

**24th Annual Report 2013-2014**
SHAHI SHIPPING LIMITED

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BOARD OF DIRECTORS

| | |
|-----------------------------------|--|
| Mr. S. K. Shahi | Chairman & Managing Director |
| Mr. B. B. Bhawsar | Whole Time Director |
| Commodore. M. Bhada I. N. (Retd.) | Director |
| Capt. Subhash Kumar | Director |
| Ms. Hema Thakur | Additional Director (w.e.f. 12/08/2014) |

AUDITORS

M/s. N. D. Heda & 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: shahi@bom3.vsnl.net.in

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

REGISTRAR & 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@sysss.com



NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of **Shahi Shipping Limited** (Formerly Known SKS Logistics Ltd) will be held on Saturday, the 27th September 2014 at Sunville, Banquets & Conference Room' situated at 9, Dr. Annie Besant Road, (Middle of Worli Flyover), Near Poonam Chambers, Worli, Mumbai – 400 018 at 10:00 a.m., to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited statement of accounts together with Directors Report as also the Auditors Report thereon for the year ended 31st March 2014.
2. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT M/s. N. D. Heda & Co, Chartered Accountants (Firm Registration No. 103604W), Mumbai, the retiring auditors of the company be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration, as may be fixed by the Board of Directors”

SPECIAL BUSINESS:

3. To appoint Commodore Mediona Bhada I N (Retd.) [DIN 00035423], as an Independent Director.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Commodore Mediona Bhada I. N. (Retd.) (DIN 00035423), who was appointed as a Director liable to retire by rotation and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company, for a period of 5 (five) with effect from 27th September, 2014, and not liable to retire by rotation.”
4. To appoint Captain Subhash Kumar (DIN 02715172), as an Independent Director
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Captain Subhash Kumar (DIN 02715172), who was appointed as a Director liable to retire by rotation and meets the criteria of independence under Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company, for a period of 5 (five) with effect from 27th September, 2014, and not liable to retire by rotation.”
5. To appoint Ms. Hema Thakur (DIN 01363454) as an Independent Director:
To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Hema Thakur (DIN 01363454), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of 5 (five) with effect from 27th September, 2014, and not liable to retire by rotation.”
6. To appoint a Director in place of Mr. B. B. Bhawsar (DIN 00107014), a Whole Time Director, as a Special Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013 & 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, and subject to necessary approvals to be obtained from the Central Government, if any/ as and when required, approval be and is hereby accorded for the re-appointment of Mr. B. B. Bhawsar (DIN 00107014), as Whole Time Director of the Company,



for a further period of one year with effect from 16th February, 2014 upon such terms and conditions including remuneration of ₹3,72,000 per annum, 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 to between the Board and Mr. B. B. Bhawsar.”

“RESOLVED FURTHER THAT the Board of Directors / Nominations and Remuneration Committee be and is hereby authorised to alter and vary any such terms and conditions of the said appointment and remuneration or revise the remuneration in such manner as may be acceptable to between the Board and Mr. B. B. Bhawsar, subject to the same not exceeding limit or ceiling specified in Schedule V to the Companies Act, 2013 (or any statutory modifications or re- enactment thereof) and the agreement entered into, if any, between the Company and Mr. B. B. Bhawsar, 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. B. B. Bhawsar shall carry a condition that it may be terminated by either party by giving to the other party three months notice in writing.

“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.”

7. To re-appoint Mr. Sarvesh Kumar Shahi (DIN 00359535) as Managing Director of the Company:

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 Sections 196, 197 read with Schedule V of the Companies Act, 2013 & 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, and subject to necessary approvals to be obtained from the Central Government if any/ as and when required, approval be and is hereby accorded for the re-appointment of Mr. Sarvesh Kumar Shahi (DIN 00359535) as Managing Director of the Company, for a further period of three years with remuneration of ₹ 3.50 lacs per month with effect from 1st April, 2014 to 31st March, 2017 upon the 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 to between the Board and Mr. Sarvesh Kumar Shahi.”

