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21st Annual Report 2008-2009



SPEEDY • RELIABLE • SAFE

SHREYAS RELAY SYSTEMS LTD



SHREYAS

SHIPPING & LOGISTICS LIMITED

TRANSWORLD GROUP



SHREYAS

SHIPPING & LOGISTICS LTD

21ST ANNUAL REPORT 2008-2009

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Letter to Shareholders

Dear Shareholders,

The year 2008 has been one of the most testing years across the globe for almost all the sectors. In particular, it proved to be one of great turmoil in the financial sector with the collapse of the sub prime mortgage market in the US. The global meltdown, which originated in the US and gradually spread to the rest of the world, engulfed most businesses and sectors. What started as just a ripple in the housing sector in the US rapidly turned into a tsunami of economic crisis for the world. In the beginning, the financial crisis that affected banking, investment and real estate in the US later turned towards manufacturing and other allied sectors jolting the world economy. The world output and trade have witnessed a significant fall in the final months of 2008.



The shadows of the financial meltdown have threatened to loom large over the Indian economic horizon as well. The shipping sector was not far behind in being impacted by this crisis. The sky rocketing oil prices gave its first blow but in due course the situation normalized and the circumstances appeared to be balanced. However later during the year, the freight rates drastically came down. Resultantly the shipowners had to lay off their vessels. Freight rates marred the ship movements, port investments etc. finding it difficult to even recover the operating costs for the ship owners. The Indian shipping players are as a matter of fact now waiting for the markets to recover positively.

The journey for Shreyas has been interesting during the current year. Shreyas having realized the gravity of the downturn has taken active steps way before the meltdown actually hit the industry. This has proved to be of great value in retrospect. During the year, Shreyas has sold off four vessels i.e M. V. OEL Express, M. V. OEL India, M. V. OEL Strength, M. V. OEL Aishwarya for a total consideration of Rs. 21011.31 lacs. The Company has, with the sale proceeds, repaid its secured loans to the tune of Rs. 15865.07 lacs. Today the Company enjoys a minimal debt to the tune of Rs.8058.80 lacs as against Rs. 20763. 39 lacs in the previous year.

Even with the reduction in the fleet strength, your Company was able to maintain its total income at Rs. 17984.57 lacs in the current year as against Rs. 17611.31 lacs in the previous year. Profit after Tax was Rs.1453.59 lacs vis-à-vis Rs.838.39 lacs in the previous year which is an increase of 73.38% over the previous year.

We will continue with our goal of providing safe, reliable and cost effective transportation and offer customized transportation solutions to our clients. We will also continue with our quest to strike out new paths. We will not rest on our accomplishments but build on them.

I take this opportunity to thank our shareholders and business partners for the trust they have placed in us and your confidence and unflinching belief in our ability to deliver value. We believe your faith is well-founded and that together we will impact the logistics industry. Your continued support would further strengthen our hands as we set out to scale new heights of performance. I also thank my colleagues on the Board, whose support and leadership has been invaluable.

I also take this opportunity to recognise the support of our customers, suppliers, all regulatory authorities, our bankers, auditors, consultants, other business associates and legal advisors/counsels. I would like to assure you that all our efforts will be directed towards strong growth in the future.

We look forward for your continued patronage with Shreyas.

Mumbai
17th June, 2009

S. Ramakrishnan
Chairman & Managing Director



SHREYAS

SHIPPING & LOGISTICS LTD

BOARD OF DIRECTORS

Mr. S. Ramakrishnan	-	Chairman & Managing Director
Mr. V. Ramnarayan	-	Executive Director
Mr. S. Mahesh	-	Director
Mr. L. B. Culas	-	Director
Mr. K. P. Medhekar	-	Director
Capt. P. P. Radhakrishnan	-	Director
Mr. Amitabha Ghosh	-	Director
Mr. S. Ragothaman	-	Director
Mr. Bherulal Chaudhary	-	Director
Mr. D. T. Joseph	-	Director

MANAGEMENT TEAM

Mr. V. Ramnarayan	-	Executive Director
Mr. Vinay Kshirsagar	-	Chief Financial Officer
Mr. S. Vardarajan	-	Chief Executive Officer – Shreyas Relay Systems Ltd.
Capt. V. K. Singh	-	Vice President – Commercial
Capt. Kapil Kekre	-	General Manager – Strategic Development
Ms. Namrata Malushte	-	Company Secretary

Bankers

Standard Chartered Bank
ICICI Bank Ltd.
Canara Bank, London
State Bank of India
Axis Bank Ltd.
Deutsche Bank AG

Statutory Auditors

PKF Sridhar & Santhanam

Registered Office

4th Floor, Himalayas,
Geetmala Complex,
Near Shah Industrial Estate,
Govandi (E), Mumbai – 400 088.

