



# NAVIGATING PROGRESS TOWARDS A GLOBAL FUTURE



**भारतीय नौवहन निगम लिमिटेड**  
(भारत सरकार का उद्यम)

कार्गो मंजिल तक पहुँचाए. जीवन को राह दिखाए.



**The Shipping Corporation Of India Ltd.**  
(A GOVERNMENT OF INDIA ENTERPRISE)

TRANSPORTING GOODS. TRANSFORMING LIVES.



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## AWARDS, ACCOLADES AND ACHIEVEMENTS •



## **VISION**

**To emerge as a team of inspired performers in the field of Maritime Logistics, Offshore, Port and Terminal Management, serving Indian and global trade.**

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## **MISSION**

**To serve India's overseas and coastal seaborne trade as its primary flag carrier, and be an important player in the field of global maritime logistics with focus on:**

- Maintaining its 'Numero Uno' position in Indian Shipping.
  - Establishing a major global presence in energy-related, dry bulk and niche container shipping markets.
  - Evolving reliable and cost-effective business models to exploit emerging opportunities in maritime and allied industries.
  - Achieving excellence in Quality, Occupational Health, Safety and Environmental Management Systems.
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## **OBJECTIVES**

**The Shipping Corporation of India Ltd. works to fulfill its objectives as mentioned below:**

- To provide its clientele safe, environmentally sustainable, reliable, efficient and quality shipping services, complying with all legal and other requirements.
- To be an optimally profitable, viable, ethical and socially responsible commercial organization contributing to the national economy by securing a reasonable return on capital and serving the nation's needs.
- To own or acquire an adequate, well designed and efficient fleet to cater to the demand of global maritime trade through options like leasing, demise charter, joint ventures and other innovative financial measures.
- To be a major player in India's offshore and other marine activities and to continue to explore opportunities for diversification for steady growth of the Company.
- To enhance competency and professionalism among its fleet and shore personnel through effective and dynamic Human Resource Management.
- To continually improve its efficiency in process and technology, adopting various measures including E-governance and optimum use of Information Technology.
- To minimize risks and environmental impacts for achieving Safety, Occupational Health and Environmental performance.

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## BOARD OF DIRECTORS AS ON 03/09/2022#

**Capt. B.K. Tyagi**  
Chairman & Managing Director

**Shri Sanjay Kumar**  
Government Director

**Shri Vikram Singh**  
Government Director

**Shri Pramod Kumar Panda**  
Independent Director

**Shri Atul Ubale**  
Director (Bulk Carrier & Tanker)

**Shri P.K. Gangopadhyay**  
Director (Personnel & Administration)

**Shri Gulabbhai Rohit**  
Independent Director

**Shri Shreekant Pattar**  
Independent Director

**Shri KNP Chakravarthy**  
Independent Director

**Dr. Anil Kumar Misra**  
Independent Director

**Ms. Arunima Dwivedi**  
Independent Director

**Shri Vikram Dingley**  
Director (Technical & Offshore Services)

**Shri C.I. Acharya**  
Director (Finance)

# Except for first three names, all other names are in the order of date of appointment.

**Shri N Subramanya Prakash**  
Chief Financial Officer (w.e.f. 05.08.2022)  
**Smt. Swapnita Vikas Yadav**  
Company Secretary & Compliance Officer (w.e.f. 01.02.2022)

## STATUTORY AUDITORS\*

**M/s V. Sankar Aiyar & Co.**

**M/s Chokshi & Chokshi LLP**

\* M/s V. Sankar Aiyar & Co. and M/s Chokshi & Chokshi LLP were appointed as Statutory Auditors of the Company for F.Y. 2021-22. They have also conducted limited review audit of Q1, Q2 & Q3 of F.Y. 2021-22. M/s V. Sankar Aiyar & CO. and M/s Chokshi & Chokshi LLP have also conducted limited review audit of the Company for quarter ended June 2022.

