

Quarterly compliance report on Corporate Governance

Name of the company: **Shreyas Shipping & Logistics Limited**
 Quarter ending on: **31st March, 2009**

Particulars	Clause Listing Agreement	of Compliance Status (Yes / No)	Remarks
I. Board of Directors	49 (I)		
(A) Composition of Board	49 (IA)	Yes	Annexure 1
(B) Non executive Directors' compensation & disclosures	49 (IB)	Yes	Annexure 2
(C) Other Provisions as to Board and Committees	49 (IC)	Yes	Annexure 3
(D) Code of Conduct	49 (ID)	Yes	Annexure 4
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	Annexure 5
(B) Meeting of Audit Committee	49 (IIB)	Yes	Annexure 6
(C) Powers of Audit Committee	49 (IIC)	Yes	Annexure 7
(D) Role of Audit Committee	49 (IID)	Yes	Annexure 8
(E) Review of Information by Audit Committee	49 (IIE)	Yes	Annexure 9
III. Subsidiary Companies	49(III)	Yes	Annexure 10
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IVA)	Yes	Annexure 11
(B) Disclosure of accounting treatment	49 (IVB)	N.A	--
(C) Board Disclosures –Risk Management	49 (IVC)	Yes	Annexure 12
(D) Proceeds from public issues, rights issue, preferential issues etc	49 (IVD)	N.A	--
(E) Remuneration of Directors	49 (IVE)	Yes	Annexure 13
(F) Management	49 (IVF)	Yes	Annexure 14
(G) Shareholders	49 (IVG)	Yes	Annexure 15
V. CEO / CFO certification	49(V)	Yes	Annexure 16
VI. Report on Corporate Governance	49 (VI)	Yes	Annexure 17
VII. Compliance	49 (VII)	Yes	Annexure 18

Annexure 1

Composition of Board

As on 31st March, 2009 the Company has total 10 Directors out of which 8 Directors are Non- Executive Directors and 2 are Executive Directors. The Company has an Executive Chairman and the Board includes 6 Independent Directors i.e., Mr. K. P. Medhekar, Capt. P. P. Radhakrishnan, Mr. S. Ragothaman, Mr. Amitabha Ghosh, Mr. Bherulal Choudhary and Mr. D.T. Joseph.

As on 13th January, 2009 Mr. Anil Devli has relinquished from his position as an Executive Director of the Company. Board designated Mr. V. Ramnarayan as an Executive Director of the Company w.e.f. 13th January, 2009.

Annexure 2

Non executive Directors' compensation & disclosures

Presently, the Directors of the Company who are not in whole-time employment of the Company are compensated only by way of sitting fees for attending the meetings of the Board and its Committees. As a matter of abundant caution, resolution for specific approval of the Members for sitting fees payable to the Non-Executive Director has been passed by the members at the Annual General Meeting held as on 21st July, 2005.

The Company does not have a scheme of stock options for its Directors.

Annexure 3

Other Provisions as to Board and Committees

During the quarter one Board Meeting was held on 31st January, 2009. During the year 2008-09 the gap between any two Board Meetings did not exceed four months as required by the said laws. The information as specified in Annexure 1A to Clause 49, is made available to the Board whenever applicable and materially significant.

None of the Directors of the Company hold the position of a member in more than 10 committees or act as a Chairman of more than 5 committees across all companies in which they are Directors. Every Director informs the Company about the Committee positions he occupies in other companies on a yearly basis and notifies changes therein, as and when they take place.

Compliance report on all Laws applicable to the Company including steps taken to rectify non-compliances, if any, is circulated to the Board as a part of the Agenda papers and the same is reviewed by the Board.

Annexure 4

Code of conduct

The Board of Directors has laid down a Code of Business Conduct and Ethics (the "Code") for all Board members and Senior management personnel. The Code is posted on the website of the Company, i.e., www.shreyas.co.in.

The next Annual report of the Company shall contain a declaration signed by the Chief Executive Officer (CEO) to the effect that the Board members and Senior Management Personnel have complied with the Code.

Annexure 5 Qualified and Independent Audit Committee

The Board has constituted an Audit Committee. The composition of the Audit Committee as on 31st March, 2009 is as follows:

Name	Position held	Category	Financial literacy / expertise
Mr. Amitabha Ghosh	Chairman	Non-Executive Independent Director	and Financially literate Possesses accounting and financial management expertise
Mr. K. P. Medhekar	Member	Non-Executive Independent Director	and Financially literate
Capt. P. P. Radhakrishnan	Member	Non-Executive Independent Director	and Financially literate
Mr. S. Ragothaman	Member	Non-Executive Independent Director	and Financially literate Possesses accounting and financial management expertise
Ms. Namrata Malushte	Secretary	Company Secretary	N.A.

As evidenced by the above table, the composition of the Audit Committee is in line with Clause 49(IIA).

The Chairman of the Audit Committee was not present at the Annual General Meeting held on 27th September, 2008 due to unavoidable personal reason. His leave of absence has been granted by the members/shareholders present at the meeting.

The Chief Financial Officer of the Company, representative of the statutory auditors and representative of the internal auditors are permanent invitees to the Audit committee meetings.

The Company Secretary acts as the Secretary to the Committee.

Annexure 6 Meeting of Audit Committee

The last meeting of the Audit Committee was held on 31st January, 2009 with proper quorum.

During the year 2008-09, four Audit Committee Meetings were held. The gap between any two Audit Committee Meetings did not exceed four months.

