



SHAHI SHIPPING LIMITED

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2021- 2022
ANNUAL REPORT



Sarvesh Kumar Shahi
Chairman & Managing Director



32nd ANNUAL GENERAL MEETING SHAHI SHIPPING LIMITED

Board of Directors

Mr. Sarvesh Kumar Shahi - Chairman & Managing Director

Ms. Anjali Shahi - Non-Executive - Non Independent Director

Mr. Sanjeev Kumar Singh - Independent Director

Mr. Omprakash Ramdhin Singh - Independent Director

Company Secretary /Compliance Officer

Mr. Nungavaram Vaidyanathan Agandeswaran
(up to March 18, 2021)

Chief Financial Officer

Ms. Vijila Vincent Nadar

Registrar & Share Transfer Agent

Link Intime India Private Limited

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

Statutory Auditors

M/s. B P Shah & Co.
Chartered Accountants

Registered Office

404, Abhay Steel House,
Baroda Street, Mumbai - 400 009
Tel.: 91 (22) 61454545 / 23487340/41/42
Fax: 91 (22) 23487349 / 50

Website: www.shahilogistics.com

E-mail: shahishippingsecretarial@gmail.com

CORPORATE OFFICE

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

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NOTICE

Notice is hereby given that the **32nd (Thirty Second) Annual General Meeting** of the Members of SHAHI SHIPPING LIMITED will be held on Saturday, September 24, 2022 at 11 A.M., IST through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), to transact the business as stated hereinunder, in compliance with provisions of the Companies Act 2013, rules made and the circulars issued thereunder. The venue of the meeting shall be deemed to be the Registered Office of the Company at 404, Abhay Steel House, 4th Floor, Baroda Street, Mumbai - 400 009.

Ordinary Business:

1. To receive, consider and adopt:

Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the reports of the Board of Directors' and Auditors' thereon.

2. To approve re-appointment of Director Retiring by Rotation:

To appoint a Director in place of Ms. Anjali Shahi, Non-Executive (Non-independent) Director of the Company (DIN: 03363248), who retires by rotation and, being eligible, offers herself for re-appointment.

3. To approve re-appointment of Statutory Auditors of the Company:

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time M/s. B. P. Shah & Co., Chartered Accountants, Mumbai (Firm Registration number 109517W) and a Firm of Statutory Auditor of the Company whose term is set to expire at the 32nd Annual General Meeting of the Company have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a subsequent term of five years to hold office from the conclusion of this 32nd Annual General Meeting until the conclusion of the 37th Annual General Meeting, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to goods and service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

SPECIAL BUSINESS:

4. To approve re-appointment of Mr. Sarvesh Kumar Shahi (DIN: 00359535), Managing Director of the Company with effect from April 01, 2023 to March 31, 2026:

To re-appoint Mr. Sarvesh Kumar Shahi (DIN: 00359535), as the Managing Director of the Company for the period starting from April 01, 2023 to March 31, 2026 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolutions as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors and in accordance with the provisions of Sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section II of Part II [Para (B)] of Schedule V thereto (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company and such other modification(s), if any, Mr. Sarvesh Kumar Shahi (DIN: 00359535), be and is hereby re-appointed as the Managing Director of the Company with the effect from April 01, 2023, for a period of 3 (three) years, up to March 31, 2026, upon such terms and conditions in this regard as the board may deem fit and proper, with liberty to the Board of Directors to alter and vary any such terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Sarvesh Kumar Shahi.

RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and is hereby authorised to alter and vary any such terms and conditions of the said appointment in terms of the Companies Act, 2013 (or any statutory modifications or re-enactment thereof) and the agreement entered into, if any, between the Company and Mr. Sarvesh Kumar Shahi, shall be suitably amended to give effect to such modification, relaxation or variation.

RESOLVED FURTHER THAT the terms of re-appointment between the Company and Mr. Sarvesh Kumar Shahi, shall carry a condition that, it may be terminated by either party by giving to the other party three months advance notice in writing.



RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), read with the Articles of Association of the Company, approval of the members be and is hereby accorded for payment of remuneration to Mr. Sarvesh Kumar Shahi (DIN : 00359535) as a Managing Director of the Company, for a period of 3 (three) years which, shall not exceed Rs. 5,00,000 (Rupees Five Lakh) per month or Rs. 60,00,000 (Rupees Sixty Lakh) per annum up to March 31, 2026, upon such terms and conditions as set out in the Agreement entered / to be entered into between the Company and Mr. Sarvesh Kumar Shahi (DIN: 00359535) in this regard, with liberty to the Board of Directors to alter and vary any such terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Sarvesh Kumar Shahi.

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

Place: Mumbai
Date: August 12, 2022

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

Sd/-

Savesh Kumar Shahi
Chairman and Managing Director
DIN No. 00359535

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

Notes:

1. The relevant explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, read with the relevant Rules made thereunder (the “Act”), setting out the material facts and reasons, in respect of Item No. 3 & 4 of this Notice, is annexed herewith.
2. In view of the continued effects of COVID-19 Pandemic, the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022 (“MCA Circulars”) and Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/ CMD2/CIRP/P/2022/62 dated May 13, 2022, and other applicable circulars issued in this regard permitted the holding of the Annual General Meeting (‘AGM’) through Video Conferencing (‘VC’) facility or other audio visual means (‘OAVM’), without the physical presence of the Members at a common venue. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 32nd AGM of the Company is being convened and will be conducted through VC/ OAVM. The proceedings of the AGM will be deemed to have been conducted at the Registered Office of the Company at 404, Abhay Steel House, 4th Floor, Baroda Street, Mumbai - 400 009, which shall be deemed venue of the AGM.
3. Pursuant to the provisions of the companies act, 2013 (“act”), a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the company, However, since this AGM is being held pursuant to the MCA circulars and SEBI circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form, attendance slip and route map of the AGM are not annexed to this notice.
4. **ELECTRONIC DISPATCH OF ANNUAL REPORT INCLUDING NOTICE OF ANNUAL GENERAL MEETING:**
 - i) In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 2/2021 dated 13th January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
 - ii) The Notice of Annual General Meeting and Annual Report for the Financial Year 2021-22 will also be available on the Company’s website at www.shahilogistics.com website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and website of the RTA at www.linkintime.co.in. Members can attend and participate in the Annual General Meeting through VC / OAVM facility only.



5. PROCESS FOR REGISTRATION OF EMAIL ID AND BANK ACCOUNT DETAILS:

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

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

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

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

6. Updation of PAN and other details:

SEBI vide its Circulars dated November 3, 2021 and December 14, 2021 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through Form ISR-1. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the RTA, Link Intime India Private Ltd., at www.linkintime.co.in and furnish the requisite details.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile number, PAN, registration of nomination, power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.

7. Members attending the meeting through VC / OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to shahishippingsecretarial@gmail.com.
9. Members who wish to inspect the relevant documents referred to in the Notice can send an email to shahishippingsecretarial@gmail.com upto the date of the AGM.
10. Members of the Company holding shares either in physical form or in Dematerialised forms as on cut-off date i.e. Saturday, September 17, 2022 will be entitled to vote on the resolutions proposed in the Notice.
11. Members are requested to quote their Folio No. or DP ID/ Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
12. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, September 18, 2022 to Saturday, September 24, 2022 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.

INSTRUCTIONS FOR E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS FOLLOWS:

13. INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:

A. VOTING THROUGH ELECTRONIC MEANS:

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged the services of Link Intime India Private Limited as the Agency to provide e-voting facility for voting through remote e- Voting, for participation in the 32nd AGM through VC/OAVM Facility and e-Voting during the 32nd AGM.



- b) The Board of Directors of the Company has appointed CS Sanjay Parab, designated partner of M/s. SPRS & Co. LLP, Company Secretaries as the Scrutinizer, to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- c) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Saturday, September 17 2022.
- d) The voting period begins on Wednesday, September 21, 2022 at 09.00 a.m. (IST) and ends on Friday, September 23, 2022 at 5.00 p.m. (IST). The E-Voting module shall be disabled by Link Intime India Private Limited for voting thereafter. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Saturday, September 17, 2022 only shall be entitled to cast their vote either through remote e-voting or through E voting at the AGM.
- e) The details of the process and manner for remote e-voting are explained herein below:

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL

Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.

Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will



be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
 - A. **User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

***Shareholders/ members holding shares in *physical form* but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above**

 - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click “confirm” (Your password is now generated).
3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.



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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%^), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

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

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

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

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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



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

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

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

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

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

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

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

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

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

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

General Guidelines for shareholders:

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in> under Help section or write an email to enotices@linkintime.co.in or Call on :- Tel : 022 - 49186000.



Any person, who acquires shares of the Company and become member of the Company after sending the Notice of AGM through electronic mode and holding shares as on the cutoff date, may obtain the login ID and password by sending a request at helpdesk. enotices@linkintime.co.in.

- The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes casted at the AGM and thereafter unblock the votes casted through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.shahilogistics.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the BSE Limited and the service provider Linkintime India Private Limited.

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

1. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime India Private Limited by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
2. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairmans of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors, Scrutinizer etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.
3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
 1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
 - Select the “**Company**” and “**Event Date**” and register with your following details: -
 - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.

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

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

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



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

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

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

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

Sd/-

Sarvesh Kumar Shahi
Chairman & Managing Director
DIN No. 00359535

Place: Mumbai

Date: August 12, 2022

Registered Office:

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



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

The following explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, sets out all material facts relating to the business mentioned in Item No. 3 in the accompanying notice:

Item No. 3:

M/s. B. P. Shah & Co., Chartered Accountants, Mumbai (Firm Registration number 109517W), were appointed as the Statutory Auditors of the Company at the AGM of the Company held on August 12, 2017 for a period of five years starting from the conclusion of the 27th AGM held on August 12, 2017 till the conclusion of the 32nd AGM to be held in the year 2022.

The Company is proposing to re-appoint M/s. B. P. Shah & Co., Chartered Accountants, Mumbai (Firm Registration No. 109517W), as Statutory Auditors for a period of 5 years commencing from the conclusion of 32nd Annual General Meeting of the Company in FY 2022-23 till the conclusion of 37th Annual General Meeting of the Company to be held in FY 2027-28, at such remuneration, as recommended by the Audit Committee to the Board and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

M/s. B. P. Shah & Co., have consented to their appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3) (g) of the Companies Act, 2013 and relevant Rules framed thereunder.

The Audit Committee and the Board of Directors at their respective meetings held on May 30, 2022 recommend the appointment M/s. B. P. Shah & Co., Chartered Accountants, Mumbai (Firm Registration No. 109517W) as Statutory Auditors for a period of 5 years commencing from the 32nd Annual General Meeting of the Company in FY 2022-23 till the conclusion of 37th Annual General Meeting of the Company to be held in FY 2027-2028.

Accordingly, your directors recommend above resolution to be passed as an Ordinary Resolution for appointment of M/s. B. P. Shah & Co., Chartered Accountants, Mumbai (Firm Registration No. 109517W) as Statutory Auditors of the Company for a term of five consecutive years, i.e from the conclusion of this 32nd Annual General Meeting of the Company in FY 2022-2023 until the conclusion of 37th Annual General Meeting of the Company to be held in FY 2027- 2028.

Disclosures pertaining to re-appointment of M/s. B. P. Shah & Co., Chartered Accountants as Statutory Auditor as per regulation 36(5) of the SEBI Listing Regulations:

i. Proposed fees payable to the statutory auditor - M/s. B. P. Shah & Co.

The remuneration payable to the Statutory Auditors during the proposed term shall be mutually agreed between the Board of Directors and Auditors.

ii. Terms of re-appointment:

Pursuant to the provision of Section 139 of the Companies Act, 2013, M/s. B. P. Shah & Co., Chartered Accountants are proposed to be appointed for a term of 5 (five) consecutive years, from the conclusion of this 32nd Annual General Meeting of the Company in FY 2022-2023 until the conclusion of 37th Annual General Meeting of the Company to be held in FY 2027- 2028.

iii. Credentials of the statutory auditor and basis of recommendation for appointment:

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 30, 2022 proposed the appointment of M/s. B. P. Shah & Co, Chartered Accountants, having ICAI Firm Registration No. 109517W, as the Statutory Auditors of the Company.

The Board of Directors recommends the "Ordinary Resolution" as set out at Item No. 3 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in the passing of this resolution as set out in Item No. 3.

Item No. 4:

Mr. Sarvesh Kumar Shahi, (DIN 00359535), aged about 65 years, was appointed as an Managing Director of the Company for period of three years with effect from April 1, 2020 with remuneration of Rs. 5,00,000 per month or Rs. 60,00,000 (Rupees Sixty Lakh) per annum for a term of three years i.e. till March 31, 2023.

The said term of three (03) years will be completed on March 31, 2023.



Pursuant to Third Amendment to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide SEBI notification no. No. SEBI/LAD-NRO/GN/2021/35 dated August 3, 2021 to be effective with effect from January 01, 2022, and based on the recommendations from Nomination and Remuneration Committee, the Company is proposing his candidature for the re-appointment (to be made in advance) as a Managing Director of the Company.

Pursuant to the recommendation of the Nomination and Remuneration Committee, The Board of Directors at its meeting held on August 12, 2022, has approved the said re-appointment and remuneration payable to Mr. Sarvesh Kumar Shahi, for the term of three years with effect from April 1, 2023 to March 31, 2026, in terms of the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee approved the remuneration to be paid to Mr. Sarvesh Kumar Shahi, which shall not exceed Rs. 5,00,000 (Rupees Five Lakh) per month or Rs. 60,00,000 (Rupees Sixty Lakh) per annum for a term of three years i.e. till March 31, 2026 with such additional perquisites and retirement benefit, expressly permitted by Schedule V of the Companies Act, 2013, subject to the approval of shareholders' of the Company at the ensuing Annual General Meeting.

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

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

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

Save and except otherwise, Mr. Sarvesh Kumar Shahi and Ms. Anjali Shahi, to the extent of the their shareholding interest, in the Company, None of the other Directors/Key Managerial Personnel of the Company/their relatives, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item 4.

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



Annexure to Notice:

Information of Director seeking re-appointment under Section 152 of the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Requirements) Regulations, 2015 and Secretarial Standard-2

A brief profile and other details of Directors being appointed/ re-appointed as required under Securities Exchange Board of India (Listing Obligation & Disclosure Requirements), Regulations, 2015.

| Nature of appointment/ Re-appointment | Director liable to retire by rotation seeking reappointment | Director seeking re-appointment on or after completion of the tenure |
|---|---|---|
| Name of the Director | Ms. Anjali Shahi | Mr. Sarvesh Kumar Shahi |
| Director Identification Number | 03363248 | 00359535 |
| Date of Birth | 24.12.1985 | 07.03.1957 |
| Age | 37 years | 65 years |
| Date of joining the Board | 13.02.2019 | 26.10.1990 |
| Qualification | Ms. Anjali Shahi is an INSEAD MBA, France and has a bachelors' degree in Business Administration from Singapore Management University. | Executive Management Course at Massachusetts Institute of technology (MIT) Boston, USA |
| Profile of the Director | <p>Ms. Anjali Shahi has diverse professional experience including:</p> <p>Working as a Business Consultant with the Redpill Solutions at Singapore during the year(s) 2007-2009 Working as a Financial Controller at SKS Logistics Limited during the year(s) 2009-2011</p> <p>Working as an Associate with the Avest Capital at Singapore handling portfolios like due diligence and project management during the year(s) 2011-2012</p> <p>Working as a Senior Product Manager and Senior Finance Analyst with Amazon EU Sari at Luxembourg handling portfolios like Product Management and Financial Planning and Analyst during the year(s) 2014-2017</p> | <p>Mr. Sarvesh Kumar Shahi heads Shahi Shipping Limited as Managing Director since its establishment. Being Managing Director of the Company since October 29, 1990, he has laid success story for Company's business from its inception. He being the Promoter of the Company has taken utmost care to maintain Company's business moving forward all these years. Mr. Sarvesh Kumar Shahi (DIN 00359535), has wide experience and knowledge of shipping industry.</p> |
| Past Remuneration | - | Rs. 5,00,000 (Rupees Five Lakhs) per month / Rs, 60,00,000 (Rupees Sixty Lakhs) per Annum |
| Proposed Remuneration | - | Rs. 5,00,000 (Rupees Five Lakhs) per month / Rs, 60,00,000 (Rupees Sixty Lakhs) per Annum |
| No. of Board Meetings attended during the Financial Year 2021-22 | 4 | 4 |
| Shareholding as on 31.03.2022 | Nil | 20,28,165 Equity Shares of Rs. 10 each |



| | | |
|--|--|--|
| Directorship in other Companies (excluding Private and Foreign Companies) | Nil | 1. Shahi Gasol Limited 2. Royal Logistics (Ship) Limited 3. Confederation of India Maritime Industry 4. World Brahmarshi Foundation |
| Directorships and Committee memberships in other Private companies | Speakeasy Spirits Private Limited | 1. Gesundheit Medicare Private Limited 2. Arikem Pharma Private Limited |
| Chairmanship and Membership at the Committees of the Board of the Company | Member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee | Nil |
| Relationships / Pecuniary relationship between Directors interested | Daughter of Mr. Sarvesh Kumar shahi – Chairman and Managing Director of the Company | Father of Ms. Anjali Shahi – Non Executive Non Independent Director of the Company |

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

Sd/-

Sarvesh Kumar Shahi
Chairman & Managing Director
DIN No. 00359535

Place: Mumbai
Date: August 12, 2022

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

**DIRECTORS' REPORT**

To,

The Members,
SHAH SHIPPING LIMITED

Your Directors are pleased to present herewith the 32nd (Thirty Second) Annual Report of Shahi Shipping Limited (**'the Company'**) along with the Audited Financial Statements for the financial year ended March 31, 2022.