For Financial Year 2022-23, Company has not received letter of appointment of Statutory Auditors from CAG

## SECRETARIAL AUDITOR

**Shri Upendra Shukla,**  
Practicing Company Secretary

**M/s. Mehta & Mehta**  
Practicing Company Secretary (w.e.f. 01.07.2022)

## REGISTERED OFFICE

Shipping House, 245, Madame Cama Road,  
Mumbai 400 021.

## REGISTRAR & TRANSFER AGENTS

**Bigshare Services Private Limited**  
Office No S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400093.

## ADDENDUM TO CHAIRMAN'S MESSAGE

Subsequent to recent development in the position of Chairman & Managing Director, wherein, Capt. B.K. Tyagi has taken over the charge of Chairman & Managing Director, you may kindly read this message in place of the Chairman's message currently appearing on page numbers from 3-6.



**Dear Shareholders, Ladies and Gentlemen,**

On behalf of the Board of Directors of The Shipping Corporation of India Ltd, I welcome you all to the 72nd Annual General Meeting of your Company. It is a proud moment for all of us as Your esteemed company has completed 60 glorious years in service of our nation on 2nd October 2021. I wish to convey my special complements to all the shareholders for the success that Your company has achieved during past six decades by pioneering into various segments of Maritime transportation which has not only supported Indian Economy but has immensely contributed towards nation building while ensuring self-sustenance of our country in maritime industry. The Diamond celebrations were marked with great fanfare and enthusiasm with concluding ceremony being graced by Shri. Sarbananda Sonowal, the Hon'ble Minister for Ports, Shipping & Waterways and AYUSH, as the Chief Guest and Shri. Shantanu Thakur, Hon'ble Minister of State for Ports, Shipping & Waterways, as Guest of Honour.

It gives me immense pleasure to place before our esteemed shareholders, the 72nd Annual Report of your Company for the financial year 2021-2022. The financial year 2021-22 had post COVID reminiscence and the beginning of the year witnessed lockdowns being rolled back in phased manner by many countries across globe. As the global economies reopened, there was rebound witnessed in global merchandise trade and shipping industry which works on principles of derived demand, had a deep positive impact with freight rates in liner and bulk segments touching historical high levels. While, the geopolitical situation arising from the Russia – Ukraine war crisis which started in February 2022 shall have a bearing on shipping industry, your company with its diversified fleet is poised towards taking advantage of market opportunities emerging from the global shipping outlook. I am glad to inform that your company had a splendid performance during the financial year 2021-22 and I am pleased to summarise some of the key highlights of your company during FY 2021-22.

### **Shipping Scenario & Operations**

The World has seen some resilience in year 2021-22 as the economic activities recovered from the Covid-19 pandemic. The Global growth was estimated to 6.1% during calendar year 2021. All major trading economies saw imports and exports rise above pre-pandemic levels in the fourth quarter of 2021, with trade in goods increasing more strongly in the developing world than in developed countries. The global trade reflected a strong increase of 10.1% by volume in 2021 in comparison to 2020 which has led to apparent increase in total seaborne trade during the same period. The growth rates indicated signs of recovery, but it was not uniform across all segments, such as seaborne

## ADDENDUM TO CHAIRMAN'S MESSAGE

oil trade (crude oil and refined products) which continued to decline in 2021.

However, in view of the geo-political issues like the Russia-Ukraine conflict, lockdowns in China, supply-chain disruptions, and the risk of stagflation across many countries the forecasts of global growth has been downgraded to 3.6% and the global trade volume by 5.0% in 2022. The war between Russia and Ukraine has pushed up the commodity prices significantly. Higher commodity price inflation is likely to affect lower income countries the most, and since these countries tend to be net importers of dry bulk commodities, it is likely to have some implications on their dry bulk demand.

In 2021-22, container volumes bounced back quickly as consumer demand increased, boosted by stimulus packages and measures to support incomes during COVID-19. Bounce-back brought along with it a shift in consumption patterns away from services and more towards goods. This surge in trade, however resulted in several logistical bottlenecks globally and in 2021, whole industry, including shipping, ports, shippers, and inland carriers struggled with shortages in containers, transport equipment like chassis and space on container ships. This has added to severe port congestion across several ports globally and reduced service levels and carrier reliability, while exponentially increasing freight rates and surcharges.

