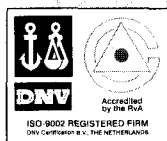




SHAH
SHIPPING LIMITED



13TH

2003



S. K. SHAHI

Chairman & Managing Director



SHAHI SHIPPING LIMITED

BOARD OF DIRECTORS

Mr. S. K. Shahi	Chairman and Managing Director
Mr. F. M. Koli	Wholetime Director
Mr. D. N. Singh	Wholetime Director
Mr. M. B. Gokhale	IDBI Nominee
Comm. M. Bhada I.N. (Retd.)	Director
Mr. H. N. Thakore	Director
Mr. B. B. Bhawsar	Director

COMPANY SECRETARY

Mr. D. Rath

BANKERS

Bank of Baroda
Bori Bunder Branch, Mumbai - 400 001.

AUDITORS

N. D. Heda & Co.
Chartered Accountants

REGISTERED OFFICE

404, Abhay Steel House,
Baroda Street, Mumbai-400 009.
Tel. : 2373 0713/14/15/16
Fax : 91(22) 2371 0362, 2374 0219
E-mail : shahi@bom3.vsnl.net.in

REGISTRARS & SHARE TRANSFER AGENT

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



NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of the Company will be held on Monday, 29th September, 2003 at the Kilachand Conference Room, Indian Merchant Chamber Building, Churchgate, Mumbai- 20, at 11.00 a.m. to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2003. Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon .
2. To appoint a Director in place of Mr. F. M. Koli who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General meeting at a remuneration to be mutually decided between them and the Board of Directors.

SPECIAL BUSINESS :

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

"Resolved that Commodore M Bhada I.N.(Retd.) who was appointed as an Additional Director of the Company and who holds office as per Section 260 of the Companies Act, 1956 upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing him as a candidate for the office of Director pursuant to the provisions of Section 257 of the Companies Act, 1956 along with a deposit of Rs 500 and who is eligible for appointment be and is hereby appointed as a Director of the company whose period of office shall be liable to determination by rotation."

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

"Resolved that Mr. H. N. Thakore who was appointed as an Additional Director of the Company and who holds office as per Section 260 of the Companies Act, 1956 upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing him as a candidate for the office of Director pursuant to the provisions of Section 257 of the Companies Act, 1956 along with a deposit of Rs 500 and who is eligible for appointment be and is hereby appointed as a Director of the company whose period of office shall be liable to determination by rotation."

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the provisions of Securities Contracts (Regulation) Act, 1956 and rules framed there under, Listing Agreements, Clause 5.1 and 5.2 and all other applicable clauses of the Securities and Exchange Board of India (Delisting of Securities) regulations as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee including Delisting Committee which the board may constitute to exercise its powers, including the powers, conferred by this resolution) for voluntary delisting of the equity shares of the company from the stock exchanges at Ahmedabad, Delhi, Kolkata, Madras and Cochin vizly: The Stock Exchange, Ahmedabad, The Delhi Stock Exchange Assn. Ltd, The Calcutta Stock Exchange Assn. Ltd, The Madras Stock Exchange Ltd and The Cochin Stock Exchange Ltd."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle all questions, difficulties or doubts as may arise, with regard to the voluntary delisting of shares, as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its Committee or Director(s) or Officers of the Company to do all such acts, deeds or things, as may be necessary, to give effect to this resolution."



7. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"Resolved that pursuant to the provisions of Section 163 and all applicable provisions, if any of the companies Act 1956 consent of the Company be and is hereby accorded for keeping maintaining the statutory records viz. Registers and Indexes of Members at the office of the registrars and transfer agent, viz. M/s. System Support Services, having its address at 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Saki Naka , Mumbai 72" or such other registrar and transfer agent's as the company may appoint from time to time.

BY ORDER OF THE BOARD OF DIRECTORS

REGISTERED OFFICE
404, Abhay Steel House,
Baroda Street, Mumbai-400 009.