1. FINANCIAL PERFORMANCE:

The summarized financial highlights of the Company are given below:

(Rs. In Lakhs)

| Particulars | 2021-22 | 2020-21 |
|---|---------|----------|
| Revenue from operations | 940.29 | 933.82 |
| Other income | 225.49 | 47.10 |
| Total Income | 1165.78 | 980.92 |
| Profit/(Loss) before Interest, Depreciation, Finance Cost and Tax Expense | 109.09 | 12.12 |
| Finance Cost | 47.01 | 66.05 |
| Depreciation | 77.46 | 85.65 |
| Profit/(Loss) before Tax, Prior Year Adjustment & Exceptional Item | (15.38) | (139.58) |
| Exceptional Item | - | - |
| Deferred Tax | (6.90) | (26.11) |
| Current Tax | - | - |
| Profit/ (Loss) After Tax | (8.48) | (113.47) |
| Other Comprehensive Income / Loss | - | - |
| Total Comprehensive Income / (Loss) | (8.48) | (113.47) |

Notes:

The above financial results have been prepared in accordance with Indian Accounting Standards ("IND-AS") as specified under Section 133 of Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

2. PERFORMANCE REVIEW:

The Key Highlights of the Company's performance (Standalone) for the year ended March 31, 2022 are as under:

- Net Revenue from operations recorded at Rs. 940.29 Lakhs as against revenue of Rs. 933.82 Lakhs in the previous financial year.
- PBDT recorded at Rs. 109.09 Lakhs as against last year's figure of Rs. 12.12 Lakhs.
- Net Loss after tax is recorded at Rs. 8.48 Lakhs against corresponding previous year's net loss of Rs. 113.47 Lakhs.

Your Company has continued with its mission to remodel its business with long term goal based on its intrinsic strength, brand, and quality of service, customer relationships and streamlining production and other operations.

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

The Shahi Shipping Limited operates in the field of transportation of cargo and lighter age operation in the inland water limits of any port of India. The Company owns 13 vessels and are operating with various private and Government bodies. The size of the vessels ranges between DWT 150 tons to DWT 1500 tons. The Company has expertise in designing low draft vessels suitable for operations on Indian coasts. During the reporting financial year, there was no change in nature of business activity.



4. SHARE CAPITAL:

The Authorized Equity Share Capital of the Company as on March 31, 2022 is Rs. 30,00,00,000/- (Rupees Thirty Crore Only), comprising of 3,00,00,000 (Three Crore Only) Equity Shares of Face Value of Rs. 10/- (Rupees Ten Only) each.

The paid up share capital of the Company as on March 31, 2022 is Rs. 14,49,48,740 comprising of 1,44,94,874 equity shares of Rs. 10/- each. During the year under review, the Company has not issued any Equity Shares.

5. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY

There is no change in the nature of the business of the Company or of its subsidiary, during the year under review.

6. DIVIDEND:

The Board of Directors has not recommended any dividend for the Financial Year 2021-22.

7. AMOUNT TRANSFERRED TO RESERVE:

The Company has not transferred any amount to the reserves during the Financial Year 2021-22.

8. MATERIAL CHANGES AFFECTING THE COMPANY:

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

9. HUMAN RESOURCE DEVELOPMENT:

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

10. SUBSIDIARY COMPANIES:

The Company has one subsidiary, namely Royal Logistics (Ship) Ltd., which have not commenced their operations. Hence, the consolidated financial statement of the Shahi Shipping Limited and its subsidiary, Royal Logistics (Ship) Ltd has not been prepared. During the period under review, name of other subsidiary of the Company namely SKS Waterways Limited, have been struck off from the records of the Ministry of Corporate Affairs.

11. SECRETARIAL STANDARDS:

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

12. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) In preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent as to give a true and fair view of the state of affairs of the Company as at the end of Financial Year March 31, 2022 and of the loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and are operating effectively during the financial year ended March 31, 2022; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2022.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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



The Board of Directors as on March 31, 2022 comprised of the following directors:

| Name of Director | Director Identification Number/ Permanent Account Number | Designation |
|-----------------------------|---|--|
| Mr. Sarvesh Kumar Shahi | 00359535 | Executive Director Chairman - MD |
| Ms. Anjali Shahi | 03363248 | Non-Executive - Non Independent Director |
| Mr. Omprakash Ramdhin Singh | 08597117 | Non-Executive - Independent Director |
| Mr. Sanjeev Kumar Singh | 08698524 | Non-Executive - Independent Director |
| Ms. Vijila Vincent Nadar | ATEPN0400C | Chief Financial Officer |

Change in Directors:

i. Retirement by rotation and subsequent re-appointment:

In accordance with the provisions of the Act read with Articles of Association of the Company, Ms. Anjali Shahi (DIN: 03363248), Non-Executive (Non Independent) Director of the Company, is due for retirement by rotation at the forthcoming 32nd (Thirty Second) Annual General Meeting (AGM), and she being eligible, offered herself for re-appointment pursuant to provisions of Section 152 of the Act.

ii. Re-appointment of Managing Director:

At the AGM held on September 18, 2021, Mr. Sarvesh Kumar Shahi (DIN: 00359535), was re-appointed as the Managing Director of the Company, for the period of 3 (Three) years with effect from April 1, 2020 to March 31, 2023, which were approved and recommended by the Nomination and Remuneration Committee in their meeting held on February 12, 2021, Board of Directors in their meeting held on February 12, 2021 and is in compliance with the provisions of the Act/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Third Amendment to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide SEBI notification no. No. SEBI/LAD-NRO/GN/2021/35 dated August 3, 2021 to be effective with effect from January 01, 2022, and based on the recommendations from Nomination and Remuneration Committee, the Company is proposing his candidature for the re-appointment (to be made in advance) as an a Managing Director of the Company.

iii. Regularization of Additional Director by Member's in 31st AGM:

At the Board Meeting held on February 05, 2021, Mr. Omprakash Ramdhin Singh (DIN: 08597117), was appointed as the Additional Director (Independent Non-Executive Director) of the Company, which were further approved by the Members' at their meeting held on September 18, 2021 and is in compliance with the provision of the Act/ Listing Regulations.

Except the above, there was no change in the composition of the Board of Directors and the Key Managerial Personnel's (KMPs) of the Company during the financial year 2021-22.

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

Further, brief resume of the directors proposed to be appointed/re-appointed, relevant information, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and the memberships/chairmanships of Committees of the Board and their shareholding in the Company, as stipulated under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, have been furnished separately in the Notice convening the 32nd Annual General Meeting read with the Annexure thereto forming part of this Report.

The Company has received necessary declaration from all directors stating that they are not debarred or disqualified from being appointed or continuing as Directors of companies as per the Securities and Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs or any such other Statutory Authority. The Company has also received Disclosure of Interest by Directors as per the provisions of Section 184 of the Act.

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

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



14. BOARD EVALUATION:

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

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

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

At the separate meeting of independent directors held on February, 14, 2022 performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated objectively, taking into account the views of executive directors and non-executive directors.

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

15. INDEPENDENT DIRECTOR:

(i) Declaration from Independent Directors

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

(ii) Criteria for Performance Evaluation

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

(iii) Details of familiarization Programme

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

16. MEETINGS:

During the Financial year 2021-22, the Board of Directors of the Company met Four times (4) times. The intervening gap between any two meetings was within the period prescribed under the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 including circulars/ notifications issued by the Ministry of Corporate Affairs and the SEBI. The details of meetings held are given in the Corporate Governance Report.

17. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

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

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

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

The Nomination and Remuneration Policy is attached herewith this report as **Annexure I**.

**18. INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY:**

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

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

The Audit Committee regularly reviews the internal control system to ensure that it remains effective and aligned with the business requirements. In case weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls.

19. ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the Financial Year March 31, 2022 is uploaded on the website of the Company and can be accessed at www.shahilogistics.com.

20. DETAILS OF COMMITTEES OF THE BOARD:

At present, the Board has three committees, namely the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. As at the end of the Reporting period dated March 31, 2022, the composition of various committees is as per the applicable provisions of the Act along with the Rules and SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015. The brief details of various committees, terms of reference is provided separately in the Corporate Governance report.

21. AUDIT COMMITTEE:

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

22. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has been constituted as per section 178 (5) of the Act read with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as at the end of the Financial Year. The Stakeholders Relationship Committee is empowered to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of financial statement and non-receipt of dividend etc. The details pertaining to composition of Stakeholders Relationship committee are included in the Corporate Governance Report, which forms part of this report.

23. NOMINATION AND REMUNERATION COMMITTEE:

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

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

At the 27th AGM of the Company held on August 12, 2017, and pursuant to provisions of the Act and the Rules made thereunder, M/s. B. P. Shah & Co., Chartered Accountants (Firm Registration No. 109517W), were appointed as Statutory Auditors of the Company from the conclusion of the 27th AGM till the conclusion of the 32nd AGM to be held in the year 2022.

The Audit Report of M/s. B. P. Shah & Co., on the Financial Statements of the Company for FY 2021-22 forms part of this Integrated Annual Report. The Report does not contain any qualification, reservation, adverse remark or disclaimer.



The Board of Directors of the Company at its Meeting held on May 30, 2022, based on the recommendation of the Audit Committee, has recommended the re-appointment of M/s. B. P. Shah & Co., Chartered Accountants (Firm Registration No. 109517W), as the Statutory Auditors of the Company, pursuant to Section 139 of the Act for a subsequent term of five (5) consecutive years i.e. from the conclusion of the 32nd AGM till the conclusion of the 37th AGM to be held in the year 2027, subject to the approval of the Members in the ensuing 32nd Annual General Meeting of the Company

Accordingly, an Ordinary Resolution proposing the re-appointment of M/s. B. P. Shah & Co., Chartered Accountants as the Statutory Auditors of the Company for a second term of five (5) consecutive years is set out in the Notice of the 32nd AGM forming part of this Integrated Annual Report. The Company has received their written consent along with the eligibility certificate confirming that they satisfy the criteria provided under Section 141 of the Act and that the re-appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had on recommendation of the Audit Committee, at its meeting held on June 28, 2021, appointed M/s. Vikas R. Chomal & Associates, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2021-22 and issue Secretarial Audit Report.

Further, the Board of Directors has, upon recommendation of the Audit Committee, at its Meeting held on May 30, 2022 has re-appointed M/s Vikas Chomal & Associates as the "Secretarial Auditor" of the Company for the Financial Year 2022-23.

The Secretarial Audit Report issued by M/s. Vikas R. Chomal & Associates for the financial year 2021-22 in Form MR-3 forms part of this report and marked as **Annexure - II**.

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

| Sr. No. | Auditors' Observation | Financial Year (FY) for which the violated related | Management Reply |
|---------|---|--|---|
| 1. | As per SEBI's circular no. CIR/ISD/3/2011 dated 17th June 2011, 100% of Promoter and Promoter shareholding Groups should dematerialized. The Promoter and Promoter Groups Shareholding of the Company is not 100% held in dematerialized form. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | The Promoter and Promoter Groups Shareholding of the Company is still not 100% held in dematerialized form. |
| 2. | As per Regulation 14 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all listed companies are required to pay Annual Listing Fees (ALF) to the Stock Exchange where its securities are listed, before the 30th of April every year. The Company has not paid the annual listing fees to the stock exchange. | 1. FY 2022-23 2. FY 2021-22 3. FY 2020-21 4. FY 2019-20 | The Company states that it is intending to clear all the outstanding dues towards the Listing Fees on priority basis. |
| 3. | As per Regulation 46 and 62 of the SEBI LODR Regulations, 2015, the Company shall disclose the prescribed information on the website of the Company. The website of the Company do not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | The Company is in process of updating the requisite information on the website of the Company. |
| 4. | As per Regulation 6 of the SEBI LODR Regulations, 2015, a listed entity shall appoint a qualified company secretary as the compliance officer. The Company does not have a Company Secretary and a Compliance officer as on the date of this report. | 1. FY 2021-22 2. FY 2020-21 | The Company is yet to appoint a Company Secretary and Compliance officer as on the date of this report. |



| Sr. No. | Auditors' Observation | Financial Year (FY) for which the violated related | Management Reply |
|---------|--|--|---|
| 5. | As per Regulation 18, 19, 20 of the SEBI LODR Regulations, 2015, a listed entity is required to constitute the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in the manner specified in the said Regulations. The Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee is not as per the provisions of the Regulation 18, 19, 20 of the SEBI LODR Regulations, 2015 | FY 2020-21 | The fine imposed is yet to be paid / applied for waiver by the Company. |
| 6. | As per Regulation 23(9) of the SEBI LODR Regulations, 2015, a Listed entity is required to submit the half yearly disclosure on Related Party Transactions with Stock Exchange where its securities are listed The Company failed to submit the disclosure on Related Party Transactions for the half year ended on 30th September 2020 as per Regulation 23(9) of SEBI LODR Regulations. | FY 2020-21 | The fine imposed is yet to be paid / applied for waiver by the Company. |
| 7. | As per Regulation 34, a copy of annual Report is to be submitted to the stock exchange not later than the day of commencement of dispatch to shareholders. The Company has filed a copy of Annual Report beyond the prescribed limit with the stock exchange not later than the day of commencement of dispatch to shareholders. | FY 2020-21 | The fine imposed is yet to be paid / applied for waiver by the Company. |
| 8. | Pursuant to the Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014, every company other than a government entity must file a return in Form DPT 3 with the Registrar of Companies. on a yearly basis The Company has not filed the returns for the financial year 2021-22. | FY 2021-22 | The Company is in process of filing the Form DPT-3 on priority basis. |

c) Internal Auditor:

The Board of Directors of the Company have re-appointed M/s. Wandrekar & Co., Chartered Accountants, Mumbai as an Internal Auditor of the Company upto Financial Year 2022-23, to look after all the internal audit requirements and report of the same is placed/forwarded to Audit Committee and Statutory Auditor of the Company on the relevant and necessary matters from time to time.

25. REPORTING OF FRAUDS BY AUDITORS:

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

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

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

27. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:

The company, during the year, has entered into transactions, as specified under section 188 (1) of the Act, with related parties. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is forming part of Board Report as **Annexure III**. The details of related party transactions are set out in the notes to the financial statements.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations.

There were no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.



All Related Party Transactions are approved by the Audit Committee by way of ratification. The transactions entered into are reviewed by the audit committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

28. PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details of the employees as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are annexed to this report as **Annexure -IV**.

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

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

30. CORPORATE GOVERNANCE:

The Company constantly endeavors to follow the corporate governance guidelines and best practice sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate information on the Company's operations, performance, material corporate events as well as on the leadership and governance matters relating to the Company. Your Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding corporate governance.

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

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

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

32. DEPOSITS FROM PUBLIC:

During the year under review, the Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

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

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

No complaint pertaining to sexual harassment was received during the Financial Year 2021-22.

34. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions pertaining to Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, are not applicable to your Company.

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached as **Annexure V** which forms part of this Report.

36. LISTING WITH STOCK EXCHANGES:

Your Company is listed with the BSE Limited. Further, your Company is in process to pay the Annual Listing Fees for the financial years from 2018-19 to 2021-2022 to BSE Limited, the stock exchange where the Company's shares are listed.

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

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

38. CORPORATE SOCIAL RESPONSIBILITY (CSR):

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



39. PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 .

There are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on March 31, 2022.

40. FUTURE OUTLOOK:

The shipping industry is poised for growth in the coming years. Your Company with some inherent advantages such as low operation cost, committed professional manpower and proper upkeep of vessels is expected to cash on the opportunities provided. Your Company has highly qualified and dedicated team of professionals in various work profile to focus on quality improvement of each and every work.

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

41. PREVENTION OF INSIDER TRADING:

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

42. OTHER DISCLOSURES/REPORTING:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were not ran sanctions on these items during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) Joint Venture(s).
- e) Details of payment of remuneration or commission to Managing Director or Joint Managing Director of the Company from any of its subsidiaries, Joint Venture/Associate Company.
- f) Voting rights which are directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially holds shares as envisaged under section 67(3)(c) of the Act).
- g) Any significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

43. ACKNOWLEDGEMENT

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

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

For and on behalf of the Board of Directors

Sarvesh Kumar Shahi
Chairman & Managing Director
DIN: 00359535

Anjali Shahi
Director
DIN:00363248

Date: August 12, 2022
Place: Mumbai



Annexure I

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION OF SHAHI SHIPPING LIMITED

Remuneration Policy

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

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

The remuneration of the executive directors is recommended by the Nomination and Remuneration Committee (the Committee) and approved by the Board of Directors (the Board)

and shareholders of the Company within the overall limits as may be prescribed under applicable laws.

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

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

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

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

Positive attributes of Directors (including Independent Directors):

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

Independence Review Procedures

- Annual Review

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



- **Individual Director's Independence Determinations**

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

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

- **Disclosure of Change of Independent Status**

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

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

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

b. **Term of the Director**

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

c. **Evaluation**

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

d. **Removal**

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

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

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

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

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

g. **Remuneration to other employees**

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



Annexure II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDING 31st MARCH, 2022

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

To

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

We have conducted the Secretarial Audit for the compliance of applicable statutory provisions and adherence to good corporate governance practices by **SHAH SHIPPING LIMITED** (hereinafter called 'the Company') for the Audit Period from April 01, 2021 to March 31, 2022. ("**The year**" / "**Audit Period**" / "**Period under review**").