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078.
Tel: 2596 3838
Fax: 2596 2691

Internal Auditors

Transworld Management Consultancy Pvt. Ltd.

Administrative Office

2nd Floor, Sahyadris, Geetmala Complex,
Near Shah Industrial Estate,
Opp. Deonar Village Road,
Govandi (E), Mumbai - 400 088.
Tel. No. 66220300
Fax. No.: 67141516

Notice

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of *Shreyas Shipping and Logistics Limited* will be held on Friday, 25th September, 2009 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, 2009 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Preference Shares.
3. To appoint a Director in place of Mr. S. Mahesh, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Capt. Panthloor Puthenveetil Radhakrishnan, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. S. Ragothaman, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint M/s. PKF 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:

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

“RESOLVED that subject to the provisions of sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and / or the guidelines for Managerial Remuneration issued by the Central Government from time to time, and subject to the approval of the Central Government and further subject to the approval of the Reserve Bank of India, if required, the Board of Directors hereby approve the remuneration package as set out below for Mr. S. Ramakrishnan; Chairman and Managing Director, if re-appointed for a period of five years with effect from 1st April, 2009 with a liberty to the Board to vary the remuneration package as may be agreed between the Board and Mr. S. Ramakrishnan, Chairman & Managing Director:

(a) Salary:

Consolidated salary in the range of Rs.7,000,000/- (Seventy lacs only) to Rs.12,500,000/- (One Crore Twenty Five lacs only) per annum including Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances with authority to the Board to fix his salary within the above range from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

(b) Other benefits:

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. 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.
6. 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 vary the terms and conditions of re-appointment including determination of remuneration payable to Mr. S. Ramakrishnan, Chairman & Managing Director in such manner as the Board in its absolute discretion deems fit, provided that the remuneration payable to Mr. S. Ramakrishnan shall not exceed the maximum limits for payment of Managerial Remuneration specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be made from time to time.

FURTHER RESOLVED that in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of the Chairman & Managing Director, the remuneration and perquisites and any other allowances as specified above be paid to Mr. S. Ramakrishnan as minimum remuneration, provided that the total remuneration by way of salary and perquisites shall not, unless approved by the Central Government, exceed the ceiling as provided in Section II of Part II of Schedule XIII to the Act or within such ceiling limits as may be prescribed under Schedule XIII from time to time or the Act as may be re-codified.

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 necessary, desirable or expedient to give effect to this resolution.”

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

“RESOLVED that subject to the provisions of sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and / or the guidelines for Managerial Remuneration issued by the Central Government from time to time, the Board of Directors hereby approve the remuneration package as set out below for Mr. V. Ramnarayan; Executive Director, if appointed for a period of five years with effect from 13th January, 2009 with a liberty to the Board to vary the remuneration package as may be agreed between the Board and Mr. V. Ramnarayan, Executive Director:

(a) Salary:

NIL

(b) Other benefits:

NIL

The aggregate remuneration payable to Mr. V. Ramnarayan, shall be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provisions of the Companies Act, 1956, re-enactments thereof, for the time being in force.

(c) Sitting fees:

Mr. V. Ramnarayan shall not be entitled to any sitting fees.

FURTHER RESOLVED that the Board of Directors be and is hereby authorised to vary the terms and conditions of appointment including determination of remuneration payable to Mr. V. Ramnarayan, Executive Director in such manner as the Board in its absolute discretion deems fit, provided that the remuneration payable to Mr. V. Ramnarayan shall not exceed the maximum limits for payment of Managerial Remuneration specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be made from time to time.

FURTHER RESOLVED that the Board of Directors and / or Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

17th June, 2009

By Order of the Board of Directors

Registered Office:

4th Floor, Himalayas, Geetmala Complex,
Near Shah Industrial Estate,
Govandi (E), Mumbai – 400 088.

Namrata Malushte
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 and Directors being 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 15th September, 2009 to 25th September, 2009 (both days inclusive).
5. Members are requested to:
 - (a) Notify any change in their address to the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. 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.
 - (b) Bring their attendance slips alongwith the copies of the Annual Report to the Meeting.
6. 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, year ended 31st March, 1999 and 31st March, 2001 has been transferred to the said Fund.

Unclaimed dividend for the financial year ended 31st March, 2002 and thereafter (wherever declared) is still lying with the Company. The Members, who have not yet encashed the dividend warrants for the financial years ended 31st March, 2004, 31st March, 2005 (interim and final dividend), 31st March, 2006 (interim and final dividend) and 31st March, 2007 (interim dividend), 31st March, 2008 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.**

7. 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.
8. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
9. 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. Link Intime India Pvt. Limited. Blank forms will be supplied by M/s. Link Intime India Pvt. 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.
10. 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.

17th June, 2009

By Order of the Board of Directors

Registered Office:

4th Floor, Himalayas, Geetmala Complex,
Near Shah Industrial Estate,
Govandi (E), Mumbai – 400 088.

