1) The above statement has been prepared by indirect method

2) Cash and Cash equivalents include cash and bank balances except Margin money Deposits.

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn No. 003990S

S. Ramakrishnan
Chairman

V. Ramnarayan
Executive Director

S.Narasimhan
Partner
Membership No. 206047

Sameer Chavan
Company Secretary

Place : Mumbai
Date : 25th May, 2011

Place : Mumbai
Date : 25th May, 2011

Directors' Report

Your Directors are pleased to present the 30th Annual Report and the Audited Accounts of the Company for the financial year ended 31st March 2011.

FINANCIAL PERFORMANCE

	(Amount in ₹)	
	Current year ended 31.03.2011	
	Previous year ended 31.03.2010	
Income	21,882,300	11,957,060
Expenditure	12,586,806	18,723,285
Profit Before Tax	8,831,060	(6,766,225)
Less: Earlier year Expenses/Exceptional Item	(560,261)	817,517
Less: Provision for Taxation	-	-
Profit After Tax	8,270,799	(7,583,743)
Add: Balance B/F	(31,945,569)	(24,361,826)
Amount available for appropriation	(23,674,770)	(31,945,569)

DIVIDEND

Your Directors do not recommend any Dividend for the financial year 2010-11.

REVIEW OF OPERATIONS

Haytrans (India) Limited - Subsidiary of Shreyas Shipping and Logistics Limited is engaged in the field of Air Cargo Freight Forwarding. The main segments handled by Company are:

1. Air Import
2. Air Export
3. Custom House Agent.

In the field of Air Cargo Freight Forwarding, the Company offers door to door services through it's wide spread agency network world wide, to various Government as well as Private Sector clients. The Company is engaged with Government clients like National Chemical Laboratories, National Institute of Virology, Indian Institute of Science, Education and Research and various other clients on a annual contract basis to provide above stated services.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

HOLDING COMPANY

Your Company continues to be subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 4(1)(b) of the Companies Act, 1956.

SUBSIDIARY COMPANY

The Company has no subsidiary company during the year under review.

COMPLIANCE CERTIFICATE

Your Directors wish to state that pursuant to Section 383A of the Companies Act, 1956, the Company has obtained requisite Certificate from a Company Secretary in whole time practice.

DIRECTORS

In accordance with the Articles of Association of the Company and the relevant provisions of the Companies Act, 1956, Mr. V. Ramnarayan, Director, retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

Capt. P.P. Radhakrishnan has been appointed as a Nominee Director of Shreyas Shipping and Logistics Limited with effect from 30th October, 2007.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors confirm, to the best of the knowledge and belief, that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures has been made for the same;
- b) appropriate accounting policies have been selected and applied consistently, and such judgment and estimates have been made that are reasonable and prudent so as to give a

true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on 31st March, 2011;

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Annual Accounts have been prepared on a 'going concern' basis'.

AUDITORS

M/s. K. L. Murty & Co., Chartered Accountants, retires at the conclusion of the 30th Annual General Meeting and offers themselves for re-appointment. A certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Under Notification Number GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company. With regard to

foreign exchange earnings and outgo, the position is as under:

Sr. No.	Particulars	Amount in ₹ Lakhs (2010-11)
(i)	Foreign exchange earnings (on accrual basis)	73.16
(ii)	Foreign exchange outgo including operating and other expenditure, purchase of containers in foreign currency (on accrual basis).	110.57

PERSONNEL

For the financial year 2010-11 none of the employee's salary exceeds ₹60 lacs p.a. or ₹5 lacs p.m.

ACKNOWLEDGMENTS

Your Directors take this opportunity to express their gratitude for the excellent assistance and co-operation received from the Company's clients, vendors, business associates and bankers, employees and look forward for their continued support.

