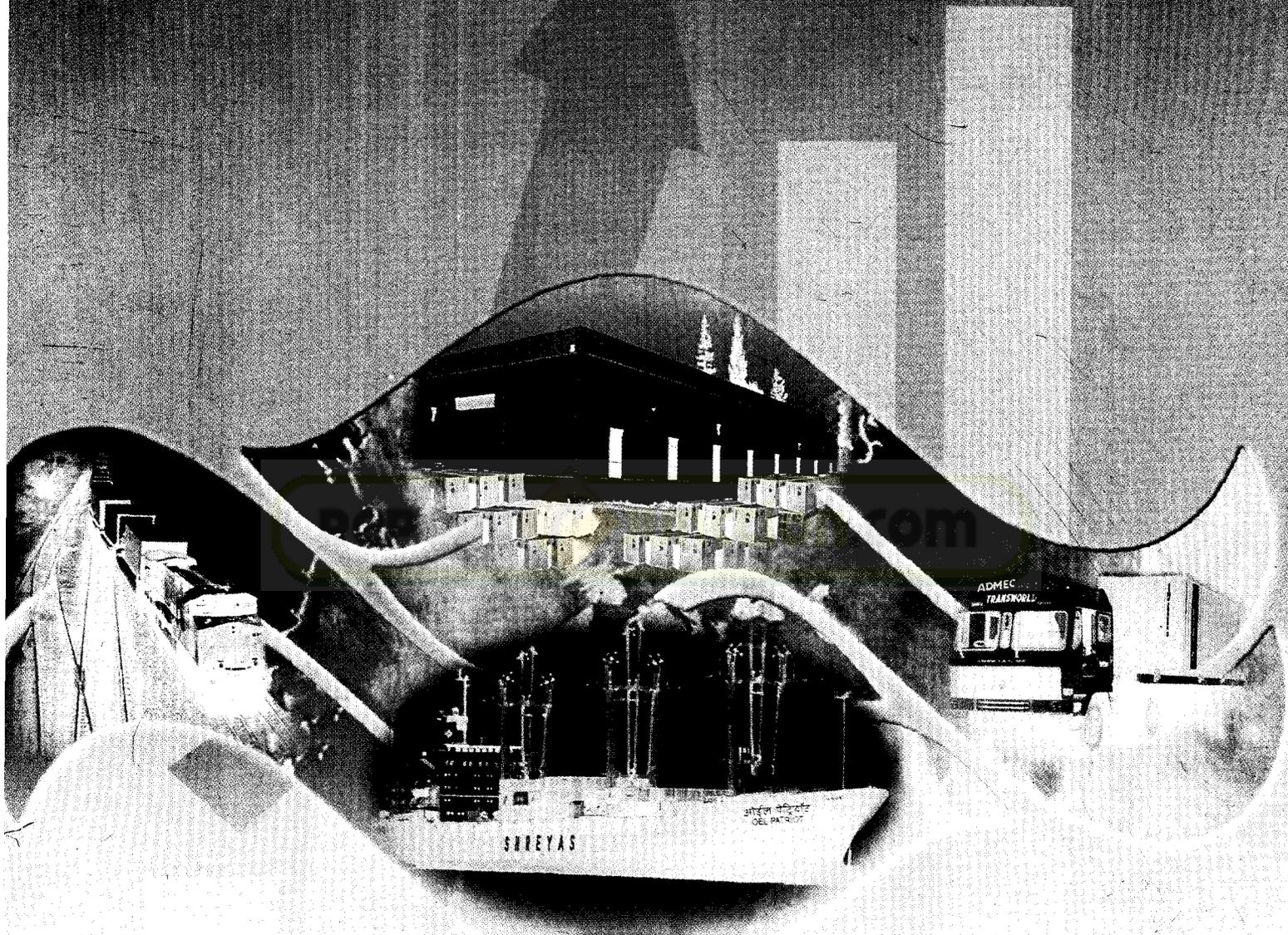


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International in Skill*



SHREYAS
SHIPPING & LOGISTICS LTD



18th Annual Report 2005-2006

**TRANSWORLD
GROUP**



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SHREYAS RELAY SYSTEMS LTD

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SHREYAS
SHIPPING & LOGISTICS LTD

18TH ANNUAL REPORT 2005-2006

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Letter to Shareholders

Dear Shareholders,

Shreyas is on a vertical growth trajectory. It is poised on a defining threshold in its evolution and history. Facing the challenges of a dynamic operating environment, Shreyas has emerged as a full-fledged freight and logistics provider. The Company commenced operations in 1994 as a pure feeder service operator. After over a decade of service, the Company has emerged as a leader in its field of operations. We have now diversified into the fields of cargo consolidation and logistics, thereby offering personalised services to suit the schedules of the clients, work out the fastest transit modes on land, rail and the sea and all this in a cost effective manner.