“RESOLVED FURTHER THAT the Board of Directors / Nominations and Remuneration Committee be and is hereby authorised to alter and vary any such terms and conditions of the said appointment and remuneration or revise the remuneration in such manner as may be acceptable to between the Board and Mr. Sarvesh Kumar Shahi, subject to the same not exceeding limit or ceiling specified in Schedule V to 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 notice in writing and an Agreement shall be entered into between Mr. Sarvesh Kumar Shahi and the Company covering all the aspects as spelt out in this resolution and it shall be binding on both the parties.”

“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.”

8. Borrowing powers of the Board:

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

“RESOLVED THAT in supersession of the Ordinary Resolution passed by the Shareholders, on 22nd September, 2006 and pursuant to the provisions of Section 180(1) (c) of the Companies Act 2013, the Rules made there under and its related and applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) and in terms of Article of Association of the Company, the Company hereby accords its consent to and authorises the Board of Directors (herein after called “the Board”, which term shall be deemed to include any other Committee of the Board, which the Board may have constituted or hereinafter constitute for the time being, to exercise its powers conferred on the Board of Directors by this resolution on, or any person(s) authorised by the Board or its Committee for such purpose) of the Company for borrowing any sum or sums of money from time to time whether in Indian Rupees or foreign currency (including External Commercial Borrowings in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more Companies/ Bankers and / or from any one or more Persons, Firms, Bodies Corporate, Financial Institutions, Banks or other acceptable source whether by way of advances, deposits, loans, debentures, bonds or other securities whether convertible into equity/preference shares and/ or securities with or without detachable warrants with a right exercisable by the



warrant holder(s) to convert or subscribe for equity/preference shares to, Bank(s), Financial or other Institutions, Mutual Fund(s), Non-Resident Indians, Foreign Institutional Investors or any other Person(s), Body(ies) Corporate, etc., whether shareholder of the Company or not, whether unsecured or secured and on such terms and conditions as the Board may deem fit, any sum or sums of monies which together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided such excess amount so borrowed by the Board shall not at any time exceed the limit of ₹ 1,000 Crores (One Thousand Crores Only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient."

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects."

9. Creation of Charge on the Assets of the Company:

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

"RESOLVED THAT in supersession of the Ordinary Resolution passed by the Shareholders, on 22nd September, 2006 and pursuant to the provisions of Section 180(1)(a) of the Companies Act 2013, the Rules made there under and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification on or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the Board of Directors of the Company (herein after called "the Board", which term shall be deemed to include any other Committee of the Board, which the Board may have constituted or hereinafter constitute for the time being, to exercise its powers conferred on the Board of Directors by this resolution on, or any person(s) authorised by the Board or its Committee for such purpose) be and is hereby authorised to create such charges, mortgages and hypothecations created or to be created by the, on such movable and immovable properties, both present and future, or the whole, or substantially the whole, of the undertaking or undertakings of the Company, and with such ranking as to priority and for such time and on such terms and in such manner as the Board may think fit, in favour of lenders, agents, trustees and other agencies to secure the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or Indian Rupee) and /or working capital facilities and/or Securities issued/ to be issued by the Company, from time to time, up to an aggregate amount of ₹ 1,000 (One Thousand Crores Only), together with interests, compound/additional interest, commitment charges, costs, expenses and all other monies payable by the Company to the concerned lenders.

By order of the Board of Directors

S K SHAHI
Chairman and Managing Director

Place : Mumbai

Date : 12th August, 2014.

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

**Notes:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote at the meeting instead of him/her self and the proxy need not be a member of the company.**

Proxies/ power of Attorneys, in order to be effective must be lodged with the Company at its Registered Office, not later than 48 hours before the commencement of the meeting. A blank Proxy form is annexed to this Annual Report.

2. A Body Corporate being a member shall be deemed to be personally present at the meeting, if represented in accordance with the provisions of Companies Act, 2013. The corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting. .
3. Members are requested to bring their copies of the annual Report to the meeting.