For and on behalf of the Board of Directors

Place: Mumbai
 Date: 25th May, 2011

S. Ramakrishnan
 Chairman

AUDITORS' REPORT

To

The Members of HAYTRANS (INDIA) LIMITED

1. We have audited the attached Balance Sheet of Haytrans (India) Limited as at 31st March 2011, and the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board, in terms of sub-section 4A of Section 227 of the Companies Act, 1956 (Order) we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to in paragraph-3 above and subject to, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with note no. 1(f)(1) and (3) of Schedule J regarding not providing gratuity and leave benefits of employee on the basis of actuarial valuation thereto, the said accounts give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011; and
 - b) in the case of the Profit and Loss account, of the Profit for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. L. Murty & Co
Chartered Accountants
Firm Reg No. 106721W

K. Uma Murty
Proprietor

Place : Mumbai
Dated : 25th May, 2011

Membership Number: 016634

ANNEXURE TO THE AUDIT REPORT

- i. (a) Based our scrutiny of the company's books of accounts and other records and according to the information and explanation given to us, we are of the opinion that company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets are physically verified by management at year end. As informed to us, there is no material discrepancies were noticed on such verification.
- (c) During the year, company has not disposed substantial Fixed Assets.
- ii (a) As the company is engaged in Freight Forwarding business, clause (a), (b) and (c) to para 4(ii) are not applicable.
- iii (a) According to the information an explanation given to us, The Company has not granted any loans secured or unsecured to the parties covered in the register maintained Under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (a), 4(iii) (b) and 4 (iii) (c) of the Order are not applicable.
- (b) According to the information an explanation given to us, during the year, Company has not taken any unsecured loan.
- iv In our opinion and according, to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of fixed assets, and with regard to the services rendered. During the course of our audit, no major weakness has been noticed in the internal controls
- v Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been properly entered.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
- vii. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.
- viii. In respect of this company, maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- ix. a According to the records of the company and information and explanations given to us, the company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year.
- b According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income tax, Sales Tax, Service-tax, Wealth Tax, Customs Duty, Excise Duty and Cess which were in arrears as at March 31, 2011 for a period of more than six months from the date on which they become payable.
- c According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- x. The company has accumulated losses are more than 50% of net worth of the company at end of the year. The company has not incurred cash loss during the financial year covered by audit but has incurred cash loss during the immediately preceding financial year.
- xi. 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 and banks.
- xii. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- xiii. In our opinion, the Company is not a Chit fund or a Nidhi/ Mutual Benefit fund/ Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xiv. On the basis of our examination of the company's records, company has not entered any transactions in respect of trading in securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi. According to the information and explanations given to us, no term loans were availed by the Company during the year.
- xvii. According to the information and explanations given to us and on an overall examination of Balance Sheet basis, funds raised on short term basis, prima facie, have not been used during the year for long term investment.

- xviii. The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956, during the year.
- xix. According to the information and explanations given to us and the records examined by us, no debentures were issued by the company.
- xx. The Company has not raised any money through public issue during the year.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For K.L.Murty & Co
Chartered Accountants
Firm Reg No. 106721W

K. Uma Murty
Proprietor
Membership Number: 016634

Mumbai:
Dated : 25th May, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

(AMOUNT IN ₹)

	SCHEDULE	AS AT 31.03.2011	AS AT 31.03.2010
I SOURCES OF FUNDS:			
1) SHAREHOLDERS FUNDS:			
a) Share Capital	A	27,045,000	27,045,000
b) Reserves & Surplus	B	938,840	938,840
c) Secured Loans	C	10,221,200	15,709,446
TOTAL		38,205,039	43,693,285
II APPLICATION OF FUNDS:			
1) FIXED ASSETS:			
a) Gross Block	D	1,807,008	1,698,708
b) Less: Depreciation		1,447,771	1,303,710
c) Net Block		359,237	394,999
2) INVESTMENTS	E	185,435	184,751
3) CURRENT ASSETS, LOANS & ADVANCES			
a) Sundry Debtors	F	14,610,736	7,028,622
b) Cash and Bank Balance		829,152	3,894,429
c) Loans & Advances		16,197,290	21,435,980
		31,637,178	32,359,031
LESS: CURRENT LIABILITIES & PROVISIONS			
a) Sundry Creditors and other liability	G	16,274,886	16,563,275
b) Provisions		1,376,694	4,627,790
		17,651,580	21,191,065
NET CURRENT ASSETS		13,985,597	11,167,966
4) DEFERRED TAX ASSETS		-	-
5) PROFIT & LOSS ACCOUNT (DR.)		23,674,770	31,945,569
TOTAL		38,205,039	43,693,285
NOTES TO ACCOUNTS	J		

AS PER OUR REPORT ATTACHED

FOR K. L. MURTY & CO.
 Chartered Accountants
 Registration No. 106721W

K. Uma Murty
 Proprietor
 Membership No. : 016634

 Place : Mumbai
 Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman

V. Ramnarayan
 Director

 Place : Mumbai
 Date : 25th May, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(AMOUNT IN ₹)