The year gone by was a period of growth and consolidation for Shreyas. During the fiscal 2005-06, your Company grew much on the expected lines and further feeding into its top line and more significantly the bottom line. During the last three fiscals, we have taken up new initiatives in the form of logistics and domestic shipping services. Now was the time to nurture the roots of all that we had done. As the year progressed, our efforts bore fruit in the form of increase in volumes, clients and cash surpluses. Our investment in new services, restructuring of our business processes, and our focus on account management all led to buoyant performance.



The year 2005 was another great year in shipping, but very much in the shadow of 2004. It may be hoping too much for a third in a row, as it is unprecedented. 2004 was the year in which shipping and the global economy performed better than they had in 30 years, and few people expected either would do as well in 2005. It is in the context of such adjusted expectations that 2005 seems unspectacular and yet it provided returns well above the long-term mean.

As 2006 unfolds, the world is experiencing a broader base of economic growth than for decades. The US economy continues to drive global markets, but Japan is rousing itself from a 15-year slumber and there is continuing rapid growth in China, India and across the Asia-Pacific. There are also the early signs of a recovery in Europe while consumption is rising in the oil and gas exporting countries of the Middle East and Africa among the commodity exporting nations of the southern hemisphere. The demand signals appear to be clear and positive.

Studies reveal that the aggressive giant China will continue to dominate as in 2005. China-centric liner freight will expand further. However, Indian subcontinent, Middle East and Africa will attract most of the liner and logistics operators. The spotlight will also be on the fast growing economies of Latin America.

The opening of rail freight corridors to private players by the Railway Ministry, the announcement of the NMDP policy and rapid port development plans will precipitate India's growth strategy which will spin at a fast pace.

Logistics management is also emerging as a new growth opportunity. Manufacturing companies are increasingly outsourcing their logistics requirements to third party logistics providers. This has led to a pressing need for service providers to adopt multimodal solutions, which has thrown up an opportunity for integration of shipping and surface transportation. Increasing containerisation is both a catalyst and beneficiary of this process. The transport logistics sector will continue to evolve and pose new challenges as a result of globalisation, the digitization of information, security concerns, new technologies, rising energy costs and changing trade patterns.

All said and done, 2006 is going to be the year of considerable action. More so for India, which is on the brink of emerging as an Asian superpower. Industry analysts say that while the last century belonged to the US, this century is going to be Asia's and 2008 is going to be the year when India will take its first step to emerge as an economic superpower.

We are in tune with evolving market dynamics and its demands and are continuously reinventing ourselves to offer the best to our customers. We have a proven record of reliability and timeliness which signifies the strong sense of time value we imbibe at Shreyas.

I would make no secret of the fact that Shreyas fully intends to remain in the ranks of India's top container lines and logistics service providers and is incessantly working towards the same backed by a dedicated team of professionals at all levels who are committed to give their best for achieving total stakeholder satisfaction and the Management philosophy. We have a great responsibility and I wish to assure all our stakeholders that we will strive to live up to the confidence that you have reposed in us.

Mumbai
24th May, 2006

S. Ramakrishnan
Chairman & Managing Director



SHREYAS
SHIPPING & LOGISTICS LTD

BOARD OF DIRECTORS



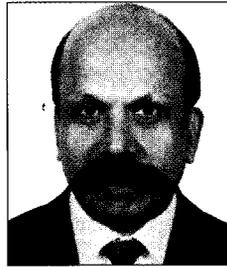
S. Ramakrishnan
Chairman & Managing Director



S. Mahesh
Director



V. Ramnarayan
Director



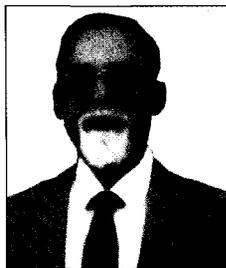
L. B. Culas
Director



Anil Devli
Executive Director



K. P. Medhekar
Director



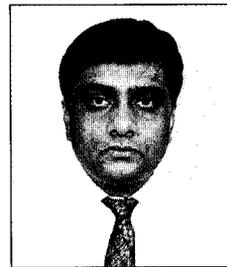
Capt. P. P. Radhakrishnan
Director



Amitabha Ghosh
Director
(ICICI Bank Ltd. Nominee)