Secretarial Audit was conducted in a manner that provided to me/ us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') namely:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011'; (Not Applicable to the Company, during the Audit Period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable to the Company, during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (Not applicable to the Company, during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not applicable to the Company, during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable to the Company, during the Audit Period);



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the Company, during the Audit Period);
- (vi) Merchant Shipping Act, 1958 and the other Acts as prescribed by the Directorate General of Shipping under Ministry of Shipping, Government of India.

I have also examined the compliances of the provisions of the following other laws applicable specifically to the Company wherein we have also relied on the representations made by the head of the respective departments in addition to the checks carried out by us:

- a. Merchant Shipping Act, 1958.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified.
- (ii) The SEBI (Listing Obligations and Listing Requirements), Regulations 2015 entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our verification and also the information provided by the Company, its officers, agents and its authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except with the following observation:

- 1) *As per SEBI Circular no Cir/ISD/ 3/2011 dated June 17, 2011, 100% of promoter's and promoter group's shareholding should be dematerialized. However, the Promoter's and Promoter's group's shareholding of the Company is **NOT** 100% held in Dematerialized Form.*
- 2) *During the period under review, Related Party Transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. However, the transactions with related parties were ratified by the Audit Committee at the immediate subsequent meeting to the transaction.*
- 3) *The Company has not paid the Annual Listing Fees to the BSE Limited, the Stock Exchange on which the Company is listed, for the financial years from 2018-19 to 2021-22. Consequently the shares of the Company are suspended for trading on the BSE Limited and the shares of the promoters are freezed for penal reasons and the Company is further liable for any penal action taken by the BSE Limited.*
- 4) *The website of the Company does not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015.*
- 5) *As per Regulation 6 of the SEBI LODR Regulations, 2015 a listed entity is required to appoint a qualified Company Secretary as a Compliance Officer. However, the Company does not have a Company Secretary and a Compliance officer as on the date of this report and was charged a penalty of Rs. 1,06,200/- (inclusive of GST) by the BSE Limited.*
- 6) *Pursuant to the Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014, every company other than a government entity must file a return in Form DPT 3 with the Registrar of Companies, on a yearly basis. However the Company has not filed the returns for the financial year 2021-22.*
- 7) *The Company has made a delay in filing Annual Secretarial Compliance Certificate for the Financial Year ending on 31st March 2022 and submitted the same to the BSE Limited on 20th July 2022.*

We have relied on the representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other generally applicable Acts, Laws and Regulations to the Company.

We report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with all the applicable laws.

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws have not been reviewed in this audit since the same is not within the scope of our audit.

We report that

As on March 31, 2022, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive and Independent Directors as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of Section 152 of the Companies Act, 2013.



The following changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act/ SEBI (Listing Obligations and Disclosure Requirements), 2015:

1. Re-appointment Mr. Sarvesh Kumar Shahi (DIN: 00359535), as an Managing Director of the Company for the period starting from April 01, 2020 to March 31, 2023, as approved by the Shareholders of the Company at duly conveyed AGM on September 18, 2021.
2. Regularisation of appointment of Mr. Omprakash Ramdhin Singh (DIN: 08597117), as an Independent Non-executive Director of the Company by the Members in a duly conveyed AGM on September 18, 2021.

Except the above, there was no change in the composition of the Board of Directors of the Company during the financial year 2021-22.

We further report that

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

All the decisions at the Board Meetings and Committee Meetings were carried out either unanimously or by majority, as the case may be and are recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board. There was no instance of dissenting views by any Member of Board of Directors during the year under review.

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

We further report that based on the representation(s) obtained from the Company, during the audit period, there were no events occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

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

Vikas R. Chomal
Proprietor
Membership No: F11623
CP No: 12133
UDIN: F011623D000746434

Date: August 05, 2022

Place: Thane, Maharashtra

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



ANNEXURE A

To,

The Members,

Shahi Shipping Limited

404, Abhay Steel House,

Baroda Street, Mumbai - 400 009

Our Secretarial Audit Report for the Financial Year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The contents of this Report have to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Vikas R. Chomal & Associates
Practising Company Secretaries

Vikas R. Chomal
Proprietor

Membership No: F11623

CP No: 12133

UDIN: F011623D000746434

Date: August 05, 2022

Place: Thane, Maharashtra



ANNEXURE III

FORM NO. AOC - 2

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

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

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

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

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

| Name of the Related Party & nature of relationship | Nature of Contract / arrangement / transaction | Duration of the contracts or arrangements or transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of Approval by the Board, if any. | Amount paid as advances, if any |
|--|--|--|---|--|---------------------------------|
| Shahi Gasol Limited | Loan Repaid | One Time | 5,00,000/- | - | - |
| Sarvesh Kumar Shahi | Loan Repaid | One Time | 15,17,690/- | - | - |
| Somesh Kumar Shahi | Loan Repaid | One Time | 5,65,000/- | - | - |
| India First Logistics Limited | Loan Repaid | One Time | 43,45,000/- | - | - |

For and on behalf of the Board of Directors

Sarvesh Kumar Shahi
Chairman & Managing Director
DIN: 00359535

Anjali Shahi
Director
DIN:03363248

Date: August 12, 2022
Place: Mumbai

**ANNEXURE IV**

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

- 1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2021-22 as well as the percentage increase in remuneration of each Director, Chief Financial officer is as under:**

| Sr. No. | Name of Director /KMP | Designation | Ratio of remuneration of each Director to median remuneration of employees for FY 2021-22. | Percentage increase of remuneration in 2022 as compared to 2021 |
|---------|-------------------------|--|--|---|
| 1 | Sarvesh Kumar Shahi | Chairman & Managing Director | 36.29 | 0 |
| 2 | Omprakash Ramdhin Singh | Independent Director | 0.16 | 0 |
| 3 | Sanjeev Kumar Singh | Independent Director | 0.16 | 0 |
| 5 | Anjali Shahi | Non-Executive Non-Independent Director | 0 | 0 |
| 6 | Vijila Vincent Nadar | Chief Financial Officer | 0.88 | 0 |

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

The percentage increase in the median remuneration of employees in the financial year 2021-22 was 0%

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

The Company had 23 permanent employees on the rolls of the Company as on March 31, 2022.

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

Average percentile increase made in salaries of employees other than the managerial personnel in the last financial year i.e 2021-22 was 0% whereas the increase in the managerial remuneration for the same financial year was 0%.

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

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

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

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

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

For and on behalf of the Board of Directors

Sarvesh Kumar Shahi
Chairman & Managing Director
DIN: 00359535

Anjali Shahi
Director
DIN:03363248

Date: August 12, 2022
Place: Mumbai



ANNEXURE V

| ITEM NO. | PARTICULARS | | DETAILS |
|-----------|--|--|--|
| A. | CONSERVATION OF ENERGY | | |
| | (a) | Steps taken and impact on conservation of Energy. | Being a Shipping Company, taking of energy Conservation steps does not arise and the impact is not Applicable. |
| | (b) | Steps taken by the Company for utilizing alternate sources of energy. | NIL |
| | (c) | The capital investment on energy conservation on equipments. | NIL |
| B. | TECHNOLOGY ABSORPTION | | |
| | (i) | Efforts made towards technology absorption. | NIL |
| | (ii) | Benefits derived like Product improvement, cost reduction, product development or import substitution etc. | NIL |
| | (iii) | In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished | NIL |
| | | a) Technology Imported. | NIL |
| | | b) Year of Import. | NIL |
| | | c) has technology been fully absorbed? | NIL |
| | | d) If not fully absorbed, Areas where absorption has not taken place and reasons thereof. | NIL |
| | (iv) | Expenditure on R & D | NIL |
| C. | FOREIGN EXCHANGE EARNINGS AND OUTGO | | |
| | (a) | Foreign exchange earned in terms of actual inflow (on account of charter hire earnings and interest etc.). | NIL |
| | (b) | Foreign exchange outgo in terms of actual outflow. operating expenses and interest payment etc. | NIL |



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) INDUSTRY STRUCTURE AND DEVELOPMENT

Shahi Shipping Ltd. has the largest and most diverse fleet of coastal shipping vessels in India. Established in 1985 as a Partnership Firm, the company went public in the year 1990. We operate primarily in Mumbai harbor with a branch office in Goa offering cost effective sea logistics solutions to our clients. We pioneered transshipment operations in India building the first 3000DWT multipurpose cargo vessels. We handle the complex operation of fuel oil distribution to Indian Oil Corporation under the supervision of our experienced and qualified personnel. Our detailed commitment towards the goals of customer satisfaction, growth and excellence has yielded rich dividends through our arduous voyage.

The Indian Shipping Industry plays a crucial role in Indian economy. As 95% of nations trade by volume is done by sea. India has been largest merchant shipping fleet amongst the developing nations. The Indian Shipping Industry supports transportation of national and international cargoes and also provide various facilities such as ship building, repairing, lighthouse facilities, freight forwarding etc. Indian Shipping Industry with emergence of globalization and liberalization is firmly ready to acquire new dimensions in terms of demand and infrastructural development.

The Indian shipping industry has been growing in the last two decades; however the competitive position of the Indian shipping industry needs to be strengthened. Government of India has been supporting the growth of the industry through various measures. Government has a role to develop Indian port sector, which would contribute to the growth of the Indian shipping. The players in the shipping and associated sectors have also a role to play for the development of the industry, for it to carve a niche in the world shipping map. Indian shipping industry needs to team up with foreign consortium of fleet owners to tap the growing LNG transportation business. Indian ship builders must focus on benchmarking their own processes to international standards to improve the efficiency, delivery time, price and quality. Innovative financing measures such as German KG model may be adopted to encourage fund flow into this sector. It is therefore essential for India to put together all such strategies that would lead to optimal and effective contribution towards developing the shipping industry.

(b) OUTLOOK ON OPPORTUNITIES

India has a rich maritime history. The shipbreaking and shipbuilding industry flourished during the Indus Valley civilization. Today, India has the biggest shipbreaking yard in the world. It is estimated that around half of the world's ships are broken down by Alang. Through the various initiatives introduced by the government, India's shipping industry has grown significantly since independence. As of 2022, India's fleet has a total of 1405 ships, which is equivalent to a deadweight tonnage of approximately 19.2 million. The country's infrastructure projects have also helped the industry. Govt. of India worked upon various key initiatives to ensure smooth functioning of India. Although government's ambitious Sagarmala initiative aims to double the share of the port industry in Indian cargo movement by 2025. This initiative was launched in 2017 to rationalize the freight costs and improve the competitiveness of the export market. Government is also planning to spend \$123 billion on various port modernization projects through the Sagarmala Program. This will help boost the country's export efficiency and create jobs. In 2022, around 161 projects under the Sagarmala Program have been completed. In 2021, the total port capacity has increased to 1534.91 million tons a year. It was previously estimated that the port capacity would reach 871.52 million tons in 2014. The Merchant Shipping Bill, 2020, aims to promote the growth of the Indian marine industry and prevent air pollution. Projects related to inland water transport are also under the Jal Marg Vikas focused on improving the efficiency and safety of navigation. The government has also lowered the Goods and Services Tax (GST) for foreign-flagged vessels and coastal ones. This will help boost the marine industry.

Out of the 200 non-metro ports in India, 44 are already operational and strategically located. This is largely due to the huge cargo traffic that has shifted from the major ports to the smaller ones. The non-major ports' traffic grew at a robust rate of 45% during the financial year 2020 as the government's initiatives to decongest the roads and railways continued. Major ports handled a total of 704.6 million tonnes of cargo during the year under review, up 0.8% from the previous year. The capacity of these facilities is expected to grow at a robust rate of 6% over the next couple of years. The Indian government's plan to establish 23 waterways by 2030 is geared toward addressing the country's logistics needs. Whereas, The Make in India campaign will help boost the country's marine repair industry and its shipbuilding industry. And Due to the increasing awareness about the environment, the maritime industry is pushing for the use of cleaner fuels. The Indian Ocean's strategic location makes it the most advantageous place for India's shipping industry. Its trade with other countries is 95 percent based on volume. India's maritime sector is one of the country's top priority areas for foreign direct investments. It is estimated that the industry could generate annual revenue of over US\$81 billion. In line with this, the country's Ministry of Shipping is planning to improve the concession agreement (MCA) to attract more private investors. As Indian subcontinent has a coastline of over 7,517 kilometers, which is strategically located near the Indian Ocean Region. This region supports around 80 percent of the global maritime oil trade. The country's shipping industry is expected to contribute significantly to the country's economic



growth. A recent study conducted by the MoPSW revealed that around 95 percent of India's international trade volume is carried out through its maritime channel.

(c) THREATS, RISKS AND CONCERNS

Impacts of COVID-19 in maritime transportation and its related policy measures have been investigated by more and more organizations and researchers across the world. The results on the quantitative performance of Indian major seaports during the COVID-19 indicate a negative growth in the cargo traffic and a decrease in the number of vessel traffic compared to pre-COVID-19. The expert survey results suggest a lack of preparedness for COVID-19 and the need for developing future strategies by maritime organizations. The overall findings of the study shall assist in formulating maritime strategies by enhancing supply chain resilience and sustainable business recovery process while preparing for a post-COVID-19 crisis. The study also notes that the Covid-19 crisis is still an ongoing concern, as the government, maritime organizations, and stakeholders face towards providing vaccine and remedial treatment to infected people.

Before the COVID-19 pandemic, Indian firms have focused on interconnected and lean supply chains to ameliorate the gaps through increased efficiency of supply chains. However, the pandemic has exposed most Indian firms to severe supply chain disruptions (SCDs) due to undiscovered supply chain vulnerabilities. The study revealed that many Indian firms have experienced major disruptions in transportation and logistics services, including impact on transportation and logistics data, time delays, and cargo cancellations due to cramped freight capacity, restricted circulation, closure of ports, and slow customs clearances. This has also impacted adversely the production and transport consignments including logistics services and led to delays and rerouting to final consumers.

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

(d) SEGMENT WISE PERFORMANCE

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

(e) OUTLOOK

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

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

(f) PROJECT

Your Company has carried out a market survey on Indian costal business opportunities and based on its finding proposing to acquire suitable petroleum and allied carrying vessels, which if commenced, will significantly grow the profitability of the Company.

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

Much of the success of your company is attributed to the quality of its people, their dedication and contribution. The dedicated team of shore and floating staff provides continuous support to the operations of the company, which is reflected in the operational efficiency. Voyage operations are managed professionally, ensuring high productivity levels, thus increasing the revenues. Your Company employs skilled personnel to monitor and maintain its oil-spill and other emergency response plans. Even though the scattered monsoon and the impacts of covid has impacted the operational performance of the Company, resulting adversely on the financial capacity of the Company. However, the Company is committed and is ever thriving for improvement of operational performance having a positive impact on the financial performance as well.

**(h) QUALITY & SAFETY**

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

(i) HUMAN RESOURCES

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

(j) ADEQUACY OF INTERNAL CONTROLS AND RISK MANAGEMENT

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

The Company's robust Risk Management Framework (RMF) identifies and evaluates all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks. The Company recognizes that these risks need to be managed and mitigated to protect its shareholders and other stakeholders, to achieve its business objectives and enable sustainable growth.

(k) CAUTIONARY STATEMENT

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

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

**CORPORATE GOVERNANCE REPORT**

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

1. CORPORATE GOVERNANCE PHILOSOPHY

The Philosophy of the Company in relation to Corporate Governance is to ensure highest transparency, disclosures and reporting to stakeholders. It is our endeavor through this reporting system to conform fully to law, regulations and guidelines, and to promote ethical conduct throughout the organization, with primary objective of enhancing shareholders' value while being a responsible corporate citizen. Shahi Shipping Limited believes Corporate Governance is not a destination but a journey for constantly improving sustainable value creation along with legal compliance, which it firmly believes in. Every effort is made to follow best practices in all the functional areas and in discharging the Company's responsibilities towards all stakeholders and the community at large.

2. BOARD OF DIRECTORS**a) Composition and category of Directors:**

The Composition of the Board of Directors of the Company represents the optimum combination of Executive and Non-Executive Directors with one Woman Director, which is in conformity with Regulations 17 of the SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Sections 149 and 152 of the Companies Act, 2013 ('the Act').

As on March 31, 2022, the Board comprises of Four (4) Directors as on March 31, 2022. Out of these, Two (2) directors are Non-Executive–Independent, One (1) director is Non Executive Non Independent and one (1) director is Executive Director. The Chairman of the Board is a Managing Director (Executive Director).

Composition of Board as on March 31, 2022 is as follows:

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

The particulars of Directors, their category, relationship inter-se, number of shares held, attendance and other directorship, membership/chairmanship of the Board of Directors / Committees as on March 31, 2022 are furnished below:

| Name of the Director | Designation | Independent / Non Independent | Relationship Inter-se | Shareholding As on 31/03/2022 |
|-----------------------------|-------------------------------|-------------------------------|-------------------------------------|-------------------------------|
| Mr. Sarvesh Kumar Shahi | Chairman – Executive Director | Non Independent | Father of Ms. Anjali Shahi | 20,28,165 |
| Ms. Anjali Shahi | Non-Executive Director | Non Independent | Daughter of Mr. Sarvesh Kumar Shahi | - |
| Mr. Sanjeev Kumar Singh | Non-Executive Director | Independent | None | - |
| Mr. Omprakash Ramdhin Singh | Non-Executive Director | Independent | None | - |



Key Skills, Expertise and Competencies of the Board:

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

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

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

The Company holds at least four Board meetings in a year, one in each quarter inter-alia to review the financial results of the Company. The intervening gap between any two meetings was within the period prescribed under the provisions of the Companies Act, 2013 and Listing Regulations including circulars/ notifications issued by the Ministry of Corporate Affairs and SEBI.