	SCH	FOR THE YEAR ENDED 31.03.2011	FOR THE YEAR ENDED 31.03.2010
I Freight Forwarding Income :	H		
Gross Revenue		142,314,107	85,630,199
Less: Operating Expenses		126,954,139	74,839,918
Gross Profit		15,359,968	10,790,282
Other Income	H	6,522,332	1,166,778
TOTAL INCOME		21,882,300	11,957,060
II EXPENDITURE			
A) Admin. & Other Charges	I	11,191,256	16,030,314
B) Finance Charges		1,240,748	2,434,178
C) Depreciation		154,801	258,793
TOTAL EXPENDITURE		12,586,806	18,723,285
III PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL ITEMS AND TAXATION		9,295,495	(6,766,225)
Less : Exceptional Items (Old Bal W/off)		464,435	-
IV PROFIT AFTER EXCEPTIONAL ITEMS AND PRIOR YEAR ITEMS AND BEFORE TAXATION		8,831,060	(6,766,225)
V Less : Provision for Taxation			
: -> Current		-	-
: -> Deffered		-	-
: -> FBT		-	-
		-	-
VI PROFIT AFTER EXCEPTIONAL ITEMS AND PRIOR YEAR ITEMS AND TAXATION		8,831,060	(6,766,225)
Add/(Less):Excess/(Short) Provision for Taxes Earlier years		(560,261)	(817,517)
		8,270,799	(7,583,743)
VII Add: Balance C/F from previous year		(31,945,569)	(24,361,826)
VIII AMOUNT AVAIBLE FOR APPROPRIATION		(23,674,770)	(31,945,569)
IX APPROPRIATION			
Balance Transferred to Balance Sheet		(23,674,770)	(31,945,569)
		(23,674,770)	(31,945,569)
NOTES TO ACCOUNTS	J		

AS PER OUR REPORT ATTACHED

FOR K. L. MURTY & CO.
 Chartered Accountants
 Registration No. 106721W

K. Uma Murty
 Proprietor
 Membership No. : 016634

Place : Mumbai
 Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman

V. Ramnarayan
 Director

Place : Mumbai
 Date : 25th May, 2011

SCHEDULE FORMING PART OF ACCOUNTS

(AMOUNT IN ₹)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE - A		
SHARE CAPITAL		
1 AUTHORISED :		
25000 Equity shares of ₹100/- each	<u>2,500,000</u>	<u>2,500,000</u>
2 ISSUED, SUBSCRIBED & PAID UP :		
20,450 Equity shares of ₹100/- each Fully Paid-up in Cash	<u>2,045,000</u>	<u>2,045,000</u>
3 SHARE APPLICATION MONEY	<u>25,000,000</u>	<u>25,000,000</u>
TOTAL	<u><u>27,045,000</u></u>	<u><u>27,045,000</u></u>
SCHEDULE - B		
RESERVES AND SURPLUS		
SHARE PREMIUM	<u>938,840</u>	<u>938,840</u>
TOTAL	<u><u>938,840</u></u>	<u><u>938,840</u></u>
SCHEDULE - C		
SECURED LOANS		
Standard Chartered Bank-Cash Credit	<u>10,221,200</u>	<u>15,709,446</u>
	<u><u>10,221,200</u></u>	<u><u>15,709,446</u></u>

SCHEDULE-D
FIXED ASSETS

DESCRIPTION	LAND	PREMISES	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	VEHICLES	BICYCLES	TOTAL
COSTS AS ON 1/4/2010	-	-	42,066	1,656,642	-	-	1,698,708
ADDITIONS				125,800			125,800
TOTAL	-	-	42,066	1,782,442	-	-	1,824,508
DEDUCTIONS	-			17,500			17,500
TOTAL AS ON 31/03/2011	-	-	42,066	1,764,942	-	-	1,807,008
ACCU. DEPRECIATION AS ON 1/4/2010	-	-	12,107	1,291,603	-	-	1,303,710
DEPRECIATION FOR THE YEAR			5,423	149,378			154,801
DEPRECIATION DEDUCTION				10,739			10,739
ACCU. DEPRECIATION AS ON 31/03/2011	-	-	17,530	1,430,241	-	-	1,447,771
NET BLOCK AS ON 31/03/2011	-	-	24,536	334,701	-	-	359,237
NET BLOCK AS ON 31/03/2010	-	-	29,959	365,040	-	-	394,999