The impact of COVID induced lockdown continued to have impact on E&P activities along Indian Coast which impacted the specialised offshore segment with few selective opportunities for employment of these vessels in the country. However, there was a recovery in the E&P operations as the crude price touched US\$ 100 per barrel by the end of the year 2021-22. With positive indication from E&P companies to enhance production the utilization for offshore vessels is expected to increase.

India's GDP in 2021 has rebounded from the slump in 2020 and surpassed China's GDP growth rate in 2021. India's import and exports have significantly rose in the year 2021-22. The year 2021-22 observed a reasonable increase in the quantum of Cargo Traffic at India's 13 major ports, majorly contributed by was P.O.L. (Petroleum, Oil & Lubricants), followed by Container traffic, Thermal & Steam Coal, Other Misc. Cargo, Iron Ore & Pellets, Coking & Other Coal, Other Liquids, Finished Fertilizers and Raw Fertilizers. This improvement in port performances is the result of many strategic measures initiated by the Ministry of Ports, Shipping and Waterways, focused towards elevating the performance of Indian ports, such as mechanization of the terminals, focus on improving the TAT (turn-around time), efficient cargo movement, adoption of new technology, with special thrust on coastal transportation, expansion/modernization of port-related infrastructure and skill development of port employees.

Going ahead, the factors like war between Russia and Ukraine, high oil prices, recurrence of lockdown in China and overall sluggishness in economy due to monetary policy tightening are expected to keep the Crude Oil Tanker market under pressure. However, the demand for the Product Tankers is expected to increase in comparison to 2021 as the Russian refined products are unacceptable to Western countries and thus they will source Petroleum Products from alternative locations boosting the tonne miles of Product Tankers. The dry bulk segment has recovered remarkably during 2021 and factors like strong trade growth and tapering dry bulk carrier are expected to maintain higher rates in this segment. The Liner trade is also expected to keep the momentum as India's exports have surpassed pre-COVID levels during 2021-22 and the union Budget 2022-23 has emphasized long-term potential for Indian exports. Further focus on increasing share of coastal shipping in cargo transportation in India is also expected to contribute toward growth of Liner/ Container trade during 2022-23.

For boosting the maritime sector in India, Government has formulated a Maritime India Vision 2030 which focuses on over 150 initiatives across 10 themes covering all the facets of the Indian maritime sector and is a comprehensive effort to define and meet national maritime objectives. Further Government's landmark initiatives, such as Sagarmala, Gati Shakti, Atmanibhar Bharat and Make in India, shall definitely propel Indian maritime industry toward newer horizons of success in coming year.

### Financials

Your Company has reported a stand-alone net Profit After Tax (PAT) of Rs. 794.79 Crores and consolidated PAT of Rs. 865.22 Crores for the year ended 31st March 2022 as against a standalone PAT of Rs. 618.10 Crores and consolidated PAT Rs. 696.09 Crores for the year ended 31st March 2021. The revenue from operation has significantly increased by 35% during FY 2021-22 vis-à-vis FY 2020-21. Further, Your Company has reported highest Operating Revenue of last two decades and highest PAT of last 13 years in FY 2021-22. It is also a matter of pride to share that your company is first CPSE in Navratna/ Maharatna category to declare Annual Results for the third consecutive financial year.

### Dividend

Your Company continued its spirit of buoyancy this year too and the Board of Directors, giving due consideration to sustainability on all accounts, has recommended a dividend of Rs. 0.33/- per equity share of face value of Rs. 10/- each subject to your approval at the Annual General Meeting. The Board of Directors remains grateful to all the stakeholders for the unstinted support faith and patience reposed in it to deliver. We continue to remain responsible for maintaining and sustaining the momentum gained and while we surpassed our previous performance overcoming the adversities.