Apart from the four scheduled board meetings, additional board meetings are also convened to address the specific matters, if any. Urgent matters are also approved by the Board by passing resolution by circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. All the departments in the Company communicate to the Executive Directors well in advance, the matters requiring approval of the Board/ Committees of the Board to enable inclusion of the same in the agenda for the Board/Committee meeting(s). The important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned department. Action taken report on the decisions/minutes of the previous meeting is placed at the succeeding meeting of the Board/ Committee for noting.

During the year under review, Four (4) Board Meetings were held on June 28, 2021, August 13, 2021, November 13, 2021 and February 14, 2022 respectively.

The attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2021-22 is as follows:

| Directors | Category of Directors | Board Meetings attended during the year | Whether attended last AGM | Other Directorships/Committee Membership or Chairmanship | |
|-------------------------|--|---|---------------------------|--|--------------------------------------|
| | | | | Director-ship of other Indian Public Companies | Committee Membership/ (Chairmanship) |
| Mr. Sarvesh Kumar Shahi | Promoter, Executive Chairman & Managing Director | 4 | Yes | 2 | - |
| Ms. Anjali Shahi | Non-Executive, Non Independent Director | 3 | Yes | - | - |



| Directors | Category of Directors | Board Meetings attended during the year | Whether attended last AGM | Other Directorships/Committee Membership or Chairmanship | |
|-----------------------------|--------------------------------------|---|---------------------------|--|--------------------------------------|
| | | | | Director-ship of other Indian Public Companies | Committee Membership/ (Chairmanship) |
| Mr. Sanjeev Kumar Singh | Non- Executive, Independent Director | 4 | Yes | 1 | - |
| Mr. Omprakash Ramdhin Singh | NonExecutive, Independent Director | 4 | Yes | - | - |

Notes:

1. None of the Director of the Company holds membership of more than ten Committees nor is a Chairman of more than five Committees across all Companies of which he/she is a director. Necessary disclosure regarding Committee positions in other Indian public companies as at March 31, 2022 have been made by the Directors.
2. The Committees considered for the above purpose include and are those as specified in SEBI Listing Regulations i.e. Audit Committee (Regulations 18) and Stakeholders Relationship Committee (Regulation 20).
3. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

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

| | |
|-----------------------------|---|
| Mr. Sarvesh Kumar Shahi | 1. Royal Logistics (Ship) Limited 2. Shahi Gasol Limited |
| Ms. Anjali Shahi | NIL |
| Mr. Sanjeev Kumar Singh | India First Logistics Limited |
| Mr. Omprakash Ramdhin Singh | NIL |

Note: None of the Directors of the Company are director in any other listed entity.

d) Information provided to the Board:

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

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

e) Performance evaluation:

The Company has in place a policy on Performance Evaluation wherein it had laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors and Chairman) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations covering inter-alia the following parameters namely:

- i. For Board Evaluation - degree of fulfillment of key responsibilities, Board culture and dynamics.
- ii. Board Committee Evaluation - effectiveness of meetings, Committee dynamics.



iii. Individual Director Evaluation (including IDs) - contribution at Board Meetings.

Further, the Chairman was evaluated on key aspects of her role which includes inter- alia effective leadership to the Board and adequate guidance to the Managing Director.

Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, and Individual Directors (including Independent Directors) was evaluated and found to be satisfactory.

During the year under review, the Independent Directors of the Company reviewed the performance of Non- Independent Directors, the Board as a whole and of the Chairman of the Company, taking into account the views of Executive Director and Non- Executive Directors.

The Chairman has abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity.

f) Familiarization Programme for Independent Directors:

Whenever any person joins the Board of the Company as an Independent Director, an informal induction programme is arranged. The Company conducts programmes/ presentations periodically, during the Board Meetings, to familiarize the Independent Directors with the nature of industry, Business model, strategy, operations and functions of the Company and role, right & responsibilities of Independent Directors through its Executive Directors or Senior Management Personnel.

Significant statutory updates are circulated as a part of the agenda of the Board Meetings through which Directors are made aware of the significant new developments and highlights from various regulatory authorities viz. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), other statutory authority etc.

The Board has open channels of communication with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information. Directors are also informed of the various developments in the Company.

The details of such familiarization programs have been disclosed on the Company's website at (www.shahilogistics.com).

g) Disclosure of relationships between directors inter-se:

As on March 31, 2022, the Board comprises of 4 directors, i.e One Executive Managing Directors, One Non-Executive Non-Independent Director and Two Non-Executive Independent Directors. None of the Directors are related to each other except Mr. Sarvesh Kumar Shahi, Executive Director & Chairman – MD is Father of Ms. Anjali Shahi Non-Executive – Non Independent Director of the Company.

h) Number of shares and convertible instruments held by non -executive directors:

None of the Non-executive directors of the Company are holding any shares or convertible instruments.

i) Confirmation from the Board

All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. They also declare that apart from receiving sitting fees for attending the Board/Committee meetings, they did not have any pecuniary relationship or transactions with the company, its promoter, its directors, senior management and they are not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect their independence, and is not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and fulfill the conditions specified in the Listing Regulations and are Independent of the Management

4. AUDIT COMMITTEE

a) Terms of Reference

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



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

Financial transparency is critical for sustained good corporate practices. An important link between the Statutory and Internal Auditors, the Management and the Board, the Audit Committee provides necessary assistance to the Board in fulfilling its responsibilities of monitoring financial reporting processes, reviewing the Company's systems and processes for internal financial controls, and also for reviewing the Company's statutory and internal audit process.

b) Composition, Members and Chairman:

The Audit Committee comprised of the three (3) members as on March 31, 2022 viz., Mr. Sanjeev Kumar Singh, Ms. Anjali Shahi and Mr. Omprakash Ramdhin Singh.

The Company's Audit Committee, as on March 31, 2022, comprises of two (2) Non-Executive Independent Directors and one (1) Non-Executive Director Non Independent Director, out of which Mr. Sanjeev Kumar Singh is the Chairman of the Audit Committee. All members of the Audit Committee have relevant experience in financial matters.

During the year under review, the Audit Committee met on the following four (4) occasions: June 28, 2021, August 13, 2021, November 13, 2021, and February 14, 2022.

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

| Name of the Member | Category | No. of meetings | |
|-----------------------------|--|----------------------|--------------------------|
| | | Held during the year | Attended during the year |
| Mr. Sanjeev Kumar Singh | Non-Executive - Independent Director, Chairman | 4 | 4 |
| Ms. Anjali Shahi | Non-Executive - Non Independent Director, Member | 4 | 3 |
| Mr. Omprakash Ramdhin Singh | Non-Executive - Independent Director, Member | 4 | 4 |

5. NOMINATION AND REMUNERATION COMMITTEE:

a) Terms of reference:

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

The scope of this Committee is to determine the terms of appointment and compensation payable to executive directors and senior management personnel and other matters as prescribed in Regulations 19 of SEBI Listing Regulations.

b) Composition, Members and Chairman:

The Nomination and Remuneration Committee comprised of the following members as on March 31, 2022.

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

During the year under review, the Nomination and Remuneration Committee met once on February 14, 2022.

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

| Name of the member | Category | No. of meetings | |
|-----------------------------|--|----------------------|--------------------------|
| | | Held during the year | Attended during the year |
| Mr. Sanjeev Kumar Singh | Non-Executive - Independent Director, Chairman | 1 | 1 |
| Ms. Anjali Shahi | Non-Executive - Non Independent Director, Member | 1 | 1 |
| Mr. Omprakash Ramdhin Singh | Non-Executive - Independent Director, Member | 1 | 1 |

**c) Remuneration Policy**

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

e) Performance Evaluation Criteria for Independent Directors:

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

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

The Board of Directors (excluding the Director being evaluated) had, in their Meeting held on February 14, 2022 evaluated the performance of all the Directors on the Board.

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

The terms of reference of the Stakeholders Relationship Committee are as follows:

- Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares / debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, etc;
- Reviewing details of transfer of unclaimed dividend/securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialization of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To approve issue of duplicate certificates

b) Composition, Meetings and Attendance of Committee:

The composition of the Committee as on March 31, 2022 along with the attendance record of the members of the Committee is given below. During the year the Stakeholders Relationship Committee met once on February 14, 2022.

| Name of the member | Category | No. of meetings | |
|-----------------------------|--|----------------------|--------------------------|
| | | Held during the year | Attended during the year |
| Mr. Sanjeev Kumar Singh | Non-Executive - Independent Director, Chairman | 1 | 1 |
| Ms. Anjali Shahi | Non-Executive - Non Independent Director, Member | 1 | 1 |
| Mr. Omprakash Ramdhin Singh | Non-Executive - Independent Director, Member | 1 | 1 |

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

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

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| Nil | Nil | Nil | Nil |

6. REMUNERATION TO DIRECTORS:**a) All pecuniary relationship or transactions of the Non-Executive Directors**

There is no pecuniary relationship or transactions between the company and Non-Executive directors except the sitting fees for attending the board/committee meeting and dividend on shares if any held by him/her.

b) Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of actual expenses for attending the Board/ Committee Meeting. The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

c) Other disclosures with respect to remuneration:**i. Details of Remuneration paid or payable to Directors during the year 2021-22:**

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

ii. Details of sitting fees and commission paid/payable to the Independent Directors for the financial year 2021-22 are given below. These are within the limits prescribed under the Act:

| Name of the Member | Sitting Fees Paid (In Rs.) |
|-----------------------------|----------------------------|
| Ms. Anjali Shahi | - |
| Mr. Sanjeev Kumar Singh | 16,000 |
| Mr. Omprakash Ramdhin Singh | 16,000 |
| Total | 32,000 |

iii. Details of fixed component and performance linked incentives, along with the performance criteria:

The Non-Executive Directors of the Company were paid only sitting fees and reimbursement of actual expenses for attending the Board/ Committee meetings. The performance criteria for Executive Director entitled for Performance Linked Incentive as determined by the Nomination & Remuneration Committee and Board of Directors.

iv. Service Contract, Notice Period, Severance Fees:

| | |
|--------------------|--|
| Terms of Agreement | Mr. Sarvesh Kumar Shahi |
| Period of Contract | Three (3) years from April 1, 2020 to March 31, 2023 |
| Notice Period | As may be mutually agreed between the Company and Mr. Sarvesh Kumar Shahi, |
| Severance Fees | There is no separate provision for payment of severance fees. |



- v. **Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:**

The Company has not granted any stock option to any of its directors.

Notes for Directors' Remuneration:

1. The Company does not have policy of paying commission on profits to any of the Directors of the Company.
2. The Company does not have a scheme for grant of stock options either to the whole-time Directors or Employees of the Company.

7. SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS:

As required under Regulation 25 of the SEBI Listing Regulations, a Meeting of the Independent Directors was held on February 14, 2022, without the attendance of Executive Directors and members of Management. At the Meeting, the Independent Directors carried the following business:

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

8. COMPLIANCE OFFICER AS ON MARCH 31, 2022:

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

The Company is yet to appoint a qualified Company as a Company Secretary and Compliance Officer of the Company pursuant to retirement of the erstwhile Company Secretary w.e.f. March 18, 2021.

9. RISK MANAGEMENT:

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedure. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

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

10. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT:

The code of conduct for all Directors and the senior management of the Company have been displayed on the website of the Company at www.shahilogistics.com. All Directors and the Senior Management Personnel are required to affirm the compliance with the said Code annually.

The necessary declaration by the Managing Director of the Company regarding

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

11. SUBSIDIARY COMPANIES:

Regulation 16 of the SEBI Listing Regulations defines a 'material subsidiary' to mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.



In addition to the above, Regulation 24 of the SEBI Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not.

The Company does not have any material subsidiary as defined in the SEBI Listing Regulations. Accordingly, the requirement of appointing an Independent Director of the Company on the Board of Directors of the material unlisted subsidiary company as per Regulation 24 of the SEBI Listing Regulations does not apply to the Company.

12. DETAILS OF ANNUAL GENERAL MEETINGS:**a) Location, date and time where the last three Annual General Meetings were held and the special resolutions passed:**

| Year | General Meeting | Location | Date | Time | Special Resolutions passed |
|------|------------------------|---|--------------------|------------|---|
| 2021 | Annual General Meeting | Annual General Meeting held through Video Conference (VC) / Other Audio Visual Means (OAVM) | September 18, 2021 | 11.00 A.M. | - |
| 2020 | Annual General Meeting | Annual General Meeting held through Video Conference (VC) / Other Audio Visual Means (OAVM) | September 27, 2020 | 11.00 A.M. | To re-appoint Mr. Venkata Subramanian Iyer Shivaraman (DIN 07165080), aged 71 years, as an Independent, Non-Executive Director of the Company (resolution was not passed) |
| 2019 | Annual General Meeting | 404, Abhay Steel House Baroda Street Masjid, Mumbai | September 28, 2019 | 11.00 A.M. | - |

Postal Ballot:

During the financial year 2021-22, No resolution was passed through postal ballot.

Extra Ordinary General Meeting:

During the financial year 2021-22, No Extra Ordinary General Meeting was convened and held.

b) OTHER DISCLOSURES:

- There were no materially significant related party transactions during the year having conflict with the interests of the Company. Disclosures of related party transactions as required by Indian Accounting Standard ("IND-AS") - 24 have been given in the financial statement attached to the Report.

The Company had complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years except:



| SR. No. | Compliance Requirement and respective Deviation | Financial Year (FY) for which the violated related | Details of Action taken by the BSE | Details of Action taken by Company |
|---------|--|--|--|---|
| 1 | As per SEBI's circular no. CIR/ISD/3/2011 dated 17th June 2011, 100% of Promoter and Promoter shareholding Groups should dematerialized. The Promoter and Promoter Groups Shareholding of the Company is not 100% held in dematerialized form. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | NA | The Promoter and Promoter Groups Shareholding of the Company is still not 100% held in dematerialized form |
| 2 | As per Regulation 14 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all listed companies are required to pay Annual Listing Fees (ALF) to the Stock Exchange where its securities are listed, before the 30th of April every year. The Company has not paid the annual listing fees to the stock exchange for the Financial Year 2018-19, 2019-20 and 2020-21, 202122 and for the present Financial Year 2022-23. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | The shares of the Company are suspended for trading on the BSE Limited and the shares of the promoters are freezed for penal reasons and the Company is further liable for any penal action taken by the BSE Limited | The Company states that it is intending to clear all the outstanding dues towards the Listing Fees on priority basis. |
| 3 | As per Regulation 46 and 62 of the SEBI LODR Regulations, 2015, the Company shall disclose the prescribed information on the website of the Company. The website of the Company do not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | NA | The Company is in process of updating the requisite information on the website of the Company |
| 4 | As per Regulation 6 of the SEBI LODR Regulations, 2015, a listed entity shall appoint a qualified company secretary as the compliance officer. The Company does not have a Company Secretary and a Compliance officer as on the date of this report. | 1. FY 2021-22 2. FY 2020-21 | The BSE Limited vide its intimation to the Company dated May 20, 2022 has levied a penalty of Rs. 1,06,200/- (inclusive of GST) for non-compliance of Regulation 6 (1) of the SEBI LODR, Regulations 2015. | The Company is yet to appoint a Company Secretary and Compliance officer as on the date of this report. |



| SR. No. | Compliance Requirement and respective Deviation | Financial Year (FY) for which the violated related | Details of Action taken by the BSE | Details of Action taken by Company |
|---------|---|--|---|--|
| 5 | As per Regulation 18, 19, 20 of the SEBI LODR Regulations, 2015, a listed entity is required to constitute the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in the manner specified in the said Regulations The Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee is not as per the provisions of the Regulation 18, 19, 20 of the SEBI LODR Regulations, 2015 | FY 2020-21 | The BSE Limited had levied fines for the said non-compliance(s) under Regulation 17, Regulation 18 and 19 of the SEBI (LODR) Regulations, 2015 for Rs. 94,400, Rs. 37,760 and Rs. 37,760 respectively | The fine imposed is yet to be paid / applied for waiver by the Company |
| 6 | As per Regulation 23(9) of the SEBI LODR Regulations, 2015, a Listed entity is required to submit the half yearly disclosure on Related Party Transactions with Stock Exchange where its securities are listed The Company failed to submit the disclosure on Related Party Transactions for the half year ended on 30th September 2020 as per Regulation 23(9) of SEBI LODR (Regulations. | FY 2020-21 | The BSE Limited has levied a fine for non-compliance of Regulation 23(9) of Rs. 2,06,500. | The fine imposed is yet to be paid / applied for waiver by the Company |
| 7 | As per Regulation 34, a copy of annual Report is to be submitted to the stock exchange not later than the day of commencement of dispatch to shareholders. The Company has filed a copy of Annual Report beyond the prescribed limit with the stock exchange not later than the day of commencement of dispatch to shareholders. | FY 2020-21 | The BSE Limited had levied a fine of Rs. 7080 (inclusive of GST) | The fine imposed is yet to be paid / applied for waiver by the Company |

- In terms of Regulations 22, of SEBI Listing Regulations, the Company has established vigil mechanism for directors, employees and others stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

The Whistle Blower Policy is placed on the website of the Company- www.shahilogistics.com

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

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

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

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



All related party transactions entered into during the year were on arms' length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

- a. The Company has complied with all the mandatory requirements and has also disclosed information relating to non-mandatory requirements.