SCHEDULES FORMING PART OF ACCOUNTS

(AMOUNT IN ₹)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE E : INVESTMENTS		
Unquote Shares :		
Transcorp Finance Limited (1,00,000 Equity Shares of ₹10/- each)	1,000,000	1,000,000
Less: Provision for Dimunation in value of investment	1,000,000	1,000,000
Investment in Mutual Fund - Kotak Liquid Fund	185,435	184,751
TOTAL	185,435	184,751
SCHEDULE - F :		
CURRENT ASSETS LOANS & ADVANCES		
A) <u>CURRENT ASSETS</u>		
1. Sundry Debtors (Unsecured - considered Good)		
- Not exceeding six months	13,119,072	6,652,701
- Exceeding six months	1,491,664	16,249,830
	14,610,736	22,902,531
Less : Prov for Doubtful Debts	-	15,873,909
	14,610,736	7,028,622
2. CASH AND BANK BALANCES		
a) Cash on hand	13,199	27,054
b) Balance in Current Accounts with Banks	815,953	3,867,375
A	15,439,888	10,923,051
B) <u>LOANS AND ADVANCES</u>		
1. (Advances recoverable in cash or in kind or for value to be received)		
a) Deposits	1,766,183	1,582,302
b) Loans and advances	440,861	189,472
	13,990,246	19,664,207
2. Taxes Paid (Advance Tax + TDS Receivables)	-	-
B	16,197,290	21,435,980
TOTAL (A+B)	31,637,178	32,359,031
SCHEDULE - G :		
CURRENT LIABILITIES & PROVISIONS		
A) <u>CURRENT LIABILITIES :</u>		
1. Sundry Creditors	10,875,529	12,137,411
2. Creditors for Expenses	5,399,358	4,425,865
A	16,274,886	16,563,275
B) <u>PROVISIONS :</u>		
1. For Taxation	-	1,160,000
2. For Leave Salary & Gratuity Prov.	756,694	1,229,261
3. For Fringe Benefit Tax	620,000	2,238,529
B	1,376,694	4,627,790
TOTAL (A + B)	17,651,580	21,191,065

SCHEDULES FORMING PART OF THE ACCOUNTS

(AMOUNT IN ₹)

	FOR THE YEAR ENDED 31.03.2011	FOR THE YEAR ENDED 31.03.2010
SCHEDULE H : INCOME		
<u>FREIGHT FORWARDING INCOME:</u>		
Gross Revenue	142,314,107	85,630,199
Less: Operating Expenses	126,954,139	74,839,918
Gross Profit	15,359,968	10,790,282
Other / Miscellaneous Income;		
- Profit on Sale of Assets	-	-
- Rent Income	-	244,440
- Dividend income	684	6,290
- Interest Income	537,682	503,331
- Misc. Income	47,060	15,396
- Foreign Exchange Gain	64,316	397,321
- Excess Provision no Longer Required - W/Back	5,872,590	-
	6,522,332	1,166,778
	21,882,300	11,957,060
TOTAL		
SCHEDULE I : OPERATING AND OTHER EXPENSES		
1. <u>Salaries , Bonus and other Benefits:</u>		
a) Salaries	6,238,266	6,088,572
b) Staff Welfare Expenses	442,940	207,309
c) Contribution to Esic	-	-
d) Group Gratuity	(335,775)	974,952
e) Leave Salary	(108,338)	53,445
f) Contribution to Provident Fund	324,834	323,413
	6,561,927	7,647,691
2. Rent , Rates and Taxes	404,705	551,945
3. Electricity Charges	159,600	143,292
4. Printing and Stationary	205,568	103,168
5. Vehicle Fuel & Maintenance	454,134	593,188
6. Insurance Charges	-	73,914
7. Postage, Telegram, Telephone & Telex	473,680	437,026
8. Travelling & Conveyance:	336,567	337,902
9. Legal & Professional Fees	443,886	461,309
10. Business Promotion Expenses	116,969	133,825
11. Auditors Remuneration	144,919	148,710
12. Repairs & Maintenance	359,559	229,420
13. Office Expenses	149,747	115,467
14. Software developments charges	152,458	84,394
15. Personnel Delegation Expenses	-	-
16. Profit /Loss on sale of Assets	-	246,485
17. General Expenses	278,653	368,224
18. Membership & Subscription	54,231	44,954
19. Exchnage Rate - Loss	187,285	108,084
20. Bad & D/Debts w/off	6,324,473	14,382
20 a. Less Excess Provision no longer required W/off	(5,617,104)	-
	707,369	14,382
21. Provision for Bad & D/Debts	-	4,186,935
22. Provision for Dimunition in value of share	-	-
TOTAL	11,191,256	16,030,314