D. Rathi
Company Secretary

Date: August 25, 2003
Place: Mumbai

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NOTES :-

1. The Register of Members of the Company will remain closed from Saturday, 27th September, 2003 to Monday, 29th September, 2003 both days inclusive, in connection with the Annual General Meeting.
2. **A member, entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote at the meeting instead of him/herself and the proxy need not be a member of the company.**
3. Proxies in order to be effective must be lodged with company not less than 48 hours before the commencement of the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. In accordance with the provisions of Article 155 of the Articles of Association of the Company, Mr. F.M. Koli will retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
6. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
7. Members desiring any information on the accounts at the Annual General Meeting should write to the Company at least 7 days in advance, so as to enable the Company to keep the information ready.
8. Shareholders should inform the Company's Registrars and Share Transfer Agents System Support Services for any change in their registered address.
9. Shareholders who have multiple folios in identical names or joint names in the same order are requested to intimate to the Registrar and Share Transfer Agents, System Support Services, these folios to enable to consolidate all such shareholdings into one folio.
10. Shareholders are requested to bring their copies of the Annual Report to the meeting.
11. In terms of Section 109 A of the Companies Act, 1956, the Share of the Company may nominate a person on whom the Shares held by him/them shall vest in the event of his/ their death. Members holding shares in physical form can avail of the nomination facility by filing Form 2 B (in duplicate) as prescribed under the Companies (Central Government's) General Rules and Forms, 1956 with the Company or the Registrars and Share Transfer Agents, System Supports Services. In case of shares held in demat form, the nomination has to be lodged with members Depository participants.
12. In terms of notification issued by the Securities and Exchange Board of India, the equity shares of the Company are under compulsory demat trading by all investors with effect from 19/11/2001. Shareholders are, therefore, advised to dematerialise their shareholding to avoid inconvenience in future.
13. Pursuant to Section 205A(5) of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1996 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Information in respect of such unclaimed dividend when due for transfer to the said fund is given hereunder:



Dividend declared by the Company :

Financial Year Ended	Date of Declaration of Dividend	Amount Unclaimed/unpaid as on 31/3/2003	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP fund
31.3.1996	28/9/96	67822*	27/9/2003	27/10/2003
31.3.1997	Not declared	N A	NA	NA
31.3.1998	7/4/1998	79380*	6/4/2005	6/5/2005
31.3.1999	Not declared	N A	N A	N A
31.3.2000	Not declared	N A	N A	N A
31.3.2001	Not declared	N A	N A	N A
31.3.2002	Not declared	N A	N A	N A

* subject to final reconciliation

Shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Registrar and Transfer Agents, M/s. System Support Services. **Shareholders are requested to note that no claims shall lie against the said fund or the Company in respect of any amount which were unclaimed and unpaid for a period of seven years from the date they first became due for payment and no payment shall be made in respect of any such claims.**

14. Information of Directors recommended for appointment/ reappointment at the Annual General Meeting, in terms of Clause 49 of the Listing Agreement with the Stock Exchange is given below :

Mr. F.M. Koli

Aged 57 years, has over three decades of intricate exposure in the business of transport and logistics and is well networked and contributes to the operations of the company in the planning and execution of various facets of transport of container and petroleum products which is in an integral part of the company's activities especially in view of the time bound deliverance of client requirements. He has been the president of Maharashtra Tanks and carriage Association.

Commodore Medima Bhada I N (Retd)

Aged 63 years, Graduate from the National Defence Academy, M Sc in defence studies from Madras University and Certificate in Advanced Management from Jamnalal Bajaj Institute of Management, Mumbai has had a distinguished career spanning 32 years with the Indian Navy from where he retired as a Commodore in 1994. He then joined Mahindra and Mahindra Ltd as G M Projects and in 1995 took over additional responsibility as CEO Guestline Hospitality and Management Development Services Ltd. He was appointed as General Manager, Corporate Administration, M & M Ltd in 1997 and was inter alia given charge of management of the company's projects and properties and administration of the Corporate Centre. He is a Non Executive Independent Director and a member of the Audit Committee, Remuneration Committee and Shareholders Committee / Investor Grievance Committee

Mr Hetal N. Thakore

Aged 40 years is a B Sc (Chemistry), LLB in Law from Government Law College, Mumbai and has passed the Solicitors examination conducted by the Bombay Law Society. He is a partner in a leading law firm, M/s Thakore Jariwala and Associates and advises Corporates and Banks in Corporate laws. He is a Non Executive Independent Director and a member of the Audit Committee, Remuneration Committee and Shareholders Investor Grievance Committee.

15. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
16. The explanatory statement in respect of items no 4-7 pursuant to Section 173 (2) of the Companies Act, 1956 is annexed herewith.



EXPLANATORY STATEMENT

in pursuance with Section 173(2) of The Companies Act, 1956

ITEM -4

Commodore M. Bhada I.N (Retd.), was appointed as an Additional Director w e f 30/10/2002 by the Board pursuant to Section 260 of The Companies Act, 1956 and vacates office at this Annual General Meeting. Notice and a deposit as required under Section 257 of the Companies Act, 1956 has been received from a member proposing his candidature as a Director of the company .

Your directors recommend the resolution for your approval

None of the Directors except Commodore M Bhada I.N. (Retd.), are, in any way , concerned or interested in the resolution.

ITEM - 5

Mr. H. N. Thakore, was appointed as an Additional Director w e f 30/10/2002 by the Board pursuant to Section.260 of the Companies Act, 1956 and vacates office at this Annual General Meeting. Notice and a deposit as required under Section 257 of the Companies Act, 1956 has been received from a member proposing his candidature as a Director of the company.