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

| Payment to statutory auditors | Financial Year 2021-22 (Amount in Rs.) |
|--|--|
| Statutory Audit | 3,80,000/- |
| Other services including reimbursement of expenses | 30,000/- |
| Total | 4,10,000/- |

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

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

- The promoters' shares are not fully dematerialized up to March 31, 2022.
- The Company has prepared the financial statements in compliance with the Indian Accounting Standards ("IND-AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 and other relevant provisions of the Act.
- Management Discussion and Analysis Report forms part of the Annual Report.
- Loans and advances in the nature of loans to firms/companies in which Directors are interested are given in the 'Notes to the Financial Statements', forming part of the Report and Accounts.
- List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year are Nil

- Declaration as to Compliance with Code of Conduct:

Pursuant to Regulation 26 read with schedule V (Part D) of SEBI Listing Regulations, Mr. Sarvesh Kumar Shahi Chairman of the Company, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance of the Company's Code of Conduct for the Board of Directors and Senior Management for the financial year March 31, 2022.

- Compliance Certificate from the Auditors:

Certificate from Statutory Auditors of the Company M/s. B. P. Shah & Co., Chartered Accountants (Firm Registration No. 109517W), Mumbai, confirming Compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is forming part of the Annual Report.

- CEO and CFO Certification:

The Chief Financial Officer of the Company had given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations. The annual certificate given by Chief Executive Officer and the Chief Financial Officer forms part of the Annual Report.

- Code of conduct for prevention of insider trading:

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company



- Web links to Company policies and programs:
The Company's policies and programs as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available at: www.shahilogistics.com
- Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46:

Pursuant to Schedule V of the Listing Regulations, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulation.

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

(1) Shareholder Rights

The Quarterly, Half yearly and Annual Financial Results of the Company are published in the Newspapers, besides notifying to the Stock Exchanges where the Company's shares are listed. The Quarterly, Half yearly and Annual Financial Results are also available on Company's website. The Audited annual report is also sent to every shareholders of the Company (through email to those shareholders whose email IDs are registered with the Company for the Annual Report 2021-22).

(2) Audit qualifications

There is no qualification in the Auditors' Report to the Members on the Financial Accounts for the year ended 31.03.2022.

(3) Reporting by Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

(4) Separate post of Chairman

The Company has a separate post of Chairman. Mr. Sarvesh Kumar Shahi is the Chairman of the Company.

(5) Other Non-Mandatory Requirements

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

14. MEANS OF COMMUNICATION

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

15. GENERAL SHAREHOLDER INFORMATION

a) Details of AGM FOR FINANCIAL YEAR 2021-22

1 Date, time and the venue of 32nd AGM (FY 2021-22):

September 24, 2022, through video conference/ other audio visual means

2 Date of Book Closure:

18th day of September, 2022 to 24th day of September, 2022

(Both days inclusive)

3 Dividend payment date: NA

4. Listing on Stock Exchanges:

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

5. Listing Fees: Listing Fees of the BSE Limited has not been paid.

6. ISIN No. INE825D01016



7. **BSE stock code:** 526508

8. **Stock market price data for the last financial year ended March 31, 2022 on The BSE Limited is as under:**

| Date | RATES (Rs.) | | BSE Sensex (Rs.) | |
|--------|-------------|------|------------------|-----------|
| | High | Low | High | Low |
| Apr-21 | 6.06 | 5.24 | 50,375.77 | 47,204.50 |
| May-21 | 5.77 | 5.22 | 52,013.22 | 48,028.07 |
| Jun-21 | 5.70 | 4.99 | 53,126.73 | 51,450.58 |
| Jul-21 | 5.34 | 4.72 | 53,290.81 | 51,802.73 |
| Aug-21 | 5.08 | 4.37 | 57,625.26 | 52,804.08 |
| Sep-21 | 5.50 | 4.61 | 60,412.32 | 57,263.90 |
| Oct-21 | 5.13 | 4.64 | 62,245.43 | 58,551.14 |
| Nov-21 | 5.21 | 4.41 | 61,036.56 | 56,382.93 |
| Dec-21 | 5.34 | 4.61 | 59,203.37 | 55,132.68 |
| Jan-22 | 5.56 | 4.76 | 61,475.15 | 56,409.63 |
| Feb-22 | 5.29 | 4.55 | 59,618.51 | 54,383.20 |
| Mar-22 | 5.00 | 4.30 | 58,890.92 | 52,260.82 |

■ BSE Index

■ Shahi Shipping Limited



9. Registrar & Share Transfer Agent

Link Intime India Private Limited

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

Tel. no: +91-22-4918 6000

Fax no: +91-22-4918 6060

E-mail Id: rnt.helpdesk@linkintime.co.in

10. Share Transfer System:

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

11. Compliance Officer

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

Company Secretary & Compliance Officer

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

shahishippingsecretarial@gmail.com

Phone no.: 91 (22) 61454545/23487348

Fax: 91 (22) 23487349/50



12. Dematerialization of Shares and liquidity as on March 31, 2022: 68.13 of the company's shares representing 98,74,945 shares were held in dematerialized form with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The Company does not have outstanding GDRS / ADRS / Warrants or any Convertible instruments.

Further, the Company has not undertaken any hedging activities during the Financial Year 2022. With a balance of foreign inflow and outflow, the Company has a natural hedge of foreign exchange.

13. Reconciliation of Share Capital Audit:

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

a) Shareholding Pattern as on March 31, 2022

| Category | No. of shares held | % of voting strength |
|--------------------------------|--------------------|----------------------|
| Corporate Bodies (Promoter Co) | 5283721 | 36.4523 |
| Central Government | 50 | 0.0003 |
| Other Bodies Corporate | 228976 | 1.5797 |
| Directors | 2034365 | 14.0351 |
| Government Companies | 239366 | 1.6514 |
| Hindu Undivided Family | 139891 | 0.9651 |
| Nationalised Banks | 200 | 0.0014 |
| Non Resident Indians | 8600 | 0.0593 |
| Non Resident (Non Repatriable) | 3009 | 0.0208 |
| Public | 3278198 | 22.6163 |
| Relatives Of Director | 3278498 | 22.6183 |
| Total | 14494874 | 100 |

b) The Distribution of Shareholding as on March 31, 2022 was as follows:

| No. of Shares | No. of Shareholders | % of Shareholders | Total No. of Shares held | % of total shares |
|-----------------|---------------------|-------------------|--------------------------|-------------------|
| 1 to 5000 | 4509 | 97.85 | 1630252 | 11.25 |
| 5001 to 10000 | 40 | 0.87 | 299149 | 2.06 |
| 10001 to 20000 | 25 | 0.54 | 394716 | 2.72 |
| 20001 to 30000 | 7 | 0.15 | 161474 | 1.11 |
| 30001 to 40000 | 3 | 0.07 | 110460 | 0.76 |
| 40001 to 50000 | 5 | 0.11 | 224773 | 1.55 |
| 50001 to 100000 | 4 | 0.09 | 262000 | 1.81 |
| 100001 to above | 15 | 0.33 | 11412050 | 78.73 |
| Total | 4608 | 100 | 14494874 | 100 |

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

17. Plant Location

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

18. Registered Office:

404, Abhay Steel House, 4th Floor, Baroda Street, Mumbai 400009.

19. Correspondence Address:

404, Abhay Steel House, 4th Floor, Baroda Street, Mumbai 400009.

E-mail- shahishippingsecretarial@gmail.com

Sarvesh Kumar Shahi
CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai

Date: August 12, 2022



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

We, Sarvesh Kumar Shahi, Chairman and Managing Director [Chief Executive Officer], Ms. Anjali Shahi (Additional Director) and Vijila, Chief Financial Officer of Shahi Shipping Limited [the Company] do hereby certify that:

- a) We have reviewed the financial statements for the quarter ended 31st March, 2022 and to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
 - All Debtors are recoverable and creditors are payable.
 - This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
 - We have paid all taxes and complied with compliances of taxes applicable to us.
- b) To the best of our knowledge and belief, no transactions entered into by the listed entity during the quarter ended 31st March, 2022 are fraudulent, illegal or violative of the listed entity's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken to rectify these deficiencies.
- d) We have not sold following fleets and fleets are under our control:
- LIFE RAFT
 - M.T.MECO FAITH / R. PAMBA
 - M.V.JOSNA
 - M.V.KRISHNA
 - M.V.MOHINI / SEWREE
 - M.V.ROYAL BRAHMAPUTRA
 - M.V.ROYAL GOMATI
 - M.V.ROYAL HUGLI
 - M.V.ROYAL PAMBA
 - M.V.ROYAL RADHIKA / GANDAK
 - M.V.SHASTHA
 - ROYAL SARASWATI (ISSABELA)
 - ROYAL SUTLEJ
- e) We have indicated to the auditors and the Audit committee
- Significant changes in internal control over financial reporting during the quarter;
 - Significant changes in accounting policies during the quarter and that the same have been disclosed in the notes to the financial statements; and
 - That there were no instances of fraud of which we have become aware and the involvement therein of the management or any employee having a significant role in the entity's internal control system over financial reporting.

Sarvesh Kumar Shahi
Chairman & Managing Director/CEO

Vijila Sanjeev Kumar Singh
Chief Financial Officer Director

Place: Mumbai
Date: 30/05/2022



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

As provided under Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, all Board members and Senior Management Personnel have affirmed with Code of Conduct for the year ended March 31, 2022.

For and on behalf of the Board
of **Shahi Shipping Limited**

Sarvesh Kumar Shahi
Chairman & Managing Director

Date: August 12, 2022

Place: Mumbai



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

**The Members of
Shahi Shipping Limited
404 Abhay Steel House 4th Floor
Baroda Street Mumbai 400009**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shahi Shipping Limited having CIN L61100MH1990PLC058680 and having registered office at 404 Abhay Steel House 4th Floor Baroda Street Mumbai 400009 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|-------------------------|----------|--------------------------------|
| 1. | SARVESH KUMAR SHAHI | 00359535 | 26/10/1990 |
| 2. | ANJALI SHAHI | 03363248 | 13/02/2019 |
| 3. | OMPRAKASH RAMDHIN SINGH | 08597117 | 05/02/2021 |
| 4. | SANJEEV KUMAR SINGH | 08698524 | 13/02/2020 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR VIKAS R CHOMAL AND ASSOCIATES
COMPANY SECRETARIES**

**VIKAS R CHOMAL
PRACTICING COMPANY SECRETARIES
ACS NO: F11623
COP: 12133
ICSI Firm Peer Review Reg. No: S2013MH21650
ICSI UDIN: F011623D000830760**

**Date: August 23, 2022
Place: Mumbai**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,
The Members of
Shahi Shipping Ltd.
Mumbai.

We have examined the compliance of the conditions of Corporate Governance by Shahi Shipping Ltd. (the Company) for the year ended 31st March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with BSE Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations except as follow:

Qualifications:

- During the period under review, Related Party Transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. However, the transactions with related parties were ratified by the Audit Committee at the immediate subsequent meeting to the transaction,
- Pursuant to the Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014, every company other than a government entity must file a return in Form DPT 3 with the Registrar of Companies, on a yearly basis. However the company has not filed the returns for the financial year 2021-22.
- The company has made a delay in filing Annual Secretarial Compliance Certificate for the Financial year ending on 31st March 2022 and submitted the same to the BSE on 20th July 2022
- Additional deviations in compliances are as follow:

| SR. No. | Compliance Requirement and respective Deviation | Financial Year (FY) for which the violated related | Details of Action taken by the BSE | Details of Action taken by Company |
|---------|---|--|--|---|
| 1 | As per SEBI's circular no. CIR/ISD/3/2011 dated 17th June 2011, 100% of Promoter and Promoter shareholding Groups should dematerialized. The Promoter and Promoter Groups Shareholding of the Company is not 100% held in dematerialized form. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | NA | The Promoter and Promoter Groups Shareholding of the Company is still not 100% held in dematerialized form |
| 2 | As per Regulation 14 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all listed companies are required to pay Annual Listing Fees (ALF) to the Stock Exchange where its securities are listed, before the 30th of April every year. The Company has not paid the annual listing fees to the stock exchange for the Financial Year 2018-19, 2019-20 and 2020-21, 2021-22 and for the present Financial Year 2022-23. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | The shares of the Company are suspended for trading on the BSE Limited and the shares of the promoters are freezed for penal reasons and the Company is further liable for any penal action taken by the BSE Limited | The Company states that it is intending to clear all the outstanding dues towards the Listing Fees on priority basis. |



| SR. No. | Compliance Requirement and respective Deviation | Financial Year (FY) for which the violated related | Details of Action taken by the BSE | Details of Action taken by Company |
|---------|---|--|--|---|
| 3 | As per Regulation 46 and 62 of the SEBI LODR Regulations, 2015, the Company shall disclose the prescribed information on the website of the Company. The website of the Company do not contain the information as required under Regulation 30, Regulation 46, Regulation 62 and other applicable Regulations of SEBI LODR Regulations 2015. | 1. FY 2021-22 2. FY 2020-21 3. FY 2019-20 | NA | The Company is in process of updating the requisite information on the website of the Company |
| 4 | As per Regulation 6 of the SEBI LODR Regulations, 2015, a listed entity shall appoint a qualified company secretary as the compliance officer. The Company does not have a Company Secretary and a Compliance officer as on the date of this report. | 1. FY 2021-22 2. FY 2020-21 | The BSE Limited vide its intimation to the Company dated May 20, 2022 has levied a penalty of Rs. 1,06,200/- (inclusive of GST) for non-compliance of Regulation 6 (1) of the SEBI LODR, Regulations 2015. | the Company is yet to appoint a Company Secretary and Compliance officer as on the date of this report. |
| 5 | As per Regulation 18, 19, 20 of the SEBI LODR Regulations, 2015, a listed entity is required to constitute the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in the manner specified in the said Regulations The Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee is not as per the provisions of the Regulation 18, 19, 20 of the SEBI LODR Regulations, 2015 | FY 2020-21 | The BSE Limited had levied fines for the said non-compliance(s) under Regulation 17, Regulation 18 and 19 of the SEBI (LODR) Regulations, 2015 for Rs. 94,400, Rs. 37,760 and Rs. 37,760 respectively | The fine imposed is yet to be paid / applied for waiver by the Company |
| 6 | As per Regulation 23(9) of the SEBI LODR Regulations, 2015, a Listed entity is required to submit the half yearly disclosure on Related Party Transactions with Stock Exchange where its securities are listed The Company failed to submit the disclosure on Related Party Transactions for the half year ended on 30th September 2020 as per Regulation 23(9) of SEBI LODR (Regulations. | FY 2020-21 | The BSE Limited has levied a fine for non-compliance of Regulation 23(9) of Rs. 2,06,500. | The fine imposed is yet to be paid / applied for waiver by the Company |



| SR. No. | Compliance Requirement and respective Deviation | Financial Year (FY) for which the violated related | Details of Action taken by the BSE | Details of Action taken by Company |
|---------|---|--|--|--|
| 7 | As per Regulation 34, a copy of annual Report is to be submitted to the stock exchange not later than the day of commencement of dispatch to shareholders. The Company has filed a copy of Annual Report beyond the prescribed limit with the stock exchange not later than the day of commencement of dispatch to shareholders. | FY 2020-21 | The BSE Limited had levied a fine of Rs. 7080 (inclusive of GST) | The fine imposed is yet to be paid / applied for waiver by the Company |

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company. Restrictions on use This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

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

Pathik B Shah
Partner
Membership No. 138847
UDIN: 22138847AJXALN6130

Place: Mumbai
Date: 30th May , 2022.



Independent Auditor's Report

To the Board of Directors of
The Shahi Shipping Limited

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of Shahi Shipping Limited ("the Company") for the quarter and year ended March 31, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with recognition and measurement principles laid down in the applicable Indian accounting standards, and other accounting principles generally accepted in India, of the net loss & other comprehensive income and other financial information of the Company for the quarter and year ended 31st March, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial

Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Emphasis of Matter

(a) The other financial assets in the Balance sheet includes Rs. 645.23 lakhs of interest subsidy receivable from Central Government and Inland Waterways Authority. To recover the same the petition is pending. The ultimate outcome of the matter cannot presently be determined.

(b) The Trade payable are Rs.347.59 Lakhs. The confirmations from creditors are not provided and hence we are unable give any opinion on trade payable. So we cannot form any opinion on trade payable.

(c) The Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting as at March 31, 2022.

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

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

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Results

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

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

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



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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those book;
 - c) The Balance sheet, the Statement of Profit & Loss including the statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representation received from the directors as on March 31, 2022 taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in Annexure "B" to this report;
 - g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h) With respect to the matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by company.
- iv)
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on our audit procedures, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- (v) The Company has not declared any Dividend during the year.

For B. P. Shah & Co.
Chartered Accountants
(FRN: 109517W)

Pathik Shah
Partner
Membership No. 138847
Place: Mumbai

Date: 30th May, 2022
UDIN: 22138847AJXALN6130

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

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shahi Shipping Limited on the standalone financial statements for the year ended March 31, 2022.