Namrata Malushte
Company Secretary



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7

Mr. S. Ramakrishnan was re-appointed as the Chairman & Managing Director of the Company for a period of five years with effect from 1st April, 2004. Consequently, his term as Chairman & Managing Director expired on 31st March, 2009. Mr. S. Ramakrishnan is 48 years of age. He is the driving force of the Company. He is a Commerce Graduate having extensive experience in the Shipping Industry including ship owning, chartering and ship management. His expertise in all facets of running container feeder services has helped the Company in making all round progress including achieving consistent profitability. Considering his strenuous efforts and absolute expertise in the Shipping Industry, the Board of Directors at the Board Meeting held on 31st January, 2009 decided to re-appoint Mr. S. Ramakrishnan as the Chairman and Managing Director of the Company for a further period of five years with effect from 1st April, 2009 on the terms and conditions including remuneration given below, subject to the approval of the Shareholders and the Central Government. His re-appointment and remuneration has also been approved by the Remuneration Committee of Directors. Mr. S. Ramakrishnan, being Non-resident Indian, an application has been made to the Central Government for its approval for the re-appointment of Mr. S. Ramakrishnan as Chairman & Managing Director in terms of Clause (e) of Part I of Schedule XIII of the Companies Act, 1956. Mr. S. Ramakrishnan is not liable to retire by rotation in terms of Article 98 of the Articles of Association of the Company. Details of the Board and Committee memberships of Mr. S. Ramakrishnan have been given in the Report on Corporate Governance forming part of the Directors' Report.

Remuneration payable to Mr. S. Ramakrishnan is as follows:

(a) Salary:

Consolidated salary in the range of Rs.7,000,000/- (Seventy lacs only) to Rs.12,500,000/- (One Crore Twenty Five lacs only) per annum including Company's contribution to Provident Fund, Gratuity, Exgratia, Leave travel allowance and all other allowances with authority to the Board to fix his salary within the above range from time to time, increasing thereby proportionately, all benefits related to the quantum of salary.

(b) Other benefits:

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. 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.
6. Personal accident / Mediciam 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.

Approval of the Members under Section 269 read with Schedule XIII to the Companies Act, 1956, is required for re-appointment of a Managing Director and for payment of remuneration to him. Hence, the Board of Directors commends Resolution at Item No. 6 of the accompanying Notice for your approval. As required by Section 302 of the Companies Act, 1956, the Abstract of Terms and Memorandum of Interest dated 1st April, 2009 relating to the re-appointment and remuneration of Mr. S. Ramakrishnan has already been sent to the Members.

Mr. S. Ramakrishnan hold 1,09,375 equity shares of the Company as on date.

None of the Directors other than Mr. S. Ramakrishnan and Mr. S. Mahesh (who is a relative) are concerned or interested in this Resolution.

Item No. 8

Mr. V. Ramnarayan is a promoter Director of the Company. He was appointed as an Executive Director of the Company for period of five years w.e.f. 13th January, 2009 by the Board of Directors vide circular resolution dated 13th January, 2009. Mr. V. Ramnarayan is 60 years of age. He is a graduate in Science from University of Mumbai with Post Graduate Diploma in Business Management. He has over 29 years of experience in the container shipping industry. He has to his credit the handling experience of the first container service which commenced from India. His experience covers all aspects of shipping.

Remuneration payable to Mr. V. Ramnarayan, Executive Director:

(a) Salary:

NIL

(b) Other benefits:

NIL

The aggregate remuneration payable to Mr. V. Ramnarayan, shall be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provisions of the Companies Act, 1956, re-enactments thereof, for the time being in force.

(c) Sitting fees:

Mr. V. Ramnarayan shall not be entitled to any sitting fees.

The appointment of Mr. V. Ramnarayan as Executive Director of the Company and payment of remuneration as above was approved and recommended by the Remuneration Committee.

Mr. V. Ramnarayan hold 1,09,375 equity shares of the Company as on date.

Approval of the Members under Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, is required for appointment and payment of remuneration. Hence Board commends this resolution for your approval.

None of the Directors other than Mr. V. Ramnarayan is interested in the Resolution.

17th June, 2009

By Order of the Board of Directors

Registered Office:

4th Floor, Himalayas, Geetmala Complex,
Near Shah Industrial Estate,
Govandi (E), Mumbai – 400 088.

Namrata Malushte
Company Secretary



Directors' Report

Your Directors are pleased to present the Twenty First Annual Report and the audited accounts for the financial year ended 31st March, 2009.