S. Ragothaman
Director



Bheru Chaudhary
Director

Management Team:

- Mr Anil Devli** - *Executive Director*
- Mr. Vinay Kshirsagar** - *Chief Financial Officer*
- Capt. V. K. Singh** - *General Manager - Commercial & Operations*
- Ms. Megha Samtani** - *Company Secretary*

Statutory Auditors

Sridhar & Santhanam

Internal Auditors

Axis Risk Consulting Services Pvt. Ltd.

Solicitors

Mahimtura & Co.

Bankers

Standard Chartered Bank

ICICI Bank Ltd.

Canara Bank, London

State Bank of India

UTI Bank Ltd.

Registrar & Share Transfer Agent

Intime Spectrum Registry Ltd.

C-13, Pannalal Silk Mills Compound

L. B. S. Marg, Bhandup (West)

Mumbai - 400 078

Tel: 2596 3838

Fax: 2596 2691

Registered office

1110/1111 Embassy Centre
Nariman Point
Mumbai- 400 021
Tel: 2284 2324 / 25 / 28 / 31
Fax: 2288 6665

Administrative office

'Orient Shreyas', Plot No. 203
Station Avenue Road
Chembur, Mumbai - 400 071
Tel: 2529 5402
Fax: 2529 5412

Notice

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of Shreyas Shipping & Logistics Limited (*formerly known as 'Shreyas Shipping Limited'*) will be held on Friday, the 21st day of July, 2006 at 11.00 a.m. at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R. C. Marg, Opp. Vijaya Bank, Chembur, Mumbai – 400 071 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31st March, 2006 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of dividend on Preference Shares redeemed during the year.
3. To confirm the payment of interim dividend on Equity Shares.
4. To declare a dividend on Preference Shares and Equity Shares.
5. To appoint a Director in place of Mr. Krishnanath Pandurang Medhekar, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Váradharajan Ramnarayan, who retires by rotation and, being eligible, offers himself for re-appointment.
7. To appoint a Director in place of Mr. Sivaswamy Mahesh, who retires by rotation and, being eligible, offers himself for re-appointment.
8. To appoint M/s. Sridhar & Santhanam, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED that Mr. Bherulal Chaudhary, who was appointed by the Board of Directors at the Board Meeting held on 29th January, 2006 as an Additional Director with effect from 29th January, 2006 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

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

“RESOLVED that in partial modification of the Resolution passed at the Annual General Meeting of the Company held on 21st July, 2005 for the appointment and terms of remuneration of Mr. Anil Devli, Executive Director of the Company and in accordance with the provisions of Sections 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the payment of enhanced remuneration, in the form of incentive remuneration upto 100% of the salary to be paid at the discretion of the Board annually, based on certain performance criteria, to Mr. Anil Devli who was appointed as Executive Director at the Annual General Meeting held on 21st July, 2005 for a period of one year with effect from 21st April, 2005, as set out in the Supplemental agreement entered into by the Company, the draft whereof is placed before the meeting and duly initialed by the Chairman for the purposes of identification, without affecting in any way the payment of the present remuneration and perquisites already sanctioned by the Shareholders and the Board of Directors be and is hereby authorised to alter and vary such revised terms and conditions in accordance with the laws in force from time to time and as may be agreed to by the Directors and acceptable to Mr. Anil Devli provided that such alterations are not less beneficial to the Company.

FURTHER RESOLVED that subject to the provisions of Section 198 and other applicable provisions, if any, of the Companies Act, 1956, the same remuneration and perquisites as set out in the Supplemental agreement between the Company and Mr. Anil Devli be paid and granted to Mr. Anil Devli as minimum remuneration, notwithstanding that in any financial year of the Company during the remaining term of his office as the Whole time Director of the Company, the Company has made no profits or the profits made are inadequate.

FURTHER RESOLVED that the Board of Directors be and is hereby authorised to take such steps as may be necessary and desirable to give effect to this resolution.”

11. 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 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time and subject to such approvals, if any necessary, the Company hereby accords its approval to the re-appointment of Mr. Anil Devli as an Executive Director for a further period of one year with effect from 21st April 2006 on the terms and conditions including those related to remuneration as set out hereunder with a liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment and /or remuneration within the parameters of the applicable laws or any amendments thereto.