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company has maintained proper records showing full particulars of intangible assets;
- (b) Fixed assets have been physically verified by the management during the year in accordance with phased program of verification adopted by the company. Hence, material discrepancies between the book records and physical inventory were not noticed in respect of assets not physically verified during the year by management.
- (c) Based on our examination, we report that title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date other than as stated under:

| Description of property | Gross carrying value | Asset held in name of | Whether held in name of promoter, director or their relative or employee | Period during which it was not held in name of the company | Reason for not being held in name of company | Where ownership of Asset is in dispute, details of such dispute |
|-------------------------|----------------------|-----------------------|--|--|--|---|
| Office Premises | 2.34 lakhs | Shahi Finance Ltd | Not applicable | From the commencement of company | None | Not Applicable |

(Rs. In Lakhs)

| Particulars (Office Premises) | Amount |
|----------------------------------|--------|
| Gross Block as at 31 March, 2022 | 2.34 |
| Net Block as at 31 March, 2022 | 0.17 |

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;
- (e) The Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- (ii) The Company is in Shipping business, therefore Clause of the above mentioned order regarding inventory and its physical verification, etc., do not apply in its case. The Company does purchase stores and spare parts for its ships & barges which are directly treated as consumed as and when supplied to its ships & barges. Thus paragraph 2 (i), (ii) and (iii) of the order is not applicable.
- (iii) According to the information and explanations provided to us, the Company has not granted loans, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189(2) of the act and hence sub clause (a) (b) (c) of Paragraph 3 of the said order are not applicable to company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
- (v) According to the information and explanation provided to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.



- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the company.
- (vii) a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of Goods and Service Tax, provident fund, employees state insurance, sales-tax, income-tax, service tax, customs duty, excise duty, value Added Tax, cess and any other statutory dues as applicable, have been generally regularly deposited by the Company during the year with the appropriate authorities except for following:
- The extent of the arrears of statutory dues outstanding as at 31/03/2022 are of Maharashtra Labour Welfare Fund for Rs 8422 ; Professional Tax for Rs 70687, ESIC- Employee Contribution for Rs.63250.50, ESIC- Employers Contribution for Rs. 140346, Provident Fund-10188 and Income Tax pertaining to financial years 2011-2012 Rs.0.85 Lakhs have been outstanding for a period more than six months.
- b) According to the information and explanation given to us, there are no dues of Goods and Service tax, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to the Company which have not been deposited by the Company on account of any dispute with appropriate authorities
- (viii) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- (ix) (a) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions, banks, governments or debenture holders. The company did not have any outstanding dues to debenture holders during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loan during the year and hence reporting under clause 3(ix)(c) of the Order is not applicable to the Company
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries hence reporting under clause 3(ix) (e) of the Order is not applicable to the Company
- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) The Company has not applied for any Term Loan and has not raised money by way of Initial public offer / further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x) of the Order is not applicable.
- (xi) Based upon the audit procedures performed and as per the information and explanations given to us, we have neither come across any instance of fraud on or by the company, its officers or employees, noticed or reported during the period, nor have we been informed of such case by the management.
- (xii) In our opinion, company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the order are not applicable to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards. However during the period under review, related party transactions were undertaken but no prior approval regarding the same were obtained from the audit committee as required under clause 23.2 of the SEBI (Listing Obligations and Disclosure requirements Regulation, 2015)



- (xiv) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. We have considered, internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures
- (xv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions during the period with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanation given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has incurred cash losses during the financial year covered by our audit and no cash losses in the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors of the Company during the year;
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance.
- (xx) Reporting under clause 3(xx)(a) of the Order is not applicable as Section 135 does not apply to the company.
- (xxi) The Company does not have any subsidiary, associate or joint venture and hence not applicable to prepare Consolidated Financial Statements. Hence paragraph 3(xxi) of the Order is not applicable.

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

Partner
Membership No. 138847

Place : Mumbai

Date : May 30th, 2022

UDIN: 22138847AJXALN6130



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shahi Shipping Limited on the standalone financial statements for the year ended March 31, 2022.

We have audited the internal financial controls over financial reporting of Shahi Shipping Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Disclaimer of Opinion

Accordingly to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2022.



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SHAHI

**SHIPPING
LIMITED**

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

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

**Pathik Shah
Partner
Membership No. 138847
UDIN: 22138847AJXALN6130**

Mumbai: May 30, 2022



Balance Sheet as at 31st March, 2022

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|-------|-------------------------|-------------------------|
| ASSETS | | | |
| (1)Non-current assets | | | |
| (a)Property, Plant and Equipment | 3 | 8,21,65,620 | 9,00,66,845 |
| (b)Financial assets | | | |
| (i) Investments | 4 | 3,54,785 | 3,12,384 |
| (ii) Loans | 5 | 3,000 | - |
| (iii) Other Financial Assets | 6 | 8,49,46,522 | 8,49,26,047 |
| (c)Other non-current assets | 7(a) | 74,43,459 | 46,93,070 |
| Total non-current assets | | 17,49,13,387 | 17,99,98,346 |
| (2)Current assets | | | |
| (a)Financial assets | | | |
| (i) Trade receivables | 8 | 1,32,10,899 | 1,15,61,646 |
| (ii) Cash and cash equivalents | 9 | 26,87,166 | 22,41,414 |
| (b)Other current assets | 7(b) | 82,90,567 | 82,90,469 |
| Total Current Assets | | 2,41,88,631 | 2,20,93,528 |
| Total assets | | 19,91,02,019 | 20,20,91,875 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a)Equity Share capital | 10 | 14,49,48,740 | 14,49,48,740 |
| (b)Other Equity | 11 | (11,61,87,104) | (11,53,38,876) |
| Total Equity | | 2,87,61,636 | 2,96,09,864 |
| LIABILITIES | | | |
| (1)Non-current liabilities | | | |
| (a)Financial Liabilities | | | |
| (i) Borrowings | 12(a) | 7,13,11,596 | 4,91,88,179 |
| (ii) Other Financial Liabilities | 13(a) | - | 14,50,000 |
| (b)Provisions | 14 | 25,26,902 | 46,42,419 |
| (c)Deferred Tax Liabilities (Net) | 15 | 91,82,313 | 98,72,655 |
| Total non-current liabilities | | 8,30,20,811 | 6,51,53,253 |
| (2)Current liabilities | | | |
| (a)Financial liabilities | | | |
| (i) Borrowings | 12(b) | 3,33,02,329 | 4,46,91,153 |
| (ii) Trade payables | 16 | 3,47,59,460 | 4,01,02,158 |
| (iii) Other financial liabilities | 13(b) | 1,86,57,783 | 2,07,93,167 |
| (b)Other current liabilities | 17 | 6,00,000 | 17,42,280 |
| Total current liabilities | | 8,73,19,572 | 10,73,28,758 |
| Total Equity and Liabilities | | 19,91,02,019 | 20,20,91,875 |
| See Accompanying notes to Financial Statements | | | |

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

Date : 30th May, 2022
Place : Mumbai
UDIN: 22138847AJXALN6130

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

Sanjeev Kumar Singh
Director
(DIN: 08698524)

Anjali shahi
(Director)
(DIN: 03363248)

Vijila V
(Chief Financial Officer)

**Statement of Profit and loss for the year ended 31st March, 2022**

| Particulars | Note | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|-------------|--------------------------------------|--------------------------------------|
| I Revenue From Operations | 18 | 9,40,29,294 | 9,33,82,408 |
| II Other Income | 19 | 2,25,49,371 | 47,10,096 |
| III | | | |
| Total Income (I+II) | | 11,65,78,665 | 9,80,92,504 |
| IV EXPENSES | | | |
| Employee benefits expense | 20 | 1,42,17,361 | 1,50,70,397 |
| Finance costs | 21 | 47,01,638 | 66,05,743 |
| Depreciation and amortization expense | 3 | 77,46,323 | 85,64,763 |
| Other expenses | 22 | 9,14,51,914 | 8,18,09,870 |
| Total expenses (IV) | | 11,81,17,236 | 11,20,50,773 |
| V Profit/(loss) before exceptional items and tax (III-IV) | | (15,38,570) | (1,39,58,270) |
| VI Exceptional Items | | - | - |
| VII Profit/(loss) before tax (V-VI) | | (15,38,570) | (1,39,58,270) |
| VIII Tax expense: | | | |
| (1) Current tax | 23 | - | - |
| (2) Deferred Tax | 15 | (6,90,342) | (27,27,577) |
| (3) Tax Expense of Earlier Years: | | | 1,16,350 |
| Total Tax Expense(VIII) | | (6,90,342) | (26,11,227) |
| IX Profit (Loss) for the period (VII-VIII) | | (8,48,228) | (1,13,47,043) |
| X Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| B (i) Items that will be reclassified to profit or loss | | - | - |
| XI Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period) | | (8,48,228) | (1,13,47,043) |
| XII Earnings per equity share: | | | |
| (1)Basic & Diluted | 27 | (0.06) | (0.78) |

See Accompanying notes to Financial Statements

1 to 36

As per our report of even date attached

For and on Behalf of The Board of Directors

For B.P. Shah & Co.

Sarvesh Kumar Shahi**Anjali shahi**

Chartered Accountants

Chairman & Managing Director**(Director)**

Firm Registration No. 109517W

(DIN: 00359535)**(DIN: 03363248)**

M No: 138847

Pathik B Shah**Sanjeev Kumar Singh****Partner****Director****(DIN: 08698524)****Date : 30th May, 2022****Vijila V****Place : Mumbai****(Chief Financial Officer)**

UDIN: 22138847AJXALN6130



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022

| Particulars | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|--|--|--|
| A. Cash flow from operating activities | | |
| Net Profit / Loss before tax from | (8,48,228) | (1,39,58,270) |
| Adjustments for | | |
| Depreciation and amortization expense | 77,46,323 | 85,64,763 |
| Sundry Credit Balance Written back | (40,48,763) | (43,96,347) |
| Bad Debt Written Off | (90,39,081) | 1,71,88,276 |
| Sundr Balance w/off | (59,63,188) | |
| Misc. Income | - | (56,072) |
| Interest Income | (1,12,374) | (2,37,816) |
| Finance Cost | 47,01,638 | 66,05,743 |
| Change in fair value of investments through Profit and Loss | (42,401) | (19,861) |
| Notional Interest on Loan to Employees | - | - |
| Amortization expense of Loan to Employees | - | - |
| Profit on sale of asset | (12,28,047) | - |
| Operating profit before working Capital Changes | (88,34,121) | 1,36,90,417 |
| Change in operating assets and liabilities | | |
| (Increase)/Decrease in Trade Receivables | 73,89,828 | 77,48,854 |
| (Increase)/Decrease in Other Current assets | (98) | (75,39,978) |
| (Increase)/Decrease in Other Non Current Assets | (14,73,586) | (7,74,993) |
| (Increase)/Decrease in Other Non Current Financial Assets | (20,475) | (9,55,824) |
| (Increase)/Decrease in Interest Free Loans Advanced to Employees | (3,000) | - |
| Increase/(Decrease) in provision | (21,15,517) | 87,425 |
| Increase/(Decrease) in Trade payables | 46,69,252 | 38,61,377 |
| Increase/(Decrease) in Deferred Tax Liabilities | (6,90,342) | (27,27,578) |
| Increase/(Decrease) in Other current financial liabilities | (21,35,385) | (24,66,018) |
| Increase/(Decrease) in Current Liabilities & Payables | (11,42,280) | (4,14,198) |
| Increase/(Decrease) in Other financial Non Current Liabilities | (14,50,000) | |
| Cash generated from operations | (58,05,724) | 1,05,09,484 |
| Income taxes paid | (12,76,680) | (8,70,064) |
| Net cash outflow from operating activities | (70,82,404) | 96,39,420 |
| B. Cash flows from investing activities | | |
| Payments for property, plant and equipment | (1,17,174) | (2,58,618) |
| Interest Received | 1,12,374 | 2,37,816 |
| Proceeds from sale of assets | 15,00,000 | |
| Net cash outflow from investing activities | 14,95,200 | (20,802) |

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

| Particulars | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|--|--|--|
| C. Cash flows from financing activities | | |
| Net Proceeds from Long Term Borrowings | 2,21,23,417 | 19,75,943 |
| Net Proceeds from Investments | | (19,861) |
| Net Proceeds from Short Term Borrowings | (1,13,88,823) | (32,79,722) |
| Interest Paid During the Year | (47,01,638) | (66,05,743) |
| Net cash inflow from financing activities | 60,32,956 | (79,29,384) |
| Net increase (decrease) in cash and cash equivalents | 4,45,752 | 16,89,235 |
| Cash and cash equivalents at the beginning of the financial year | 22,41,414 | 5,52,179 |
| Cash and cash equivalents at end of the year | 26,87,165 | 22,41,414 |

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

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

Pathik B Shah
Partner

Date : 30th May, 2022
Place : Mumbai
UDIN: 22138847AJXALN6130

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

Sanjeev Kumar Singh
Director
(DIN: 08698524)

Anjali shahi
(Director)
(DIN: 03363248)

Vijila V
(Chief Financial Officer)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022****A. Equity Share Capital**

| "As at April 1, 2020" | Changes in equity share capital during 2020-21 | "As at March 31, 2021" | Changes in equity share capital during 2021-22 | "As at March 31, 2022" |
|--------------------------|---|---------------------------|---|---------------------------|
| 14,49,48,740 | - | 14,49,48,740 | - | 14,49,48,740 |

B. Other Equity

| Particulars | Note | Reserves & Surplus | | Total Equity |
|-------------------------------------|-----------|-----------------------|---------------------|-----------------------|
| | | Retained Earnings | General Reserve | |
| Balance as at April 1, 2020 | 11 | (21,56,87,829) | 10,94,41,271 | (10,62,46,558) |
| Profit / (loss) for the period | | (1,13,47,043) | - | (1,13,47,043) |
| Other Comprehensive Income | | 22,54,724 | - | 22,54,724 |
| Total Comprehensive Income | | (90,92,319) | - | (90,92,319) |
| Balance as at March 31, 2021 | 11 | (22,47,80,147) | 10,94,41,271 | (11,75,93,600) |
| Profit / (loss) for the period | | (8,48,228) | - | (8,48,228) |
| Other Comprehensive Income | | | - | - |
| Total Comprehensive Income | | (8,48,228) | - | (8,48,228) |
| Balance as at March 31, 2022 | 11 | (22,56,28,376) | 10,94,41,271 | (11,61,87,105) |

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

Pathik B Shah
Partner

Date : 30th May, 2022
Place : Mumbai
UDIN: 22138847AJXALN6130

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

Sanjeev Kumar Singh
Director
(DIN: 08698524)

Anjali shahi
(Director)
(DIN: 03363248)

Vijila V
(Chief Financial Officer)

**Notes to Financial Statements for the year ended 31st March, 2022****Note 1: Corporate Information**

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

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

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

2.2 Compliance with Indian Accounting Standards

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements following the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 in respect of section 133 of the Companies Act 2013. Accordingly, the Company has prepared these Standalone Ind AS Financial Statements which comprise the Balance sheet as at March 31, 2022, Statement of Profit and Loss, Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2022 and significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Ind AS Financial Statements").

2.3 Use of Estimates and Judgment

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

2.4 Property, plant and equipment

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

Depreciation:

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

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

2.5 Impairment of non-financial assets

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

2.6 Revenue Recognition

The Company recognises revenue in Statement of Profit & Loss when

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



The Statement of Profit & Loss reflects,

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

2.7 Investments and other financial assets

i. Initial recognition and measurement

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

ii. Subsequent measurement

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

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

Equity Instruments

a) Subsidiary and Joint Ventures

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

b) Others

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

iii. Derecognition

A financial asset is derecognised only when:

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

2.8 Employee Benefits

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

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

2.9 Foreign currency translation & transaction

a. Functional and presentation currency

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

b. Transaction

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

2.10 Income tax

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

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



Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

2.11 Provisions, contingent liabilities and contingent assets

Provisions

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

Contingent liabilities

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

Contingent Assets

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

2.12 Offsetting Financial Instruments

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

2.13 Cash and cash equivalents

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

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

2.14 Borrowing costs

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

2.15 Financial Liabilities

i. Initial recognition and measurement

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

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

ii. Subsequent measurement

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

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

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



iv. Derecognition

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

2.16 Treatment of Major Repairs

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

2.17 Stores and Spares

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

2.18 Earnings per Share

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

2.19 Cash Flow Statement

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

2.20 Impairment of Financial Assets

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

2.21 Critical Accounting Judgments and Key Sources Of Estimation Uncertainty

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

- a) **Determination of the estimated useful lives of Property, Plant and Equipment and Intangible Assets:** Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.
- b) **Recoverability of Trade Receivables:** Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required or not. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.
- c) **Provisions:** The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.
- d) **Current versus non-current classification:** All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.



- e) **Impairment of financial assets :** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- f) **Impairment of non-financial assets :** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The impairment provision for of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate evaluation model is used.
- g) **Recognition of Deferred Tax Assets and Liabilities :** Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.