### Acquisitions and Disposals

The present fleet of Your Company comprise of 59 vessels. There were no new acquisitions or scrapping of vessels during FY 2021-22. Your Company has, over the years has successfully retained its 'Numero Uno' position in Indian Shipping and has been a frontrunner in

# ADDENDUM TO CHAIRMAN'S MESSAGE

terms of growth, diversification and replenishment of its tonnage. The average age of Your Company's fleet is less than average age of Indian tonnage. Augmentation of tonnage through acquisition of vessels is continually being explored subject to the favourable market conditions and economic viability. During FY 2021-22, Your Company floated tenders for acquisition of 2 nos. of Very Large Gas Carriers (VLGC) of about 12-16 years old and acquisition of up to 10 year old resale/second-hand OSV. However, the tenders floated did not elucidate desired bid and thus Your Company shall continue scanning S&P markets for the acquisition opportunities.

## Strategic Disinvestment of SCI

Your Company has been identified for strategic disinvestment by the Government of India. On 10th November 2021, SCI incorporated a wholly owned subsidiary "Shipping Corporation of India Land and Assets Limited" (SCILAL) pursuant to approval of Board of Directors based on the concurrence given by the Ministry of Ports Shipping and Waterways and NITI Aayog for hiving off the Non-Core Assets of the Company as a part of the Demerger under SCI's strategic Disinvestment process. The Scheme of Demerger has been approved by the SCI Board, DIPAM, MoPSW, SCILAL Board and stock exchange. The Demerger Scheme has been filed with Ministry of Corporate Affairs (MCA) for approval.

## Corporate Social Responsibility

Your company's values as a socially responsible organization are well entrenched in its activities. The emphasis this year, has been on health & nutrition with a special focus on Covid-19 related measures, promotion of school education for underprivileged children and maritime education for weaker sections of the society, eradication of hunger and malnutrition, women empowerment, skill development, health care, environment sustainability and other areas of social upliftment. To reinforce Nation's fight against Covid-19, your company has generously contributed towards strengthening healthcare infrastructure in the country, by donating oxygen generating plants, ventilators and PPE kits.

## Corporate Governance

Your Company has a legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. The Report of Directors on Corporate Governance placed in the Directors' Report comprehensively describes the structure and practice of Corporate Governance of your Company. In addition to complying with the requirements of Corporate Governance emanating from various statutes, rules and regulations, your Company is also in compliance with the DPE guidelines on Corporate Governance. The Corporate Governance issues are kept in constant focus by the Board of Directors of your Company and your Company complies with the applicable guidelines both in letter and spirit.