**(a) Salary**

Consolidated salary Rs.40 lacs (Forty Lacs only) per annum **including** Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances.

(b) Other benefits

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

The aggregate remuneration payable to Mr. Anil Devli, shall be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provisions of the Companies Act, 1956.

(c) Minimum Remuneration

Where in any financial year during the tenure of Mr. Anil Devli, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Anil Devli the above remuneration by way of salary and perquisites as a minimum remuneration subject to the upper limits specified under Section II, of Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactments thereof, for the time being in force.

(d) Sitting fees

Mr. Anil Devli shall not be entitled to any sitting fees.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered desirable and expedient to give effect to this resolution including the execution of agreement between the Company and Mr. Anil Devli."

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

"RESOLVED that in partial modification of the Resolution passed at the Annual General Meeting of the Company held on 21st July, 2005 in relation to the terms of remuneration of Mr. S. Ramakrishnan, Chairman & Managing Director of the Company and in accordance with the provisions of Sections 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the change in the amount of remuneration and other benefits payable / allowed to Mr. S. Ramakrishnan as set out below (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with effect from 24th May, 2006, and the Board of Directors be and is hereby authorised to alter and vary such revised terms and conditions in accordance with the laws in force from time to time and as may be agreed to by the Directors and acceptable to Mr. S. Ramakrishnan provided that such alterations are not less beneficial to the Company.

(a) Salary

Consolidated salary Rs.50 lacs (Fifty Lacs only) per annum **including** Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances.

(b) Other benefits

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

The aggregate remuneration payable to Mr. S. Ramakrishnan, shall be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provisions of the Companies Act, 1956.

(c) Minimum Remuneration

Where in any financial year during the tenure of Mr. S. Ramakrishnan, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. S. Ramakrishnan the above remuneration by way of salary and perquisites as a minimum remuneration subject to the upper limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactments thereof, for the time being in force.

(d) Sitting fees

Mr. S. Ramakrishnan shall not be entitled to any sitting fees.

FURTHER RESOLVED that the Board of Directors be and is hereby authorised to take such steps as may be necessary and desirable to give effect to this resolution."

By Order of the Board of Directors

24th May, 2006

Registered Office:

1110/1111, Embassy Centre
 Nariman Point
 Mumbai - 400 021

Megha Samtani
 Company Secretary

NOTES:

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

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

2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business as set out above, is annexed hereto.
3. Profiles of the Directors retiring by rotation, Directors being appointed or re-appointed, as required by Clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, are given in the Report on Corporate Governance forming part of the Directors' Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 8th July, 2006 to Friday, 21st July, 2006, both days inclusive, for the purpose of payment of dividend, if declared at the Annual General Meeting.
5. The dividend on equity shares as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par on or after Thursday, 27th July, 2006 to Members holding shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares on Friday, 21st July, 2006. In respect of Shares held in electronic form, the dividend will be paid to the beneficial owners of the Shares as at the end of the business hours on Friday, 7th July, 2006 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
6. As per the directives of the Securities and Exchange Board of India (SEBI), in respect of the Shareholders holding Shares in electronic form, dividend shall be paid through Electronic Clearing Service (ECS), where such facility is available, directly to their bank account as furnished by their respective Depositories to the Company. Where such facility is not available, the bank details as furnished by their respective Depositories to the Company, will be mandatorily printed on their dividend warrants. Further, instructions if any, given by them in respect of Shares held in physical form will not be automatically applicable to the dividend payable on Shares held in electronic form. Members are, therefore, requested to give instructions regarding the bank accounts in which they wish to receive dividend, directly to their respective Depository Participants. The Company or its Registrar and Share Transfer Agent will not act on any direct request from these Members for change of such bank details.
7. Members holding Shares in physical form who wish to avail of the Electronic Clearing Service (ECS) facility, are requested to submit the ECS mandate in the prescribed form to the Registrar and Share Transfer Agent **on or before 5th July, 2006**. The said form can be obtained from the Company's Registrar and Share Transfer Agent – M/s. Intime Spectrum Registry Limited or downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors area'. Members holding Shares in physical form and who for any reason would not like to avail the Electronic Clearing Service (ECS) facility are required to furnish to the Registrar and Share Transfer Agent **(if not furnished earlier)** details of bank account number and name of the bank and the branch, which would be printed on the dividend warrants / drafts.