Annexure 7
Powers of Audit Committee

The powers of the Audit Committee are as mentioned in Clause 49(IIC) of the Listing agreement and Section 292A of the Companies Act, 1956.

Annexure 8
Role of Audit Committee

The role of the Audit Committee is as mentioned in Clause 49(IID) of the Listing agreement and Section 292A of the Companies Act, 1956.

Annexure 9
Review of Information by Audit Committee

The Audit Committee reviews, besides other items, the Management discussion and analysis report, report on significant related party transactions, letters of internal controls issued by the statutory auditors, Internal audit reports and the appointment and terms of remuneration of Internal auditor as required by Clause 49(IIE) of the Listing agreement. It is vested with necessary powers, as defined in its Charter, to achieve its objectives.

Annexure 10
Subsidiary companies

The Company has a wholly owned subsidiary by the name Shreyas Relay Systems Ltd. The Audit Committee of the Company reviews the financial statements, including investments made by the unlisted subsidiary company. The minutes of the Board meetings of the subsidiary are placed at the Board meeting of the Company. The management will bring to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company, if any.

Mr. Amitabha Ghosh, an independent director of the Company has been appointed as a nominee of the Company on the Board of the wholly owned subsidiary Shreyas Relay Systems Limited.

The Company also has a subsidiary company by the name Haytrans (India) Limited. The Audit Committee of the Company reviews the financial statements, including investments made by the unlisted subsidiary company. The minutes of the Board meetings of the subsidiary are placed at the Board meeting of the Company. The management will bring to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company, if any.

Capt. P. P. Radhakrishnan, an independent director of the Company has been appointed as a nominee of the Company on the Board of the subsidiary Haytrans (India)Limited.

Annexure 11

Basis of Related Party Transactions

A statement in summary form of transactions with the related parties in the ordinary course of business will be placed periodically before the Audit Committee. During the quarter under review, there were no material individual transactions with related parties that were not in normal course of business / not at arm's length.

Annexure 12

Board Disclosures - Risk Management

In continuation of the practice of keeping the Board of Directors informed about the potential risks of running the business and the Company's processes for risk mitigation and control, Risk Management Report is circulated to all Board members identifying the risks to which the Company is subject and minimisation procedures for the same. These procedures are periodically reviewed to ensure that the Executive management controls risk through means of properly defined framework.

The Management has constituted a Risk Management Committee which meets periodically to identify the risks and devise suitable measures for mitigation thereof. The Minutes of the meeting of the Risk Management Committee are placed before the Board of Directors and the Audit Committee for its information.

Annexure 13

Remuneration of Directors

All pecuniary relationships or transactions of the Non-executive Directors vis-à-vis the Company are disclosed in the Annual report for the year ended 31st March, 2008.

Detailed disclosure on the remuneration of Directors, Remuneration policy of the Company and shareholding of Non-executive Directors in the Company shall be made in the section on Corporate Governance forming part of the Annual report of the Company for the year ended 31st March, 2009.

Details of shareholding of Non-executive Director being appointed shall be disclose in the Notice of the general meeting called for appointment of such director.

Annexure 14

Management

A detailed review of the operations, performance and future outlook of the Company and its business shall be included in the Management Discussion and Analysis forming part of next Annual Report.

During the quarter ended 31st March, 2009, there were no financial and commercial transactions in which Senior Management personnel had personal interest that may have a potential conflict with the interest of the Company at large.

Annexure 15

Shareholders

In case of the appointment of a new Director or re-appointment of a Director, the Shareholders are provided with particulars such as qualifications, experience, shareholding, etc. of the Director.

The financial results of the Company are being published in leading newspapers such as the The Free Press Journal and Navshakti to provide easier accessibility to the Shareholders and are also displayed on the Company's website www.shreyas.co.in. In compliance with Clause 51 of the Listing agreement with the Stock Exchanges, the Company is posting the required statements or documents on the Electronic Data Information Filing and Retrieval 'EDIFAR' website maintained by NIC.

Official press releases and presentations as and when made to the media and Analysts are made available on the Company's website www.shreyas.co.in.

The Board has constituted Shareholders' / Investor Grievance Committee under the Chairmanship of Mr. K. P. Medhekar, Non-executive Director to look into the redressal of shareholders complaints. Mr. V. Ramnarayan, Director is also a member of this Committee. Ms. Namrata Malushte, Company Secretary acts as Secretary to the Committee. The Committee looks into the redressal of shareholder and investor complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.

The Company has delegated the power of share transfer to its Registrar and share transfer agent M/s. Link Intime India Pvt. Limited who attends to the share transfer formalities at least once in a fortnight.

Annexure 16

CEO / CFO certification

Requisite Certificate from the CEO and CFO shall form part of the next Annual Report of the Company.

Annexure 17

Report on Corporate Governance

Report on Corporate Governance containing details as required by Annexure –1C to Clause 49 shall form part of the next Annual Report of the Company.

Quarterly Compliance Report on Corporate Governance in the prescribed format is being sent to the Stock Exchanges within 15 days of the close of each quarter.

Annexure 18
Compliance

Certificate from the Statutory Auditors regarding compliance of conditions of corporate governance as stipulated by Clause 49 shall form part of the next Annual Report of the Company which shall be send to the Stock Exchanges.

Disclosure on compliance / non-compliance with the mandatory requirements of Clause 49 and adoption / non-adoption of the non-mandatory requirements contained therein shall form part of the Corporate Governance Report in the next Annual Report of the Company.
