



LEADING
COASTAL SHIPPING
TO SUCCESS

Disclaimer:

This document contains statements about expected future events and financial and operational results of Shreyas Shipping and Logistics Ltd which are forward-looking in nature. By their nature, forward-looking statements require the company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Shreyas Shipping and Logistics Ltd Annual Report 2017-18



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Shreyas at a glance

Shreyas Shipping and Logistics Ltd. (Shreyas), is a pioneer and market leader in domestic coastal container shipping covering all main ports and container terminals on the Indian coast. Shreyas, which has a fleet of 13 vessels with a capacity of over 24,519 TEUs, also offers services to the Middle East, Colombo and Bangladesh. The company operates all its services on a fixed day weekly schedule across the Indian coast line.

Shreyas which pioneered domestic, multimodal transportation in India continues its premier position till date and is a preferred partner of Main Line Operators for Exim transshipment services at various Indian ports for its ability to carry feeder, domestic as well as regional cargo. The company also offers specialised break-bulk cargo services. The services offered by Shreyas demonstrate its continual efforts to make India a transshipment hub in future.

Vision

Be the preferred business partner for global logistics solutions, committed to highest standard of excellence.

Mission

To consistently create experiences where passion and purpose come together to innovate, excel and contribute.

Values

- Integrity
- Transparency
- Respect
- Customer Centrality
- Excellence
- Social and Environmental Responsibility



Year gone by...

The financial year 2018-2019 was a challenging one, but your company has showcased remarkable resilience in these testing times. The primary challenges involved volatility in bunker fuel prices and also the loss of one of our ships SSL Kolkata in an explosion. Other macro headwinds faced were the weak rupee and challenging market conditions. Surpassing these challenges, your company delivered 7% growth in volumes, resulting in 15.6% growth in revenues and managed to be profitable for the financial year 2018-2019 on the whole, while charter hire revenue has increased to 4,759 lakhs, that is growth of 600%.

With a fleet strength of 13 vessels having a capacity of 24,519 TEU'S, Shreyas continued to be the market leader in the domestic containerized segment in India, with a market share of 52% in the domestic cargo business and 85% in the EXIM transshipment business. The company bought 1 Container vessel this year i.e. SSL Krishna (2,490 TEUs) to expand its operations across the Indian coastline. During the year the company operated 13 vessels. 2 vessels were chartered in and 5 owned vessels were chartered out for part of the year to improve their utilization level and to mitigate their operational risks.

Your company has not only shown strategic resilience in turbulent times but continues to grow and garner its leadership position by offering on-time connectivity, having an option of operating in the smaller ports and carrying break bulk cargo across the Indian coast line.



Key Milestones

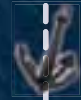
2003

Issue of 9% non-convertible redeemable preference shares



2002

Evolved the domestic transportation model in India



2005

Renamed from Shreyas Shipping Ltd to Shreyas Shipping and Logistics Ltd. to get better value of its business.



Set up its wholly owned subsidiary Shreyas Relay Systems Ltd. to handle logistics business

2006

Fidelity Investment Management Ltd takes up 8.5% stake by subscribing to GDR issue



Commences India-Karachi service

2008

Sale of 4 vessels and repayment of debt of 130 crore before the global financial crisis



2012

Acquisition of two 1725 TEU vessels, namely SSL Kochi & SSL Kutch



2014

Introduced PAN India service joining East West corridor for first time in India for containerized trade



2016

Entered into a Vessel Sharing Agreement with SCI



1994

Commenced business operations and got listed on BSE and NSE

1995

Entered into strategic alliance to operate between JNPT and UAE ports

1996

Attainment of Quality System Certification (ISO) for container and feeder services management

1993

Acquired first three container vessels

1988

Company incorporated as a private company

2017

Acquisition of 4 vessels including two multipurpose vessels to become the largest container shipping company in India.

Entered into a JV with Suzue Corporation, Japan

Shreyas Relay ceases to exist as wholly owned subsidiary and becomes an Associate company.

2018

Acquisition of one vessel, namely SSL Krishna having a capacity of 2,490 TEU.

Implementation of chartering strategy.







Business Mix

Domestic Cargo

It mainly consists of moving cargo across all major ports of the country. The company is present across the entire Indian coastline covering ports and container terminals like Mundra, Kandla, Pipavav, Krishnapatnam, Chennai, Paradip, Hazira, Kolkata which drive majority of cargo traffic growth of the country, thus we are indirectly a beneficiary of the cargo traffic growth in the country. Out of the total cargo handled, almost half constitutes construction material like cement, tiles, marbles and the balance includes fertilisers' food grains etc. With the introduction of land mark reform like GST and Demonetisation, the company is witnessing faster movement of goods across the country.

EXIM

Shreyas acts as a feeder operator in the EXIM segment. It is mainly involved in collecting cargo from various ports and container terminals in India and then feeding this cargo at a central location at a port into a larger vessel of a Mail Line Operator. Shreyas provides customised services and innovative solutions in this segment. Due to the best on-time connectivity in India in this segment, Shreyas commands the highest market share of about 85%. The company also offers direct connectivity from East and South Indian ports to middle east/gulf ports.



Breakbulk

The company ventured into this business in FY17-18 by acquiring two multi-purpose (MPP) vessels, namely SSL Sabarimalai and SSL Balaji. This segment helps in movement of non-containerized cargo providing end to end solutions for the clients. This segment has helped to diversify the business mix and also improve the utilisation levels of the company.