8. Members are requested to:
- Notify any change in their address to the Registrar and Share Transfer Agent, M/s. Intime Spectrum Registry Limited; C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078, in case of Members holding shares in physical form and update such details with their respective Depository Participants, in case of Members holding shares in electronic form.
 - Bring their attendance slips alongwith the copies of the Annual Report to the Meeting.
9. Pursuant to the provisions of Section 205 of the Companies Act, 1956, the Company has already transferred the unclaimed / unpaid dividend declared upto and including the financial year ended 31st March, 1995 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Shareholders who have so far not claimed or collected their dividends upto the aforesaid financial year are requested to forward their claims in the prescribed Form II of the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978 to:
- Office of the Registrar of Companies
Central Government Office Building
"A" Wing, 2nd floor
CBD Belapur, Navi Mumbai, Maharashtra – 400 614
- In terms of the provisions of Sections 205A and 205C of the Companies Act, 1956, as amended, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund established by the Central Government (hereinafter referred to as the 'said Fund'). Accordingly, unclaimed / unpaid dividend for the financial years ended 31st March, 1996 and 31st March, 1997 and period ended 30th September, 1998 has been transferred to the said Fund.
- Unclaimed dividend for the financial period ended 31st March, 1999 and thereafter (wherever declared) is still lying with the Company. The Members, who have not yet encashed the dividend warrants for the period ended 31st March, 1999 and financial years ended 31st March, 2001, 31st March, 2002, 31st March, 2004, 31st March, 2005 (interim and final dividend) and 31st March, 2006 (interim dividend) are requested to send claims to the Company, if any, before the respective amounts become due for transfer to the said Fund. **No claim shall lie against the Company or the said Fund after transfer as mentioned above.**
10. All documents referred to in the above Notice and the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.
11. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
12. Members who hold Shares in physical form can nominate a person in respect of Shares held by them singly or jointly pursuant to the provisions of Section 109A of the Companies Act, 1956. Members who hold Shares in a single name are advised, in their own interests, to avail of the nomination facility by completing and submitting Form No.2B, in duplicate, to the Company's Registrar and Share Transfer Agent, M/s. Intime Spectrum Registry Limited. Blank forms will be supplied by M/s. Intime Spectrum Registry Limited on request. Form No.2B can also be downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors Area'. Members holding Shares in the dematerialised form may contact their Depository Participant for recording the nomination in respect of their Shares.
13. Members desirous of getting any information about the Accounts and / or Operations of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.

By Order of the Board of Directors

24th May, 2006

Registered Office:
1110/1111, Embassy Centre
Nariman Point
Mumbai - 400 021

Megha Samtani
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956
Item No.9

Mr. Bherulal Chaudhary was appointed as an Additional Director of the Company with effect from 29th January, 2006 by the Board of Directors at its Meeting held on the same day. As per Section 260 of the Companies Act, 1956, an Additional Director holds office upto the date of the Annual General Meeting only. The Company has received notice under Section 257 of the Companies Act, 1956 from a Member of the Company with requisite deposit signifying the intention to propose the appointment of Mr. Bherulal Chaudhary as a Director of the Company.

Mr. Chaudhary aged about 40 years is a Commerce graduate and LL.B. He is qualified as a Solicitor from Bombay Incorporated Law Society and Law Society of England and Wales. He has vast experience in the field of Law for more than a decade. He is engaged in practice of Law specializing in Media and Entertainment, Shipping, Corporate and Commercial laws, real estate and litigation and arbitration. He is a partner of a law firm "IC Legal".

He is currently on the Board of Emco Ltd. and occupies the following Committee positions in Emco Ltd.:

Committee Membership	Position ¹
Audit Committee	Member
Investors /Shareholders Grievance Committee	Chairman

1. Only Membership / Chairmanship of Audit Committee and Shareholders' / Investors Grievance Committee have been disclosed.

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

The Board of Directors is confident that his vast knowledge and varied experience will be of great value to the Company and hence, commends Resolution no.9 for your approval.

None of the Directors, other than Mr. Bherulal Chaudhary, are interested in the Resolution.