## Important Developments

- In compliance with the IMO's Ballast Water Management Convention, Your Company is in process of installing the Ballast Water Treatment System (BWTS) on its 40 foreign going vessels. Installation and commissioning of BWTS has been completed on 15 foreign going vessels and for other vessel BWTS fitting will be undertaken commensurate with their dry-docking schedule. Informatively, 11 foreign going vessels were fitted with BWTS by 31.03.2022.
- Your company's vessels M.T. Swarna Sindhu and M.V. SCI Sabarmati were part of the prestigious 12th Fleet Review by Hon'ble President of India & Supreme Commander of Indian Armed Forces along with other Indian Navy Fleet during February 2022.
- In accordance to approval received from A&N Administration in July 2021 Your Company has taken over the officer manning of the 17 nos. Foreshore vessels. Foreshore Vessels are lifeline for inter-island connectivity in Andaman and Nicobar and thus Islanders will be benefitted by uninterrupted services offered by Your Company.
- To overcome high freight rates, shortage of containers and for catering to the requirements of Indian exporters, Your Company deployed its container vessel 'M.V. SCI Chennai' on direct "India – Middle East Shipping Service". This service will connect East & West Coast of India with Middle East ports of Jebel Ali and Hamad and will also cater to other ports in Persian Gulf. The service was flagged off by Hon'ble Minister MoPSW during SCI's Diamond Jubilee Celebration function held on 3rd Oct 2022.
- Your company executed an agreement with Union Territories of Lakshadweep Administration (UTLA) in February 2022 for Operation and Management (O&M) of 21 nos. diversified fleet of vessels comprising Passenger vessels, High Speed Passenger Crafts, POL vessels, Cargo vessels and Harbor Tugs.
- In March 2022, a historic Memorandum of Understanding (MOU) was signed between Inland Waterways Authority of India (IWAI) & Inland & Coastal Shipping Ltd (ICSL), a wholly owned subsidiary of Your Company for taking over of two RO-RO vessels, M.V. Gopinath Bordoloi & M.V. Sankar Dev of IWAI.
- In yet another historical event showcasing and promoting Diversity and Inclusivity (D&I) in the Global Shipping Industry, Your Company successfully organized 'All Women Merchant Officers' sailing on M.T. Swarna Godavari for celebrating the Inaugural IMO International Day for Women in Maritime. This is second such event in succession. The vessel was flagged off from Jawahar Dweep oil terminal, Mumbai on 14th May, 2022 by Smt. Meenakshi Lekhi Hon'ble Union Minister of State, Ministry of External Affairs and Union Minister of State, Ministry of Culture.
- India - Maldives Cargo Shipping Service was jointly launched on 21.09.2020, adding a new chapter in the connectivity initiatives taken by both the countries in the Indian Ocean Region (IOR), connecting Indian Ports of Cochin and Tuticorin with Kulhuduffushi and Male.



## ADDENDUM TO CHAIRMAN'S MESSAGE

### Azadi Ka Amrit Mahotsav Celebrations

To commemorate the 75 years of Independence of the progressive India and its glorious history encompassing its people, culture and achievements, your company celebrated the Azadi Ka Amrit Mahotsav (AKAM) with great fervour. A series of activities were organized by Your Company to celebrate the milestone, such as talk on freedom fighters, quiz to increase awareness of freedom fighting movements, programs intended for employees and family welfare, felicitation of Freedom Fighters, felicitation of seafarers, plantation drive, free COVID vaccination camps and participation in AKAM Mega show organized by Department of Public Enterprise at Gandhinagar, Gujarat wherein SCI showcased its contribution in nation building.

### Awards & Accolades bestowed upon your company during FY 2021-22

- Amity Excellence Award for Exceptional Leadership was given to Smt. H.K. Joshi C&MD on 28th April 2021.
- Your Company received the prestigious NMDC Award on the Occasion of 'Day of the Seafarer', celebrated on 25th June 2021 for the historic journey of M.T. Swarna Krishna, being the first Indian Flag vessel with all Women Officers on board.
- The Central Board of Indirect Taxes and Customs issued a certificate of appreciation to Your Company for prompt filing of returns and payment of GST up to 31.03.2021.
- Your Company received HR Excellence award during the The Governance Now 8th PSU Awards held on 29th July 2021. Smt. H. K. Joshi C&MD SCI received CMD Leadership Award.
- During the 5th Edition of India Maritime Awards organized by Daily Shipping Times following awards were conferred:
  - a. Your Company was felicitated for completion of 60 glorious years.
  - b. Your Company was conferred with Runner Up Award for the Coastal Service Operator of the Year and the Main Line Container Operator of the Year with Widest Sector Coverage.
  - c. Smt. H. K. Joshi, C&MD received "Woman Star in Shipping & Logistics" Award.
- Your Company was awarded second prize in "Swachhata Pakhwada" Awards 2019 by the Ministry of Ports, Shipping and Waterways
- During the 11th Maritime & Logistics Awards (MALA) 2021 held on 18th November 2021, Your Company was awarded "Shipping & Logistics Super Brand of the Year Award" and Felicitated for "60 successful years of being the Flagship of Indian Maritime Trade".
- "The Maritime Standard Personality of the Year" award was presented to C&MD, SCI, Smt. H.K. Joshi during The Maritime Standards Awards 2021, Dubai.
- National Maritime Search & Rescue Award (NMSAR) for the year 2019-20 from the Indian Coast Guard was given to Your Company managed and ONGC owned Offshore Vessel Col S P Wahli for prompt SAR operation on 4th Aug 2020 saving 16 survivors from abandoned Indian fishing boat
- Smt H. K. Joshi, CMD SCI was awarded "Champion of Diversity Award" during the Maritime SheEO Conference 2021 held on 25th November 2021.
- During the 8th Samudra Manthan Awards held on 16th December 2021, Your Company was awarded 'Shipping Company of the Year (Indian)' and Smt. H. K. Joshi C&MD, SCI was honored with "Empowered Women of the Year Award".
- Special Jury Award to Woman Role Model in Maritime Industry was given to Smt H. K. Joshi C&MD SCI during the 7th Edition of East Coast Maritime Forum 2022 concurrent with Eastern Star Awards 2022 held on 24th February 2022.
- Smt. H. K. Joshi C&MD was felicitated with "Maritime Personality Award of the Year" at Gujarat Star Awards 9th edition during the function held on 12th March 2022.
- On 22nd March 2022, Smt. H. K. Joshi C&MD was felicitated with CEO with HR Orientation Award by World HRD Congress.