4. **Explanatory Statement**

The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business items is given below and forms part hereof.

5. Directors proposed to be appointed/ re-appointed: Members may kindly refer items is given below and forms part hereof.
6. **Book Closure:**
Register of Members and Share Transfer books will be closed from 22nd September, 2014 to 27th September, 2014 (both days inclusive) for the purpose of AGM.
7. All correspondence regarding shares of the Company should be addressed to the Company's Registrar and Transfer Agent (RTA) viz. System Support Services, 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Sakinaka, Mumbai 400 072. Members who hold shares in physical form and wish to make/change a nomination in respect of their shareholding in the Company, as permitted under the Companies Act, 2013, may submit the prescribed Form to System Support Services (RTA).
8. Members who wish to obtain any information on the Company as regards the accounts for the financial year 31st March 2014 are requested to write to the Company at least 10 days before the Annual General Meeting.
9. For convenience of the members and for proper conduct of the meeting, entry to the place of meeting will be regulated by the attendance slip, which is annexed to the Proxy Form. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the Meeting.
10. 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.
11. Members/Beneficial Owners are requested to quote their full name as per the Company's record, Folio No. / DP and Client ID Nos., as the case may be, in all correspondences with the Company.
12. Members who hold shares in dematerialized form are requested to bring their depository account number for identification.

13. Pursuant to Section 205A(5) of the Companies Act, 1956, the Company has transferred all unclaimed / unpaid dividends on their respective due dates to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205 C of the Companies Act, 1956. Members who have not encashed their dividends warrants issued for the year 2006-2007 to 2011-2012 are requested to immediately forward the same for revalidation to our Share Transfer Registrar 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 of unclaimed dividend once the same is transferred to the above fund.

14. **Important Communication to Members:**

The Ministry of Corporate Affairs (MCA), has taken a "Green Initiative in Corporate Governance" vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, respectively, by allowing paperless compliances by companies through electronic mode. Thus, companies are now permitted to send various communications / documents (including Notice of General Meetings, Audited Financial Statements, Directors Report, Auditors Report and all other documents including Postal Ballot documents) to its Members through electronic mode, to the registered e-mail address of the Members. In view of above, your company request you to register your e-mail address with your DP for the purpose of serving documents by the Company in electronic mode, if your e-mail address, if not registered with your Depository Participant (DP) so far, or get it updated in company register as well as depository's records to facilitate implementation of such nature friendly initiative.



15. Listing Fees:

The Company has paid the listing fees for the year 2014-2015, to the Stock Exchange, Mumbai where the equity shares of the Company are listed.

16. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting.

I. The procedure and instructions for the voting through electronic means is, as follows:

- i. Log on to the e-voting website www.evotingindia.com during the voting period.
- ii. Click on "Shareholders" tab.
- iii. Now, select the "Shahi Shipping Ltd/ (SKS Logistics Ltd)" from the drop down menu and click on "SUBMIT"
- iv. Now, enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant < Shahi Shipping Ltd/ (SKS Logistics Ltd)> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.
- III. E-voting period will commence from 22nd September, 2014 at 10:00 a.m. and will end on 24th September, at 6.00 p.m.
- IV. Mr. Prashant Tayshete, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is ptayshete@gmail.com.
- V. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VI. The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website <http://www.shahilogistics.com> and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.



17. Details of the Director seeking re-appointment at the forthcoming Annual General Meeting in pursuance of Clause 49 of the Listing Agreement.