Item No. 10

The members at the Annual General Meeting of the Company held on 21st July, 2005, appointed Mr. Anil Devli as an Executive Director for a period of 1 year effective 21st April, 2005. Taking into consideration his present salary, the improved performance and growth of the Company under his management and based on the recommendations of the Remuneration Committee, the Board of Directors at its meeting held on 12th December, 2005, approved the revision in the salary of Mr. Anil Devli, subject to the approval of the Members. The increase in remuneration of Mr. Anil Devli is in the form of Performance Incentive upto 100% of salary to be paid at the discretion of the Board annually, based on certain performance criteria. All other terms and conditions of the appointment of Mr. Devli as approved by the Members, will remain unchanged.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Devli, the profits are inadequate, the Company will pay remuneration by way of salary, incentive remuneration, perquisites and allowances as per the terms and conditions of the appointment of Mr. Devli subject to the upper limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactments thereof, for the time being in force.

The Board of Directors is of the view that the increase in remuneration is commensurate with the responsibilities shouldered by Mr. Devli and hence recommends this resolution for your approval.

The Supplemental agreement between the Company and Mr. Devli is available for inspection by the Members of the Company at its Registered Office on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

None of the Directors, other than Mr. Anil Devli, is interested in the Resolution.

Item No. 11

At the Annual General Meeting held on 21st July, 2005, Members have approved the appointment of Mr. Anil Devli as Executive Director of the Company for a period of 1 year from 21st April, 2005. The term of Mr. Anil Devli as Executive Director expired on 20th April, 2006. In view of Mr. Devli's dedicated and meritorious services towards the growth of the Company, the Board of Directors have re-appointed him as Executive Director of the Company for a further period of one year with effect from 21st April, 2006, subject to the approval of the Members of the Company.

Mr. Anil Devli aged about 43 years, is a law graduate from Government Law College, Mumbai. He began his career as an Apprentice with a leading Law firm. Thereafter he set up his independent practice with special emphasis on Marine and Admiralty law. During this period, he successfully handled several marine claims for shipping companies in India. He joined the Company as its Chief Executive Officer in mid 1996 and has since then been looking after the affairs of the Company under the guidance of the Board of Directors. He is currently also on the Board of Indian National Shipowners Association and is the Vice Chairman of Narottam Morarjee Institute of Shipping.



Mr. Devli holds 6200 equity shares in the Company as on date.

The main terms and conditions of Mr. Devli's re-appointment are specified in Resolution no.11 of this Notice. The Board shall have the discretion and authority to modify the terms and remuneration within, however, the limit prescribed under Schedule XIII to the Companies Act, 1956.

In compliance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the details of remuneration payable to Mr. Devli are placed before the members, in General meeting, for their approval by way of special resolution.

The Board of Directors is confident that Mr. Devli's vast knowledge and varied experience will be of great value to the Company and hence, commends Resolution no.11 for your approval.

The draft of the agreement entered into with Mr. Anil Devli is available for inspection by any member of the Company at its Registered Office on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

None of the Directors, other than Mr. Anil Devli, is interested in the Resolution.

Item No. 12

At the Annual General Meeting held on 21st July, 2005, Members have approved the revision in the terms of remuneration of Mr. S. Ramakrishnan; Chairman and Managing Director.

Taking into consideration his present salary, the improvement in the Company's business and financial performance during the year under his leadership, and based on the recommendation of the Remuneration Committee, the Board of Directors of the Company, at its meeting held on 24th May, 2006, approved a revision in the terms of remuneration and benefits of Mr. S. Ramakrishnan with effect from 24th May, 2006, subject to the approval of the Members.

The details of the remuneration and benefits are specified in Resolution no.12 of this Notice. The Board shall have the discretion and authority to modify the terms and remuneration within, however, the limit prescribed under Schedule XIII to the Companies Act, 1956.

In compliance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the details of remuneration payable to Mr. S. Ramakrishnan are placed before the members, in General meeting, for their approval by way of special resolution.

The Board of Directors is confident that Mr. Ramakrishnan's vast knowledge and varied experience will be of great value to the Company and hence, commends Resolution no.12 for your approval.

The draft of the agreement entered into with Mr. S. Ramakrishnan is available for inspection by any member of the Company at its Registered Office on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

Mr. S. Ramakrishnan is interested in the Resolution. Mr. S. Mahesh, being related to Mr. S. Ramakrishnan, is deemed to be interested in the Resolution. None of the other Directors are interested in this Resolution.

By Order of the Board of Directors

24th May, 2006

Registered Office:

1110/1111, Embassy Centre
Nariman Point
Mumbai - 400 021

Megha Samtani
Company Secretary