SCHEDULE - J :-**1. THE SIGNIFICANT ACCOUNTING POLICIES SUMMARISED BELOW :-****a) BASIC OF ACCOUNTING**

The financial statement are prepared under the historical cost convention on an accrual basis.

b) FIXED ASSETS AND DEPRECIATION

1. All Fixed Assets are stated at cost less depreciation Cost of acquisition includes inward freight duties and Taxes and incidental expenses related to acquisition and installation.

2. I) Depreciation on all assets has been provided by the Written Down Value method at the rates specified in in Schedule XIV of the companies Act, 1956.

II) Depreciation on assets acquired during the year is provided on pro-rata basis.

c) SUNDRY DEBTORS

Sundry Debtors are stated after making adequate provision for doubtful debts, if any.

d) LOANS & ADVANCES

Loans and advances are stated at realizable values.

e) RECOGNITION OF INCOME & EXPENDITURE

Items of Income and Expenditure are recognized on accrual basis.

f) EMPLOYEES BENEFITS

1. The Company contributes to an approved Gratuity fund with Life Insurance Corporation of India (LIC). The Contribution to the fund are charged to the Revenues account in the respective Financial year.

2. Contribution of Provident Fund are made on monthly basis and charged to the revenue account in the respective Financial Year.

3. Leave Salary.

Provision for Leave Salary is made on accrual basis.

g) TAXES ON INCOME

Current income Tax and Fringe Benefit tax is measured at the amount expected to be paid to income tax authorities in accordance with income tax act.

Deferred tax for timing difference between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially

enacted as of the date of balance sheet date. Deferred Tax assets are recognised to the extent there is reasonable certainty that these assets can be realised in future.

2. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of Current Assets, Loans & Advances in the ordinary course of business would not be less than the amount at which they stated in the balance sheet except to the extent considered doubtful and not provided for.

3. Confirmation of balances of Sundry Creditors, Sundry Debtors and Loans & Advances has not been received and hence balances are subject to reconciliation and adjustments if any.

4. Payment to auditors :-

(Amount in ₹)

	2010-11	2009-10
i) Audit Fees	100,000	100,000
ii) Tax audit fees	25,000	25,000
iii) Out of pockets	5,039	5,039
iv) Service Tax	12,875	12,875
Total	142,914	142,914

5. Information pursuant to Paras 3 & 4 of schedule VI to the Companies Act 1956

(₹ In Lakhs)

	2010-11	2009-10
i) Earning in foreign currency	73.16	12.56
ii) Expenditure in Foreign Currency	110.57	48.22

6. DEFERRED TAXES

	2010-11	2009-10
Deffered Tax Asset on Unabsorbed P & L	-	-
Deffered Tax Asset for Difference in WDV of Assets	-	-
Deffered Tax Asset on Leave Salary	-	-
	-	-

Considering the uncertainty of realisation of deferred tax asset in future, no deferred tax assets has been recongnised during the current year.

7. Segment Reporting

a) Segment wise Revenue & Results

Particulars	31.03.2011	31.03.2010
Revenue by Segment		
- Sea Division	-	1,933,596
- Air Division	142,314,107	83,696,603
	142,314,107	85,630,199
Segment Results : Gross Profit		
- Sea Division	-	(87,838)
- Air Division	15,359,968	10,878,120
	15,359,968	10,790,282
Add: Other Income	6,522,332	1,166,778
Less: Administrative Expns	11,191,256	16,030,314
Less: Finance Cost	1,240,748	2,434,178
Less: Depreciation	154,801	258,793
Profit Before Exceptional Item and Taxation	9,295,495	(6,766,225)

8. In terms of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, the outstanding to these enterprises are required to be registered under the Act. In absence of information about registration of enterprises under the above act, the required information could not be furnished.
9. Related Party Transactions - Refer Annexure - 1
10. Figures have been rounded off to nearest Rupee.
11. The figures in respect of previous years have been regrouped wherever necessary.
12. Schedules A to J form an integral part of accounts and have been duly authenticated.