| | | | | | |
|---|--|--|--|---|--|
| 1. Name of the Director | C o m m o d o r e Medioma Bhada I.N. (Retd) (DIN 00035423), | Capt. Subhash Kumar (DIN 02715172) | Ms. Hema Thakur (DIN 01363454) | Mr. Sarvesh Kumar Shahi (DIN 00359535) | Mr.B.B.Bhawsar (DIN 00107014) |
| 2. Date of Birth | 21.03.1940 | 28/12/1950 | 08/05/1954 | 07/03/1957 | 04/11/1944 |
| 3. Experience in specific functional area and Position held | Cmdr Bhada was General Manager, Projects and Corporate Administration Functional area and of Mahindra and Mahindra Limited and was handed over additional Position Held: responsibility as CEO of Guestline Hospitality and Management Development Services Limited. He was in charge of Management of the Company's projects and properties and administration of Corporate Centre He has retired from the Indian Navy in the rank of Commodore in 1994 after 32 years of service. He is Member of the Audit Committee, Remuneration Committee and Shareholders/ Investors Grievance Committee. | Capt. Subhash Kumar has a career spanning of 34 years with wide range of experience in all major Ports in India. His last position was Chairman of Chennai Port Trust. | Ms. Hema Thakur has her professional career spanning of 36 years in various capacities at IDBI. She retired as DY. General Manager, Corporate Banking Group. Presently working for BRICS Corporate Advisors Private Ltd. As General Manager (Finance) and possess with wide range of experience. | Mr. S.K. Shahi, has a career spanning more than 38 years of rich and varied experience in shipping industry. He is founder promoter of the Company. | Mr.B.B.Bhawsar has a career spanning 41 years & has wide range of experience in areas of accounts, costing & execution of multifarious activities. He has been associated with the company for the last 16 years. He has been served in several senior positions with various companies in manufacturing sector. |
| 4. Qualification | Graduate from the National Defense Academy, M.Sc (Defense Studies), Certificate in Advance Management from Jamnalal Bajaj Institute of Management, Mumbai. | Master Mariner | BA (Hons) (Economics), Bachelor of General Law, Certificate Associate in Institute of Indian Banking. | Done Executive Management Course at Massachusetts Institute of Technology (MIT) Boston, USA . | M.Com |



| | | | | | |
|---|--|--|-----------------------------------|---|--------------------------------------|
| 1. Name of the Director | C o m m o d o r e Medioma Bhada I.N. (Retd) (DIN 00035423), | Capt. Subhash Kumar (DIN 02715172) | Ms. Hema Thakur (DIN 01363454) | Mr. Sarvesh Kumar Shahi (DIN 00359535) | Mr.B.B.Bhawsar (DIN 00107014) |
| 5. Directorship in other Companies (excluding Private and Foreign Companies) | 1. Royal Logistics (Ship) Limited 2. SKS Waterways Limited | NIL | NIL | 1. Royal Logistics (Ship) Limited 2. SKS Waterways Limited 3. Shahi Gasol Limited 4. India First Logis- tics Limited | 1. Royal Logistics (Ship) Limited |
| 6. Chairmanships / Memberships of Committee across other Companies | NIL | NIL | NIL | NIL | NIL |
| 7. Shareholding | NIL | NIL | NIL | 846234 | NA |
| 8. Relationships between Directors interested | NIL | NIL | NIL | NIL | NIL |

By order of the Board of Directors

S K SHAHI

Chairman and Managing Director

Place: Mumbai

Date: 12th August, 2014.

Registered Office:

404, Abhay Steel House,

Baroda Street,

Mumbai – 400 009

Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013**ITEM NO. 3 & 4.**

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from April 1, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

Commodore Medioma Bhada I. N. (Retd.) (DIN 00035423) and Captain Subhash Kumar (DIN 02715172) are the Independent Directors of the Company and have held the positions as such for about five years or more. The provisions of the Companies Act, 2013 read with amended clause 49 of the Listing Agreement inter-alia stipulate the conditions for appointment of Independent Directors by a listed Company. It is proposed to appoint Commodore Medioma Bhada I. N. (Retd.) and Captain Subhash Kumar Commodore as an Independent Directors under Section 149 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement for a term of 5(five) consecutive years. Commodore Medioma Bhada I. N. (Retd.) and Captain Subhash Kumar are not disqualified from being appointed as Directors in terms of Section 164 and other applicable provisions of the Companies Act, 2013.