Note 3: Fixed Assets Details the Year Ended 2021-2022

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTIZATION | | | | NET BLOCK | |
|---------------------------------|-----------------------|--------------------------|---------------------------|-----------------------|-----------------------------|--|--------------------------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st March 2021 | Addition during the year | Deduction during the year | As at 31st March 2022 | As at 31st March 2021 | Depreciation / Amortization for the year | Adjustment in respect of Assets Sold | As at 31st March 2022 | As at 31st March 2022 | As at 31st March 2021 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| a Tangible Assets | | | | | | | | | | |
| Freehold Land | 8,45,316 | - | - | 8,45,316 | - | - | - | - | 8,45,316 | 8,45,316 |
| Leasehold Land | 47,09,760 | - | - | 47,09,760 | 21,97,971 | 1,50,708 | - | 23,48,679 | 23,61,081 | 25,11,789 |
| Buildings * | 1,79,66,036 | - | - | 1,79,66,036 | 1,06,85,919 | 3,11,572 | - | 1,09,97,491 | 69,88,545 | 72,80,117 |
| Plant and Machinery | 1,20,85,756 | - | - | 1,20,85,756 | 1,12,39,514 | 1,93,821 | - | 1,14,33,335 | 6,52,421 | 8,46,242 |
| Furniture and Fixtures | 1,11,10,998 | - | - | 1,11,10,998 | 1,02,98,865 | 2,71,400 | - | 1,05,70,265 | 5,40,733 | 8,12,133 |
| Vehicles | 4,11,57,832 | - | - | 4,11,57,832 | 3,76,58,432 | 8,43,132 | - | 3,85,01,564 | 26,56,268 | 34,99,400 |
| Office Equipments | 1,37,45,198 | 1,17,174 | - | 1,38,62,372 | 1,31,72,826 | 1,12,300 | - | 1,32,85,126 | 5,77,246 | 5,72,372 |
| Electrical Instalments | 20,49,005 | - | - | 20,49,005 | 19,44,575 | - | - | 19,44,575 | 1,04,430 | 1,04,430 |
| Tankers | 16,15,728 | - | - | 16,15,728 | 15,91,068 | 2,518 | - | 15,93,586 | 22,142 | 24,660 |
| Fleets | 35,34,42,186 | - | 45,32,270 | 34,89,09,917 | 30,09,19,040 | 58,60,872 | 42,60,319 | 30,25,19,593 | 4,63,90,323 | 5,25,23,146 |
| Total (a) | 45,87,27,815 | 1,17,174 | 45,32,270 | 45,43,12,720 | 38,97,08,209 | 77,46,323 | 42,60,319 | 39,31,94,213 | 6,11,18,506 | 6,90,19,606 |
| Capital Work-in-Progress | 2,10,47,114 | - | - | 2,10,47,114 | - | - | - | - | 2,10,47,114 | 2,10,47,114 |
| Total (b) | 47,97,74,929 | 1,17,174 | 45,32,270 | 47,53,59,834 | 38,97,08,209 | 77,46,323 | 42,60,319 | 39,31,94,213 | 8,21,65,620 | 9,00,66,845 |

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



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

| Particulars | GROSS BLOCK | | | DEPRECIATION / AMORTIZATION | | | | NET BLOCK | |
|---------------------------------|-----------------------|--------------------------|---------------------------|-----------------------------|--|--------------------------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st March 2020 | Addition during the year | Deduction during the year | As at 31st March 2020 | Depreciation / Amortization for the year | Adjustment in respect of Assets Sold | As at 31st March 2021 | As at 31st March 2021 | As at 31st March 2020 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| a Tangible Assets | | | | | | | | | |
| Freehold Land | 8,45,316 | - | - | - | - | - | - | 8,45,316 | 8,45,316 |
| Leasehold Land | 47,09,760 | - | - | 20,37,644 | 1,60,327 | - | 21,97,971 | 25,11,789 | 26,72,116 |
| Buildings * | 1,79,66,036 | - | - | 1,03,53,319 | 3,32,600 | - | 1,06,85,919 | 72,80,117 | 76,12,717 |
| Plant and Machinery | 1,20,85,756 | - | - | 1,11,61,415 | 78,099 | - | 1,12,39,514 | 8,46,242 | 9,24,341 |
| Furniture and Fixtures | 1,11,10,998 | - | - | 1,02,84,865 | 14,000 | - | 1,02,98,865 | 8,12,133 | 8,26,133 |
| Vehicles | 4,10,83,451 | 74,381 | - | 3,65,05,631 | 11,52,801 | - | 3,76,58,432 | 34,99,400 | 45,77,820 |
| Office Equipments | 1,35,60,962 | 1,84,236 | - | 1,30,29,073 | 1,43,753 | - | 1,31,72,826 | 5,72,372 | 5,31,890 |
| Electrical Instalments | 20,49,005 | - | - | 19,42,191 | 2,383 | - | 19,44,575 | 1,04,430 | 1,06,814 |
| Tankers | 16,15,728 | - | - | 15,91,068 | - | - | 15,91,068 | 24,660 | 24,660 |
| Fleets | 35,34,42,186 | - | - | 29,42,38,242 | 66,80,798 | - | 30,09,19,040 | 5,25,23,146 | 5,92,03,944 |
| Total (a) | 45,84,69,198 | 2,58,617 | - | 38,11,43,447 | 85,64,763 | - | 38,97,08,209 | 6,90,19,606 | 7,73,25,752 |
| Capital Work-in-Progress | 2,10,47,114 | - | - | - | - | - | - | 2,10,47,114 | 2,10,47,114 |
| Total (b) | 47,95,16,312 | 2,58,617 | - | 38,11,43,447 | 85,64,763 | - | 38,97,08,209 | 9,00,66,845 | 9,83,72,866 |

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



Note 4 : Financial Investments

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Investment in Unquoted Shares at Fair Value Through Profit and Loss | | |
| 1000 equity shares of Saraswat Co-operative Bank Ltd. (Previous Year: 1000) Face Value: Rs. 10 per share | 160189 | 1,23,151 |
| 400 Equity Shares of Shamrao Vithal Co-operative Bank Ltd. (Previous Year: 400) Face Value: Rs. 25 per share | 194596 | 1,89,233 |
| Total | 3,54,785 | 3,12,384 |
| Total non current investments | | |
| (a) Aggregate amount of quoted investments and market value thereof | - | - |
| (b) Aggregate amount of unquoted investments | 3,54,785 | 3,12,384 |
| (c) Aggregate amount of investments in subsidiaries | - | - |
| (d) Aggregate amount of impairment in value of investments | - | - |
| Total | 3,54,785 | 3,12,384 |

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

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

Note 5: Loans

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------------|-------------------------|-------------------------|
| Unsecured, Considered Good | | |
| Loan to Employees | 3,000 | NIL |
| Total Loans | 3,000 | NIL |

Note 6 : Other Non Current financial asset

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| <u>Deposits, considered good</u> | | |
| Electricity Deposits | 54,886 | 54,886 |
| Telephone Authorities | 86,150 | 86,150 |
| Other Deposits | 2,65,33,386 | 2,65,12,911 |
| Less: Allowance for doubtful debts | 6251045 | 62,51,045 |
| Total | 20423378 | 20402903 |
| <u>Interest Receivable</u> | | |
| Interest on Subsidy Receivable (Refer Note 28) | 64523144 | 6,45,23,144 |
| Total | 8,49,46,522 | 8,49,26,047 |

Note 7(a) : Other Non-Current Assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| <u>Statutory Dues Receivable</u> | | |
| Income Tax Refund of Previous Years | 2350855 | 1480791 |
| Income Tax Refund A.Y. 2021-22 | 1276680 | 870064 |
| GST Tax Claimable | 3815924 | 2342215 |
| TDS | 0 | 0 |
| Total | 74,43,459 | 46,93,070 |



Note 7(b) : Other Current Assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------|-------------------------|-------------------------|
| Advance to Creditors | 81,07,208 | 79,72,174 |
| Prepaid Expenses | 1,83,359 | 3,18,295 |
| Total | 82,90,567 | 82,90,469 |

Note 8: Trade Receivables

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| (Unsecured, considered good) | | |
| Trade Receivables | 9,80,04,368 | 10,61,31,107 |
| Trade Receivables from related parties | - | - |
| Total | 9,80,04,368 | 10,61,31,107 |
| Less: Allowance for doubtful debts | 8,47,93,469 | 9,45,69,462 |
| Total | 1,32,10,899 | 1,15,61,646 |

Note 9 : Cash and cash equivalents

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|-------------------------|-------------------------|
| Balances with Banks | | |
| (i) In Current accounts | 3,49,967 | 30,608 |
| (ii) In Earmarked accounts | | |
| Margin Money Deposit | 23,11,051 | 22,10,161 |
| Cash on hand | 26,148 | 645 |
| Total | 26,87,166 | 22,41,414 |

Note: 10 Equity share capital

| Particulars | As at March 31, 2022 Rs. | As at March 31, 2021 Rs. |
|--|--------------------------------|--------------------------------|
| <u>Authorised equity share capital</u> | | |
| 3,00,00,000 Equity Shares of Rs. 10 Each | 30,00,00,000 | 30,00,00,000 |
| Total | 30,00,00,000 | 30,00,00,000 |
| <u>Issued, Subscribed & Paid Up</u> | | |
| 1,44,94,874 Equity Shares of Rs. 10 each, fully paid | 14,49,48,740 | 14,49,48,740 |
| Total | 14,49,48,740 | 14,49,48,740 |

Terms & conditions

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

(i) Reconciliation of number of shares

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---------------------|--------------|---------------------|--------------|
| | Number of shares | Amount | Number of shares | Amount |
| Balance as at the beginning/end of the year | 1,44,94,874 | 14,49,48,740 | 1,44,94,874 | 14,49,48,740 |



(ii) Detail of Shares held by Promoter and Promoter Group

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | | Changes in % during the year |
|--------------------------|-------------------------|----------------------|-------------------------|----------------------|------------------------------------|
| | Number of shares | % of Total Shares | Number of shares | % of Total Shares | |
| a) Promoter | | | | | |
| SARVESH KUMAR SHAHI | 20,28,165 | 13.99 | 20,28,165 | 13.99 | - |
| FRANCIS BUDHAJI KOLI | 4000 | 0.03 | 4000 | 0.03 | - |
| RANJANA FRANCIS KOLI | 2200 | 0.02 | 2200 | 0.02 | - |
| b) Promoter Group | | | | | |
| SHAHI GASOL LIMITED | 5054721 | 34.87 | 5054721 | 34.87 | - |
| KOLI FINANCE PVT LTD | 229000 | 1.58 | 229000 | 1.58 | - |
| VIKAS KOLI | 26,49,996.00 | 18.28 | 26,49,996.00 | 18.28 | - |
| TRUPTI F. KOLI | 190000 | 1.31 | 190000 | 1.31 | - |
| DOLICIE F. KOLI | 190000 | 1.31 | 190000 | 1.31 | - |
| RANJANA FRANCIS KOLI | 138000 | 0.95 | 138000 | 0.95 | - |
| VEENA JOSEPH KOLI | 110000 | 0.76 | 110000 | 0.76 | - |
| ANJANA SHAHI | 502 | 0.0035 | 502 | 0.0035 | - |
| | 1,05,96,584 | 73.11 | 1,05,96,584 | 73.11 | - |

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

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---------------------|---------------------|-----------------|---------------------|--------------|
| | No. of Shares | % of Holding | No. of Shares | % of Holding |
| Sarvesh Kumar Shahi | 19,03,219 | 13.13% | 19,03,219 | 13.13% |
| Shahi Gasol Ltd. | 50,54,721 | 34.87% | 50,54,721 | 34.87% |
| Vikas Koli | 26,49,996 | 18.28% | 26,49,996 | 18.28% |

Note 11 Other Equity

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| a. Retained earnings | | |
| Opening balance | (22,62,66,588) | (21,56,87,829) |
| Inter-head Balance Adjustment A/c | | 7,68,283 |
| Total comprehensive income/ (loss) for the period | (8,48,228) | (1,13,47,043) |
| Closing Balance of Retained Earnings | (22,71,14,817) | (22,62,66,588) |
| b. General Reserve | | |
| Opening Balance | 11,09,27,712 | 10,94,41,271 |
| Transferred to/from Retained Earnings | | 14,86,441 |
| Closing Balance of General Reserves | 11,09,27,712 | 11,09,27,712 |
| Total Other Reserves | (11,61,87,104) | (11,53,38,876) |

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|---|
| <u>Secured Term Loans</u> | | |
| From banks (Bank of Baroda) | - | 24,53,088 |
| Vehicle Loan from Others | - | 7,54,900 |
| <u>Unsecured Loan</u> | | |
| From Related Parties | 6,77,11,596 | 4,42,68,279 |
| From Others | 36,00,000 | 41,65,000 |
| Total Borrowings: | 7,13,11,596 | 5,16,41,266 |
| <u>Less: Current Maturities:</u> | | |
| Secured Loan from banks (Refer Note 13(b)) | - | 24,53,088 |
| Total Current Maturities | - | 24,53,088 |
| Total | 7,13,11,596 | 4,91,88,179 |
| | | Total Outstanding as at 31 March, 2022 |
| <u>Term loan from Bank:</u> | | 0 |
| <u>Term loan from others (Vehicles)</u> | | |
| Loans from Related Parties and Other Unsecured Loans | | 7,13,11,596 |
| Total | | 7,13,11,596 |

Note : 12(b) Current Financial Borrowings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| <u>Secured Loans Repayable on Demand</u> | | |
| Working Capital Loans taken from Bank | 3,33,02,329 | 4,46,91,153 |
| Total | 3,33,02,329 | 4,46,91,153 |

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

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

| Particulars | As at March 31,2022 | As at March 31,2021 |
|----------------|------------------------|------------------------|
| Trade Deposits | - | 14,50,000 |
| Total | - | 14,50,000 |



Note : 13(b) Other Current Financial Liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| a. Current Maturities of Long Term Debt from Banks | - | 24,53,088 |
| b. Accrued Interest on Loans | 3,52,267 | 3,66,752 |
| c. Other payables for: | | |
| (i) Payables for Expenses | 1,76,57,016 | 1,63,85,863 |
| (ii) Statutory Dues Payable | 6,48,500 | 15,87,464 |
| Total | 1,86,57,783 | 2,07,93,167 |

Note: 14 Non-Current Provisions

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Provision for employee benefits: | | |
| Provision for gratuity | 25,26,902 | 46,42,419 |
| Total | 25,26,902 | 46,42,419 |

Note : 15 Deferred Tax Liabilities (Net)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------------|-------------------------|-------------------------|
| Opening Deferred Tax Liabilities | 98,72,655 | 1,26,00,232 |
| Deferred Tax Expense for the year | (6,90,342) | (27,27,577) |
| Total | 91,82,313 | 98,72,655 |

Note : 16 Trade Payables

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------------|-------------------------|-------------------------|
| Trade payables | 3,13,98,580 | 3,76,02,627 |
| Trade payables to related parties | 33,60,880 | 24,99,531 |
| Total | 3,47,59,460 | 4,01,02,158 |

Trade payable ageing schedule

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-----------------------|--------------------|------------------|----------------|-------------------|-----------------|
| As at 31st March 2022 | | | | | |
| a) Other Payable | 1,76,62,632 | 34,21,154 | 1637881 | 12037792 | 34759460 |
| b) Disputed Dues | - | - | 0 | 0 | 0 |
| Total | 1,76,62,632 | 34,21,154 | 1637881 | 12037792 | 34759460 |

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-----------------------|--------------------|------------------|----------------|-------------------|-----------------|
| As at 31st March 2021 | | | | | |
| a) Other Payable | 1,36,84,513 | 37,94,082 | 9028364 | 13595199 | 40102159 |
| b) Disputed Dues | - | - | 0 | 0 | 0 |
| Total | 1,36,84,513 | 37,94,082 | 9028364 | 13595199 | 40102159 |

Note : 17 Other Current Liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Advance Received From Debtors | 2,00,000 | 17,42,280 |
| Advance Received Towards Sale of Barge | 4,00,000 | |
| Total | 6,00,000 | 17,42,280 |

**Note 18 : Revenue from operation**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---------------------|------------------------------|------------------------------|
| Shipping Operations | 9,40,29,294 | 9,33,82,408 |
| Total | 9,40,29,294 | 9,33,82,408 |

Note 19 : Other Income

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| 1) Interest income | | |
| (i) On Bank Deposits | 1,12,374 | 1,40,425 |
| (ii) On Income Tax Refund | | 97,391 |
| (iii) On Advances | - | - |
| 2) Other Non Operating Income | | |
| (i) Miscellaneous Income | - | 56,072 |
| (ii) Sundry Balance Written Back | 4048762.53 | 43,96,347 |
| (iii) Gain on Fair Valuation of Investments as per IND AS | 42,401 | 19,861 |
| (iv) Notional Interest on loan to employees as per IND AS | - | - |
| (v) Profit on Sale of Shares | - | - |
| (vi) Profit on sale of Assets | 12,28,047 | |
| (vii) Reversal of Provision on Bad Debts | 90,39,081 | |
| (viii) Sundry Balance written off- Income | 59,63,188 | |
| (viii) Gratuity | 21,15,517 | |
| Total | 2,25,49,371 | 47,10,096 |

Note 20 : Employee benefit expenses

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| (i) Salaries, Bonus and Allowances | 72,14,848 | 77,16,078 |
| (ii) Contribution to Provident Fund and Other Funds | 5,31,399 | 4,97,246 |
| (iii) Directors Remuneration | 60,00,000 | 60,00,000 |
| (iv) Directors Sitting Fees | 32,000 | 33,000 |
| (v) Amortization of Staff Loan Expenses as per IND AS | - | - |
| (vi) Staff Welfare expenses | 4,39,114 | 8,24,073 |
| Total | 1,42,17,361 | 1,50,70,397 |

Note : 21 Finance costs

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|-----------------------|------------------------------|------------------------------|
| Interest on loan | 44,00,371 | 58,59,046 |
| Other Borrowing Costs | 3,01,267 | 7,46,697 |
| Total | 47,01,638 | 66,05,743 |