AS PER OUR REPORT ATTACHED

FOR K. L. MURTY & CO.
 Chartered Accountants
 Registration No. 106721W

K. Uma Murty
 Proprietor
 Membership No. : 016634

 Place : Mumbai
 Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman

V. Ramnarayan
 Director

 Place : Mumbai
 Date : 25th May, 2011

Annexure 1

RELATED PARTY TRANSACTIONS AS ON 31/03/2011

Amt ₹ in '000

Particulars	10-11	09-10
Forwarding Income :		
Shreyas Shipping & Logistics Ltd.	10	-
Forwarding Expenses :	-	-
Rent Paid		
Sivaswamy Holdings Pvt Ltd.	168	168
Agency Fees Paid	-	-
Freight Expenses	-	-
Personnel Delegation	-	-
Interest Expenses on Loan Taken	-	-
Allotment of Equity Shares alongwith Premium Share Application Money Received		
Shreyas Shipping & Logistics Ltd.	-	12,800
Loan Taken		
Sale of Assets		
Shreyas Relay Systems Ltd.	7	281
Repayment of Loan Taken	-	-
Debit Bal Due To Company	223	721
Credit Balance Due From Company	2,813	2,587

Names of the Related Parties

Nature of Relationship	Name of the Related Parties
Holding Company	Shreyas Shipping & Logistics Ltd.
Fellow Subsidiary	Shreyas Relay Systems Ltd.
Other Related Parties	United Arab Shipping Agency Co. (I) Pvt. Ltd. Cresecent Shipping Agency (I) Pvt. Ltd. Meridian Shipping Agency Pvt. Ltd. NLS Agency (I) Pvt. Ltd. Transworld Logistics Ltd. TLPL Logistics Pvt. Ltd. Albatross Shipping Ltd. Relay Shipping Agency Ltd. Meridian Shipping Trading LLC Sea Bridge Shipping TLSS - USA

SCHEDULE VI - PART IV

BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE (Inserted by Notification No. GSR 388 (E), dated 15.5.1995)

1.	Registration Details	22476 of 2002
	Registration No.	State Code 11
	Balance Sheet Date	31.03.2011
2.	Capital Raised during the period	(Amt. in ₹)
	Public issue	Nil
	Right issue	Nil
	Bonus issue	Nil
	Private placement	Nil
3.	Position of Mobilisation and Deployment of funds	
	Total Liabilities	38,205,039
	Total Assets	38,205,039
	Sources of Funds	
	Paid up Capital	27,045,000
	Reserves & Surplus	938,840
	Secured Loans	10,221,200
	Unsecured Loans	Nil
	Application of Funds	
	Net Fixed Assets	359,237
	Investments	185,435
	Net Current Assets	13,985,597
	Misc. Expenditure	-
	Deferred Tax Asset	-
	Accumulated Losses	Nil
4.	Performance of Company	
	Turnover	148,836,439
	Total Expenditure	140,005,379
	Profit Before Tax	8,831,060
	Profit After Tax	8,270,799
	Earning per share in	404.44
	Dividend @ % per share	-
5.	Generic Names of Three Principal Products/Services of Company	
	(as per monetary terms)	
	Item Code No. (ITC Code)	This is a C & F Agency Company
	Product Description	

AS PER OUR REPORT ATTACHED

FOR K. L. MURTY & CO.
Chartered Accountants
Registration No. 106721W

K. Uma Murty
Proprietor
Membership No. : 016634

Place : Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Place : Mumbai
Date : 25th May, 2011

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2011

(AMOUNT IN ₹)