### Acknowledgements

I would like to express my gratitude to the Government of India for its support to your Company. I wish to thank the Hon'ble Minister of Ports, Shipping and Waterways, Shri. Sarbanand Sonowal and Hon'ble Minister of States of Ports, Shipping and Waterways, Shri Shripad Naik and Shri Shantanu Thakur for their leadership and consistent support provided to your company. I would also like to express my gratitude towards Secretary (MoPSW) for his guidance and support. My sincere thanks are also due to the other officials of the Administrative Ministry, other Ministries and Departments of the Government of India. I would also like to express my gratitude towards the Directorate General of Shipping for its support and understanding of various problems being faced by the Indian Maritime Sector and specifically by your Company. I also wish to express my special appreciation towards all the shareholders, stakeholders, my colleagues on the Board of Directors and all the floating and shore employees for their continued support over the years.

**Capt. B.K. Tyagi,**  
**Chairman & Managing Director**

## CHAIRMAN'S MESSAGE



**Dear Shareholders, Ladies and Gentlemen,**

On behalf of the Board of Directors of The Shipping Corporation of India Ltd, I welcome you all to the 72nd Annual General Meeting of your Company. It is a proud moment for all of us as Your esteemed company has completed 60 glorious years in service of our nation on 2nd October 2021. I wish to convey my special complements to all the shareholders for the success that Your company has achieved during past six decades by pioneering into various segments of Maritime transportation which has not only supported Indian Economy but has immensely contributed towards nation building while ensuring self-sustenance of our country in maritime industry. The Diamond celebrations were marked with great fanfare and enthusiasm with concluding ceremony being graced by Shri. Sarbananda Sonowal, the Hon'ble Minister for Ports, Shipping & Waterways and AYUSH, as the Chief Guest and Shri. Shantanu Thakur, Hon'ble Minister of State for Ports, Shipping & Waterways, as Guest of Honour.

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### **Shipping Scenario & Operations**

The World has seen some resilience in year 2021-22 as the economic activities recovered from the Covid-19 pandemic. The Global growth was estimated to 6.1% during calendar year 2021. All major trading economies saw imports and exports rise above pre-pandemic levels in the fourth quarter of 2021, with trade in goods increasing more strongly in the developing world than in developed countries. The global trade reflected a strong increase of 10.1% by volume in 2021 in comparison to 2020 which has led to apparent increase in total seaborne trade during the same period. The growth rates indicated signs of recovery, but it was not uniform across all segments, such as seaborne oil trade (crude oil and refined products) which continued to decline in 2021.

However, in view of the geo-political issues like the Russia-Ukraine conflict, lockdowns in China, supply-chain disruptions, and the risk of stagflation across many countries the forecasts of global growth has been downgraded to 3.6% and the global trade volume by 5.0% in