Note : 22 Other expenses

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| Repairs and Maintenance - Barge | 1,24,45,559 | 1,10,00,710 |
| Repairs and Maintenance - Machinery | 77,825 | 1,88,532 |
| Repairs and Maintenance - Others | 10,23,646 | 10,99,162 |
| Rates & Taxes | 31,76,483 | 9,18,582 |
| Insurance | 9,22,877 | 2,74,011 |
| Legal and Professional Expenses | 19,95,185 | 10,53,202 |
| Provision for Doubtful debts and Bad Debts | - | 1,71,88,276 |
| Provision for Grautuity | - | 87,425 |
| Travelling Expenses | 23,03,994 | 25,42,682 |
| Barge operating expense | 99,67,854 | 1,02,69,552 |
| Fuel and Oil | 81,22,383 | 1,11,65,220 |
| Hire Transportation and water charges | 1,00,20,939 | 12,62,080 |
| Auditors Remuneration* | 4,10,000 | 5,02,031 |
| Port Related Expenses | 2,10,26,148 | 1,34,94,199 |
| Purchases | 1,64,12,418 | 79,25,241 |
| Office Expenses | 1,96,091 | 3,53,886 |
| Electricity and Water Charges | 1,68,893 | 2,67,479 |
| Penalty | 78,397 | 24,092 |
| Sundry Balance written off | - | - |
| Jacking & Unjacking | 2,90,000 | - |
| Loading & Unloading | 4,29,773 | 4,25,617 |
| Business Development Expenses | 2,41,348 | 2,14,481 |
| Printing & Stationery | 1,28,012 | 1,35,411 |
| Telephone Expenses | 40,216 | 55,147 |
| Membership and Subscription | 48,483 | 1,16,915 |
| Miscellaneous Expenses | 19,25,390 | 12,45,938 |
| Total | 9,14,51,914 | 8,18,09,870 |

***Auditors Remuneration**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|-----------------------------|------------------------------|------------------------------|
| Payment to Auditors' | | |
| Audit fee | 3,80,000 | 3,45,000 |
| Taxation Matters | 30,000 | 1,57,031 |
| Total | 4,10,000 | 5,02,031 |

Note : 23 Current Tax

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|-------------------------|-------------------------|
| Current Tax Provision | - | - |



Note : 24 Related Party Disclosures

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

a) Related Party Disclosure:

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

b) Transactions during the year with related parties

| Type of Related Party | Nature Of Transaction | As on 31st March, 2022 | As on 31st March, 2021 |
|--------------------------------------|---|---------------------------|---------------------------|
| | | Rs. In Lakhs Amount | Rs. In Lakhs Amount |
| Where Control Exists | Loans Received | 321.96 | 111.70 |
| | Loans Repaid | 107.39 | 97.61 |
| | Purchases made during the year | 29.48 | 11.93 |
| Key Management Personnel | Remuneration paid to Key management Personnel | 66 | 67.2 |
| | Loans Taken | - | - |
| © Where Significant Influence Exists | Mr. Somesh Shahi | 5.65 | 1.09 |

c) Balance outstanding of related parties

| | As on 31st March, 2022 | As on 31st March, 2021 |
|---------------------------------|---------------------------|---------------------------|
| | Rs. In Lakhs Amount | Rs. In Lakhs Amount |
| Trade Payables | 33.52 | 4.04 |
| Loan to Related Parties | -0.48 | -0.28 |
| Unsecured Loan Taken | 608.80 | 378.84 |
| Key Managerial Personnel | | |
| Unsecured Loan Taken | 68.31 | 69.49 |



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

| Name of the party | Nature of transactions | As at March 31, 2022 | | As at March 31, 2021 |
|----------------------------|--|----------------------|---|----------------------|
| " - Sarvesh Shahi " | "i) Directors remuneration ii) Performance linked bonus " | 60,00,000 | "i) Directors remuneration ii) Performance linked bonus " | 60,00,000 |
| Sarvesh Kumar Shahi | Loan Repaid | 15,17,690 | Loan Repaid | 2,32,190 |
| Sarvesh Kumar Shahi | Loan Received | 14,00,000 | | |
| India First Logistics Ltd. | Purchase of Diesel for Vessels | 29,48,080 | Payment made against outstanding trade payables (Written off) | 1192830 |
| India First Logistics Ltd. | Loan Received | 2,87,00,000 | Loan Received | 10619897 |
| India First Logistics Ltd. | Loan Repaid | 81,56,228 | Loan Repaid | 9512658 |
| Shahi Gasol Ltd. | Loan Repaid | 500000 | Loan Repaid | 1000 |
| Shahi Gasol Ltd. | Loan Received | 34,95,531 | | |
| Somesh Shahi | Loan received | | Loan received | 5,50,000 |
| Somesh Shahi | Loan Repaid | 5,65,000 | Loan Repaid | 15,500 |
| Somesh Shahi | Salary | 6,00,000 | Salary | 6,00,000 |
| N.V Agandeswaran | Salary | | Salary | 1,20,000 |
| Vijila Vincent | Salary | 3,06,000 | Salary | 2,69,438 |

e) Balance outstanding of related parties

| Name of the Party | Receivable / (Payable) | As on 31st March, 2022 | As on 31st March, 2021 |
|----------------------------|-------------------------------------|------------------------|------------------------|
| India First Logistics Ltd. | Trade Payables (Note 16) | 33,52,080 | 4,04,000 |
| India First Logistics Ltd. | Unsecured Loan (Note 12(a)) | 2,61,85,267 | 56,19,791 |
| Somesh Shahi | Unsecured Loan (Note 12(a)) | - | 5,65,000 |
| Royal Logistics Ltd. | Loan to Related Parties (Note 5(a)) | (48,100) | (27,700) |
| Sarvesh Kumar Shahi | Unsecured Loan (Note 12(a)) | 68,31,464 | 69,49,154 |
| Shahi Gasol Ltd. | Unsecured Loan (Note 12(a)) | 3,46,94,865 | 3,16,99,334 |

Note : 25 Contingent Liabilities

- a) Claim against the Company not acknowledged as debts Rs. 30.37 lakhs (2020-21 Rs. 30.37 lakhs)
- b) On account of guarantees executed by the company's banker for Rs. 1.00 crore (2020-21 Rs. 75.57 Lakhs) which is partly secured by the margin money amounting to Rs. 12.30 Lakhs (2020-21 Rs. 5.35 lakhs) retained by the Bank.

Note : 26 Earning per Share

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Basic Earning Per Share | | |
| "Profit/(Loss) attributable to Equity shareholders" | (8,48,228) | (1,13,47,043) |
| "Weighted average number of equity shares" | 1,44,94,874 | 1,44,94,874 |
| Face value per Share | 10 | 10 |
| Basic & Diluted Earnings Per Share | (0.06) | (0.78) |

Note: 27: Other Notes

- I Debtors include Rs. 22.67 lacs (2020-21 Rs. 22.67 lacs) in respect of cases which are under arbitration/ dispute. In the opinion of the management the said debts are considered recoverable.
- II The other current assets in Note No. 6 includes Rs. 645.23 lacs of interest subsidy receivable from Central Government Inland Waterways Authority. To recover the same the petition is pending before the Allahabad High Court. The amount outstanding is considered good by the management.
- III In the opinion of the Board, Current Assets, Loans, Advances and Deposit have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the balance sheet.



- IV The company is engaged only in the business of shipping and as such there is no separate reportable segment as per Indian Accounting Standard 108.
- V The company has not identified amount payable to Micro, Small and Medium Enterprise, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- VI The company's two Subsidiary Company namely SKS Waterways Ltd and Royal Logistics (Ship) Ltd has not yet started operation hence the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS Waterways Ltd & Royal Logistics (Ship) Ltd has not been prepared.

Note : 28 Fair Value Measurement

i) Fair Value of Financial assets and Financial liabilities

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

| Particulars | 31-Mar-2021 | | 31-Mar-2020 | |
|--|-----------------|-----------------|-----------------|-----------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Financial assets designated as fair value through profit and loss | | | | |
| Investments | | | | |
| -In Equity Shares | 20,050 | 3,54,785 | 20,050 | 3,12,384 |
| | 20,050 | 3,54,785 | 20,050 | 3,12,384 |

(ii) Valuation technique used to determine fair value

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

(iii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

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

| Financial assets and liabilities measured at fair value-recurring fair value measurements | At March 31, 2022 | | | | |
|---|-------------------|---------|---------|-----------------|-----------------|
| | Notes | Level 1 | Level 2 | Level 3 | TOTAL |
| Financial assets | | | | | |
| Financial investments at FVPL | | | | | |
| Unlisted Equity Shares | 4 | - | - | 3,54,785 | 3,54,785 |
| Total financial assets | | - | - | 3,54,785 | 3,54,785 |

| Assets and liabilities which are measured at amortised cost for which fair values are disclosed | At March 31, 2021 | | | | |
|---|-------------------|---------|---------|-----------------|-----------------|
| | Notes | Level 1 | Level 2 | Level 3 | TOTAL |
| Financial assets | | | | | |
| Financial Loan at FVPL | | | | | |
| Unlisted Equity Shares | 4 | - | - | 3,12,384 | 3,12,384 |
| Total financial assets | | - | - | 3,12,384 | 3,12,384 |



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

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

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

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

Note: 29 Financial Risk Management

Financial Risk Factors

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

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

(A) Credit Risk

- (i) Credit risk is the risk of financial loss to the Company, if a customer to a financial instrument fails to meet its contractual obligations. Company's exposure to credit risk primarily arises on account of its Trade receivables. Trade receivables consist of a large number of customers spread across diverse geographical areas. A default on a trade receivable is considered when the customer fails to make contractual payments within the credit period. This credit period has been determined by considering the business environment in which the Company operates. The Company considers dealing with creditworthy customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit risk due to above is periodically monitored. Based on the periodical analyses, the credit risk.
- (ii) Provision for expected credit losses : The Company provides for expected credit loss on trade receivables. The model uses historical credit loss experience for trade receivables i.e. this model uses aging analysis of trade receivables as at the reporting date and is based on the number of days that a trade receivables is past due. The ageing has been done for bracket of last 3 years. Further, customers declaring bankruptcy or failing to engage in repayment plan with the Company, 100% provisioning is made i.e. such customers do not form part of this impairment exercise and provided for separately.

(iii) Ageing of Trade Receivable

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------|----------------------|----------------------|
| 0-12 months | 1,21,84,782.32 | 1,15,61,645.52 |
| Beyond 12 months | 10,26,116 | - |
| Total | 1,32,10,899 | 1,15,61,646 |

(iv) Reconciliation of Trade receivables :

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Gross Carrying Amount | 12184782.32 | 11561645.52 |
| Less: Expected Carrying Losses: | 10,26,116 | - |
| Carrying amount of trade receivables after impairment | 1,32,10,899 | 1,15,61,646 |

**(B) Liquidity Risk**

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

(ii) Maturities of financial liabilities

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

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

| Contractual maturities of financial liabilities 31 March 2022 | Less than 1 Year | Between 1 and 5 Years | Total |
|--|-------------------------|------------------------------|---------------------|
| Borrowings | 3,33,02,329 | 7,13,11,596 | 10,46,13,925 |
| Trade Payables | 1,72,36,068 | 1,75,23,391 | 3,47,59,460 |
| Deposits and other liabilities | 1,86,57,783 | - | 1,86,57,783 |
| Total Liabilities | 6,91,96,180 | 8,88,34,987 | 15,80,31,168 |

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

(C) Market risk

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

(i) Freight/Charter hire risk

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

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

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

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

| Particulars | As at March 31, 2022 | As at March 31, 2022 |
|--------------------------|---------------------------------|---------------------------------|
| Net Debt | 10,46,13,925 | 9,63,32,419 |
| Total Equity | 2,87,61,636 | 2,96,09,865 |
| Net Debt to Equity Ratio | 3.64 | 3.25 |



| Particulars | As at March 31, 2022 | As at March 31, 2022 |
|----------------------|-------------------------|-------------------------|
| Current Assets | 2,41,88,631 | 2,20,93,528 |
| Current Liabilities | 8,73,19,572 | 10,73,28,758 |
| Current Ratio | 0.28 | 0.21 |

| Particulars | As at March 31, 2022 | As at March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Current Assets- Inventory | 2,41,88,631 | 2,20,93,528 |
| Current Liabilities | 8,73,19,572 | 10,73,28,758 |
| Liquid Ratio | 0.28 | 0.21 |

Note 31: Employee Benefit Plans

The obligation arising from gratuity is determined on the basis of actuarial assumptions. Key actuarial assumptions include, average salary, employee strength and life expectancy.

Analysis for Valuation Data and Obligation.

Below table shows data movement along with result analysis over the period of valuation.

| Table 1: Data Movement | No. of Employees | Avg. Salary | Discontinuance Liability | Projected Benefit Obligation |
|---|------------------|-------------|--------------------------|------------------------------|
| New Entrants Employees with Date of Joining from Apr 01, 2020 to Mar 31, 2021 | - | - | - | - |
| Status as at Mar 31, 2021 | 19 | 18,660 | 2960501 | 2403572 |
| New Entrants Employees with Date of Joining from Apr 01, 2021 to Mar 31, 2022 | - | - | - | - |
| Employees with Date of Joining prior to Apr 01, 2021 | 19 | 19,933 | 3134685 | 2526902 |
| Status as at Mar 31, 2022 | 19 | 19,933 | 3134685 | 2526902 |

Note 32: Tax Expenses

a) Income Tax expenses recognised in Statement of Profit & Loss

| Particulars | As at March 31, 2022 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Current Income Tax | 0 | 0 |
| Deferred Tax | 690342 | 2727577 |
| Tax of earlier year | | 116350 |
| Total Income Tax Expenses recognised in the current year | 690342 | 2843927 |

b) Movement in Deferred Tax balances

| Particulars | As at March 31, 2021 | Recognised in profit and loss | Recognised in OCI | As at March 31, 2022 |
|-----------------------------|-------------------------|----------------------------------|----------------------|-------------------------|
| Property, Plant & Equipment | 9872655 | (6,90,342) | 0 | 9182313 |
| Total | 9872655 | (6,90,342) | 0 | 9182313 |



Note 33: Analytical Ratio Analysis

| Sr No | Ratio | Numerator | Denominator | Measures | 2021-22 | | | 2020-21 Ratio | Difference |
|-------|---------------------------------|-----------------------------------|--|------------|--------------------------------------|-----------------|-------|---------------|------------|
| | | | | | Numerator | Denominator | Ratio | | |
| 1 | Current Ratio | Current Assets | Current Liability | Times | 2,41,88,631.43 | 8,73,19,571.59 | 0.28 | 0.21 | 0.07 |
| 2 | Debt Equity Ratio | Total Debt (Borrowings) | Shareholder Equity | Times | 10,46,13,925.47 | 2,87,61,636.43 | 3.64 | 3.25 | 0.38 |
| 3 | Debt Service Coverage ratio | Earning for Debt Service (EBITDA) | Debt Service (Interest+Principal) | Times | No Debt Outstanding during the year. | | | -3.61 | |
| 3 | Return on Equity | Net Profit after taxes | Average Shareholder Equity | Percentage | -8,48,228.35 | 2,87,61,636.43 | -2.95 | -38.32 | 35.37 |
| 4 | Inventory Turnover Ratio | Cost of Goods sold | Average Inventory | Times | NA | NA | NA | NA | NA |
| 5 | Trade Receivable Turnover Ratio | Revenue from Operations | Average Trade Receivables | Times | 9,40,29,294.29 | 1,32,10,898.55 | 7.12 | 8.08 | -0.96 |
| 6 | Trade Payable Ratio | Net Credit Purchase | Average Trade Payables | Times | 9,14,51,913.74 | 3,47,59,459.62 | 2.63 | 2.04 | 0.59 |
| 7 | Net Capital Turnover Ratio | Revenue from Operation | Average working Capital | Times | 9,40,29,294.29 | -6,31,30,940.16 | -1.49 | -1.10 | -0.39 |
| 8 | Net Profit ratio | Net Profit after taxes | Total Income | Percentage | -8,48,228.35 | 11,65,78,665.47 | -0.01 | -0.12 | 0.11 |
| 9 | Return on Capital employed | Earning before interest and taxes | Average Capital Employed (Total Assets- Liabilities) | Percentage | 12,25,17,607.22 | 2,87,61,636.47 | 4.26 | 0.20 | 4.06 |
| 10 | Return on investment | Profit after taxes | Total Equity | Percentage | -8,48,228.35 | 14,49,48,740.00 | -0.01 | -0.08 | 0.07 |

Note 34 : Additional regulatory information required by Schedule III of Companies Act, 2013

1 Details of Benami property:

No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

2 Utilisation of borrowed funds and share premium:

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

3 Compliance with number of layers of companies:

The company has complied with the number of layers prescribed under the Companies Act, 2013.

4 Compliance with approved scheme(s) of arrangements:

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

5 Undisclosed income:

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



6 Details of crypto currency or virtual currency:

The company has not traded or invested in crypto currency or virtual currency during the current or previous year

7 Valuation of Property, Plant and Equipment :

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

8 Willful Defaulter :

The company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

9 Details of Transaction with Struck off Companies :

The Company has not entered into transaction with struck off companies

Note 35: Approval of Financial Statement

The Financial Statements have been approved by the Board of Directors at their Meeting held on May 30, 2022.

Note 36: Previous Year Figures

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

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

Pathik B Shah
Partner

Date : 30th May, 2022
Place : Mumbai
UDIN: 22138847AJXALN6130

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

Sanjeev Kumar Singh
Director
(DIN: 08698524)

Anjali shahi
(Director)
(DIN: 03363248)

Vijila V
(Chief Financial Officer)



By Courier



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