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
A Cashflow from operating activities		
Net profit / (Loss) Before Exceptional tax	9,295,495	(6,766,225)
Adjusted for:		
Depreciation	154,801	258,793
Amortisation of misc expenses	-	-
Profit on Sale of Assets	-	-
Loss on Sale of Fixed Asset	-	246,485
Bad & D/Debts W/off - (Net of Reversal of Provisions)	707,369	
Excess Provision no longer required - W/back	(5,872,590)	
Interest Expenses	1,240,748	2,434,178
Interest income	(537,682)	(503,331)
Exchange Gain on Current Assets & Liabilities	187,285	108,084
Diminution in value of investments		
Operating Profit Before Working Capital changes	(A) 5,175,427	(4,222,017)
Adjustments for in Working Capital		
increase / (Decrease) in in Current Assets		
Sundry Debtors	2,977,153	(35,086,566)
Margin money deposits	-	-
Other Current assets	-	-
Loans & Advances	(5,238,690)	(2,876,430)
	(2,261,537)	(37,962,996)
Less: Increase / (Decrease) in Current Liabilities & Provisions	(3,539,485)	(29,961,755)
Net increase/(Decrease) in working Capital	(B) (1,277,948)	8,001,241
Cash Generated from Operations	(A)-(B)=(C) 3,897,479	3,779,224
Less: Taxation	-	-
Less: Exceptional Items	464,435	-
Less: Dividend (Including DDT)	-	-
NET CASH FROM OPERATING ACTIVITIES	(A) 3,433,044	3,779,224
B Cash flow from investing activities		
Addition to Fixed Assets including capital advances	(125,800)	-
Sale of Asset	6,761	281,458
Purchase of Investment	(684)	(6,290)
Interest Income	537,682	503,331
NET CASH FROM INVESTING ACTIVITIES	(B) 417,959	778,499
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(5,488,246)	(24,402,063)
Issue of Equity Share	-	25,000,000
Deferred Payment credit for purchase consideration		
Interest Expenses	(1,240,748)	(2,434,178)
Exchange Gain/(Loss) on current Assets & Liabilities	(187,285)	(108,084)
NET CASH FROM FINANCING ACTIVITIES	(C) (6,916,279)	(1,944,324)
NET CHANGES IN CASH & CASH EQUIVALENT	(A+B+C) (3,065,276)	2,613,399
CASH & CASH EQUIVALENTS - OPENING BALANCE	3,894,429	1,281,030
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(3,065,276)	2,613,399
CASH & CASH EQUIVALENTS - CLOSING BALANCE	829,152	3,894,428
CLOSING CASH & CASH EQUIVALENTS CONSIST ; (Refer Schedule F)		
CASH ON HAND	13,199	27,054
BALANCE WITH SCHEDULE BANK IN CURRENT ACCOUNT	815,953	3,867,375
TOTAL	829,152	3,894,429

Notes: 1) The above statement has been prepared in indirect method

2) Cash and Cash equivalents include cash and bank balance except Margin money Deposits.

AS PER OUR REPORT ATTACHED

FOR K. L. MURTY & CO.
Chartered Accountants
Registration No. 106721W

K. Uma Murty
Proprietor
Membership No. : 016634

Place : Mumbai
Date : 25th May, 2011

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Place : Mumbai
Date : 25th May, 2011

23rd ANNUAL REPORT

ATTENDANCE SLIP



Registered office : 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai - 400 088.

I/We hereby record my/our presence at the Twenty third Annual General Meeting of the Company held at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp. Vijaya Bank, Chembur, Mumbai - 400 071 on Wednesday, 17th August, 2011 at 11.00 am.

**NAME & ADDRESS OF THE SHARE HOLDER
(IN BLOCK LETTERS)**

L.F. NO.

NO. OF SHARES HELD

*DP Id No.

*Client Id No.

SIGNATURE / NAME OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If Shareholder, please sign here	If Proxy, please sign here
Name	Name

Name :

1. You are requested to sign and hand this over at the entrance.
2. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy form must be deposited at the Registered office of the Company at 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai - 400 088 not less than 48 hours before the time for holding the meeting.
3. If you are attending the meeting in person or by proxy, your copy of the Balance Sheet may please be brought by you/your proxy for reference at the meeting.

*In case of dematerialised shares.



PROXY FORM

Registered office 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai - 400 088.

I/We of of
in the district of being a Member/Members of the above named Company, hereby
appoint of
in the district of or failing him
of in the district of as my/our proxy to attend and vote for me/us and
on my/our behalf at the Twenty third Annual General Meeting of the Company to be held on Wednesday, 17th August, 2011 and at any
adjournment thereof.