In the opinion of the Board, each of these Directors fulfill the conditions specified in the Companies Act, 2013 and Rules made there under for their appointment as Independent Directors of the Company and they are Independent of the management. These Directors are not disqualified from being appointment as a Director in terms of Section 164 of the Companies Act, 2013.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. The Company has received a declaration from both Commodore Medioma Bhada I.



N. (Retd.) and Captain Subhash Kumar that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, both Commodore Medioma Bhada I. N. (Retd.) and Captain Subhash Kumar fulfill the conditions for their appointment as an Independent Director as specified in the Companies Act, 2013 read with clause 49 of the listing agreement.

The Board commends the Ordinary Resolution set out at Item Nos. 3 and 4 of the Notice for approval by the shareholders. Commodore Medioma Bhada I. N. (Retd.) and Captain Subhash Kumar are interested in the resolutions set out respectively with regard to their respective appointment. The relatives of Commodore Medioma Bhada I. N. (Retd.) and Captain Subhash Kumar may be deemed to be interested in the resolutions set out respectively at item No.3 & 4 of this Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 and 4 of the Notice.

ITEM NO. 5

Pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company have appointed Ms. Hema Thakur as an Additional Director of the Company with effect from 12th August, 2014. In terms of said Section 161, Ms. Hema Thakur (DIN 01363454) would hold office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Hema Thakur (DIN 01363454), for the office of Director of the Company. Ms. Hema Thakur (DIN 01363454) is not disqualified from being appointed as a Director in terms of Section 164 and other applicable provisions of the Act and has given his consent to act as a Director. Section 149 of the Act *inter alia* stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. In this regard, the Company has received a declaration from Ms. Hema Thakur (DIN 01363454) that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Ms. Hema Thakur (DIN 01363454) fulfils the conditions for appointment as an Independent Director as specified in the Act and Rules made there under and the Listing Agreement. Ms. Hema Thakur (DIN 01363454) is independent of the Management. As per the said Section 149, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a Company and she shall not be included in the total number of Directors for retirement by rotation.

The Board commends the Ordinary Resolution set out at Item Nos. 5 of the Notice for approval by the shareholders. Ms. Hema Thakur is interested in the resolutions set out in notice with regard to her appointment. The relatives of Ms. Hema Thakur may be deemed to be interested in the resolutions set out at item No.5 of this Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

A brief profile of Independent Directors to be appointed, including nature of their expertise and other disclosure as required under clause 49 of the listing Agreement, are provided at the end of the notice section.

Item no. 6

Mr. B. B. Bhavsar, was appointed as Whole Time Director w.e.f. from 16/02/2012 and was further re-appointed for one more year. The remuneration committee recommended his appointment for further one more term on same terms and conditions with annual salary of ₹ 3,72,000/-. The Board commends the Special Resolution set out at Item Nos. 6 of the Notice for approval by the shareholders. Mr. B. B. Bhavsar, is interested in the resolutions set out in notice with regard to his appointment.

The relatives of Mr. B. B. Bhavsar may be deemed to be interested in the resolutions set out at item No.6 of this Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice. The proposed resolution to be passed as Special Resolution.

A brief profile Mr. B. B. Bhavsar, to be appointed as Whole Time Director, including nature of their expertise and other disclosure as required under clause 49 of the listing Agreement, are provided at the end of the notice section.

Item no. 7

Mr. S. K. Shahi, is present heading Shahi Shipping Limited (formerly known as SKS Logistics Ltd.). He has ventured in shipping business, way back in 1985 and established the Company in 1990. Being Managing Director of the Company since 26/10/1990, he has laid success story for company's business from its inception. He is being promoter of the Company has taken utmost care to maintain company's business moving forward all these years.

Mr. S. K. Shahi (DIN 00359535), aged 57, has wide experience and knowledge of shipping industry. He has successfully completed training a 'Cadet Officer' in 1976-77, on Training Ship "Rajendra". He has also completed training course in 'Container Distribution' with Cambridge University, London in 1991. He has completed training course on managing with