Your directors recommend the resolution for your approval.

None of the Directors except Mr. H. N. Thakore, are, in any way, concerned or interested in the resolution.

ITEM - 6

The Equity Shares of the Company are listed on the Stock Exchanges at Mumbai, Delhi, Calcutta, Madras , Cochin and Ahmedabad. An analysis of data of last three years reveals that trading volume of the Company's Equity shares on the Stock Exchanges at, Delhi, Calcutta, Madras, Cochin and Ahmedabad (hereinafter referred "Delisting Stock Exchanges") was negligible. Considering the cost incurable by the Company by way of listing fees and other expenses without proportionate benefit being available to the shareholders of the company by continued listing of the Equity Shares on the said Exchanges, the Board of Directors of the Company had proposed to delist the equity shares of the Company from the said Stock Exchanges which was approved by the special resolution passed by the shareholders earlier at the Annual General Meeting held on 30th September,1999. However, with the new delisting Guidelines issued by SEBI in February, 2003, it is now proposed to obtain fresh approval by way of special resolution for the said voluntary delisting from the shareholders. The Delisting Guidelines have done away with the requirement of providing an exit option to the Members situated in the regions covered by the Delisting Stock Exchanges, in cases where the securities continue to be listed on a stock exchange having nationwide trading terminals (i.e. BSE, NSE and any other stock exchange which may be specified by SEBI). The shares of the Company will continue to be listed on the premiere stock exchange in the Country i.e. the Stock Exchange, Mumbai (BSE) .

The delisting will take effect after all approvals/ sanctions are received. The exact date on which delisting will take effect will be suitably notified at that time.

Your Directors recommend the resolution at Item No.6 for your approval.

None of the Directors is, in any way, concerned or interested in the said resolution.

ITEM 7

Under the provisions of The Companies Act, 1956, certain documents such as Registers and Indexes of Members have to be kept at the Registered Office of the Company. However, with the approval of the Members by Special Resolution, these documents can be kept at any other place within the city, town or village in which the Registered Office of the Company is situated. At present the records pertaining to the shares of the Company are kept at its Registered office at 404, Abhay Steel House, Baroda Street, Mumbai-400 009. In order to meet the SEBI direction vide its circular No. D&CC/



FITTC/CIR-15/2002 dated 27-12-2002, the Company with effect from 1/4/2003 has formally appointed M/s. System Support Services as the Registrar and Transfer Agent for shares of the Company (both in physical and demat form).

It is now proposed to maintain these records with M/s. System Support Services, which requires approval of the Members.

None of the Directors is in anyway concerned or interested in the Resolution.

BY ORDER OF THE BOARD

D. Rathi
Company Secretary

REGISTERED OFFICE

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

Date: August 25, 2003

Place: Mumbai

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Thirteenth Annual Report and Audited Accounts of your Company for the year ended 31st March, 2003.

1. Financial Results:

	(Rs. In Lakhs) 2002-2003	(Rs. In Lakhs) 2001-2002
Gross Income	2902.19	2278.72
Gross Profit	1124.69	1046.94
Less: Interest and Financial Charges	415.62	507.23
Less : Loss on Sale of Assets	0.04	—
Less: Depreciation	389.51	424.77
Less: Provision for Taxation		
Current Tax	2.11	8.80
Deferred Tax	15.72	41.09
Profit after Tax	301.69	65.05
<u>Less:</u> Transferred to Reserve u/s 33AC of IT ACT	295.00	—
<u>Add:</u> Balance brought forward from the Previous Year	852.63	794.02
<u>Add:</u> Excess Provision for Income Tax Written back	—	0.06
<u>Less</u> Transferred to General Reserve	250.00	6.50
Balance Carried forward	<u>609.32</u>	<u>852.63</u>

2. DIVIDEND

In order to conserve the liquid resources of the Company, the Directors do not propose to recommend dividend on the Equity Shares.

3. OPERATIONS OF THE COMPANY

During the year under review, your Company's Gross Income has increased from Rs. 22.79 crores to Rs. 29.02 crores representing a reasonable growth of approximately 27.36% over the previous year. The surplus for the year amounted to 301.69 lacs, as compared to Rs. 65.05 lacs in the previous year, from which an amount of Rs 295 lacs was transferred to reserves pursuant to Section 33AC of the Income Tax Act, 1961.

During the financial year, the Company's operations covered several ports including Mumbai, JNPT, Goa, Jamnagar, Kandla, Kochi and Kolkata. It has also extended barge operations between Kolkata and Mongla ports in Bangladesh. It is gratifying to note that almost all the barges owned by the Company are gainfully deployed.

ISO 9002

Your Company continues to be registered as **ISO 9002** for its establishment.