Signed this day of 2011

Signature _____

Please Affix ₹ 1/- Revenue Stamp

Registered Folio : _____
DP ID No. : _____
Client ID No. : _____
No. of Shares : _____

Notes:

1. The Proxy form must be deposited at the Registered Office of the Company 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai - 400 088, not less than 48 hours before the time for holding the Meeting.
2. This form is to be used ^{* in favour} the resolution. Unless otherwise _{* against} directed, the Proxy will act as he thinks fit.

*strike out whichever is not applicable.



SHREYAS
SHIPPING & LOGISTICS LTD

FINANCIAL HIGHLIGHTS

(₹ in Lacs except where stated otherwise)

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08*	2008-09*	2009-10*	2010-11*
Operating Earnings	6,492.67	6,757.39	7,689.86	9,683.74	14,136.35	17,911.46	29,011.57	28,730.67	15,398.73	19,038.73
Other Income	116.14	147.92	693.08	82.22	373.29	571.12	741.23	3,082.71	(394.06)	256.92
Total Income	6,608.81	6,905.31	8,382.94	9,765.96	14,509.64	18,482.58	29,752.80	31,813.38	15,004.67	19,295.65
Operating Expenses	4,768.15	5,252.90	5,925.77	5,772.37	9,285.73	13,187.27	24,363.80	26,279.80	13,789.23	14,928.72
Administration & Other Expenses	305.76	371.09	493.03	462.22	527.06	838.16	1,766.84	2,234.65	1,018.21	1066.41
PBDIT	1,534.90	1,281.32	1,964.14	3,567.37	4,696.85	4,457.15	3,621.99	3,298.93	197.23	3,300.52
Interest	569.10	273.91	174.65	85.44	193.12	485.81	1,335.53	1,028.60	459.51	675.39
PBDT	965.80	1,007.41	1,789.49	3,481.93	4,503.73	3,971.33	2,286.46	2,270.33	(262.28)	2,625.13
Depreciation	605.58	666.96	786.93	756.70	865.60	963.23	1,399.03	1,445.31	1,248.40	1,149.24
PBT	360.22	340.45	1,002.56	2,725.23	3,638.13	3,008.11	887.43	825.02	(1,510.68)	1,475.89
Tax	53.55	278.19	271.77	29.77	115.5	296.77	69.99	262.83	59.82	198.2
PAT (including prior year item)	306.67	106.53	730.79	3,573.68	3,522.63	3,119.15	645.52	558.61	(1,570.50)	1,277.69
Share Capital	1,982.42	3,282.42	3,282.42	3,282.42	3,495.75	3,495.75	3,495.75	3,105.75	2,995.75	2,995.75
Reserves & Surplus	2,623.64	2,303.86	2,632.94	5,503.25	11,563.46	12,864.30	11,806.04	12,627.88	10,938.76	11,828.84
Net Worth	4,606.06	5,586.28	5,915.36	8,785.67	15,059.21	16,360.05	15,301.79	15,733.63	13,934.51	14,824.59
Loan Funds	5,271.75	4,760.51	1,582.24	2,624.74	2,647.36	15,893.08	23,125.08	10,202.01	8,489.27	6,120.64
Fixed Assets (Net) (including Capital work-in-progress)	9,392.09	10,209.73	7,945.95	10,121.12	11,343.24	26,866.11	37,068.49	21,780.25	18,616.58	17,920.31
Investments	223.75	224.51	14.05	3.11	4,322.41	2,097.14	444.32	1,889.99	1,456.89	509.89
Net Current Assets	106.97	84.47	152.46	1,286.18	2,062.66	3,340.73	989.45	2,265.4	2,340.97	2,657.28
EPS (Annualised) (₹) (excluding exceptional items)	1.55	0.24	3.02	12.87	16.92	11.69	3.10	2.05	(7.69)	5.33
Debt Equity Ratio	1.14	0.85	0.27	0.30	0.18	0.97	1.51	0.65	0.61	0.41
Dividend Per Equity Share (₹)	0.60	-	1.20	2.00	2.20	2.20	2.00	-	-	1.10
Book Value per share (₹)	23.23	21.62	22.45	32.88	62.29	60.10	54.18	71.65	59.78	63.87

* Consolidated figures have been presented.

BOOK POST

If undelivered, please return to:

Shreyas Shipping & Logistics Ltd.

2nd Floor, Sahyadris, Geetmala Complex, Near Shah Industrial Estate,
Opp. Deonar Village Road, Govandi (E), Mumbai - 400 088.