FINANCIAL PERFORMANCE

(Rs. in Lacs)

	Current Year ended 31.03.2009	Previous Year ended 31.03.2008
Operating Income	14,922.80	17,048.74
Other Income	3,061.77	562.58
Profit before Interest, Depreciation and Tax	3,999.65	3,554.16
Less: Interest	825.14	1,219.50
Depreciation	1,334.73	1,323.14
Profit before Tax and Prior Year Adjustment	1,836.11	1,011.52
Add / Less: Extraordinary items	-	(88.59)
Less: Prior Year Adjustment	3.67	60.05
Less: Provision for Current Taxation and Fringe Benefit tax	320.39	26.33
Provision for Prior Year Tax	16.51	(1.84)
Profit After Tax And Exceptional Items	1,499.20	838.39
Add: Balance brought forward from previous year	4,454.71	4,588.81
Amount available for appropriation	5,953.92	5,427.21
Appropriations:		
Transfer to General Reserve	-	84.00
Transfer to Capital Redemption Reserve	390.00	-
Transfer to Tonnage Tax Reserve	-	250.00
Preference Dividend paid	18.13	-
Tax on dividend paid	3.08	-
Proposed Equity Dividend	-	439.15
Tax on Equity Dividend	-	74.63
Proposed Preference Dividend	74.62	106.60
Tax on Preference Dividend	12.68	18.12
Balance carried to Balance Sheet	5,455.40	4,454.71

DIVIDEND

In order to conserve the resources to meet the future financial requirements, the Board of Directors do not recommend a Dividend on the Equity shares for the current financial year. However the Board of Directors recommend a dividend of Rs.8.20 per Preference share (8.20%; previous year total dividend: 8.20%). This Dividend is subject to the approval of the Members at the Twenty first Annual General Meeting to be held on 25th September, 2009.

The payment of dividend on Preference shares will entail a cash outflow of Rs. 87.30 lacs including dividend distribution tax.

REVIEW OF OPERATIONS

The Profit before tax during the year increased to Rs.1836.11 lacs from Rs. 922.93 lacs during the previous year. Interest has reduced

to Rs. 825.14 lacs in the current year from Rs. 1219.50 lacs in the previous year. The Profit after tax has increased to Rs. 1499.20 lacs in the current year from Rs. 838.40 lacs in the previous year.

During the year, Shreyas has sold off four vessels i.e M. V. OEL Express, M. V. OEL India, M. V. OEL Strength, M. V. OEL Aishwarya for a total consideration of Rs. 21011.31 lacs. The Company has, with the sale proceeds, prepaid its outstanding secured loans to the tune of Rs. 15865.07 lacs. The total secured loan outstanding as on 31st March, 2009 after the repayment stands at Rs. 8058.81 lacs.

The oil prices rose significantly during the year and had a bigger influence on the maritime industry. The Company had to absorb

this increased cost of operations and could not pass on the same to its clients. This has resulted in a decline on operating profits. While the oil prices were reducing and being stabilized at acceptable rates, the global recession took its toll on the entire industry. The Charter rates dropped significantly in the current year. Even the freight rates plunged drastically.

The impact of global recession was however not greatly felt by the logistics industry. The Indian logistics industry offers immense opportunities for growth and it is expected that this will continue for another decade. The Company has recognized this and is moving in the right direction. Shreyas' USP's are its business model and customer-focused approach. Shreyas has set up all vital and important systems and processes in sync with the needs of its customers.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis appearing as Annexure I to this Report.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956 an amount of Rs. 1.93 lacs being unclaimed dividend for the year ended 31st March, 2001 was transferred during the year to the Investor Education and Protection Fund established by the Central Government.

QUALITY

As part of its continuous improvement programme, the Company has successfully completed the periodic audit with respect to the ISO 9001:2000 certification for itself and its wholly owned subsidiary, SRSL.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

DIRECTORS

Mr. S. Mahesh, Capt. P. P. Radhakrishnan and Mr. S. Ragothaman retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. Anil Devli resigned as the Executive Director of the Company with effect from 13th January, 2009. Mr. V. Ramnarayan was designated as the Executive Director of the Company with effect from the said date (13th January, 2009).

Application is being made for re-appointment of Mr. S. Ramakrishnan, Chairman & Managing Director under provision of Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956 with effect from 1st April, 2009 for a period of five years.

The above appointment and re-appointments form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval.

Profiles of these Directors, as required by Clause 49 of the Listing Agreement, are given in the Report on Corporate Governance forming part of this Report.

SUBSIDIARY COMPANY

In compliance with the provisions of Section 212 of the Companies Act, 1956, the audited statement of accounts alongwith the Directors' and Auditors' report for the year ended 31st March, 2009 of Shreyas Relay Systems Ltd, the wholly owned subsidiary and Haytrans (India) Ltd, the subsidiary of the Company are annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2009;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) appropriate accounting policies have been selected and applied consistently, and such judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on 31st March, 2009;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a 'going concern' basis.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing agreement entered into with the Stock Exchanges, a detailed Report on Corporate Governance is given as Annexure II to this Report alongwith the Auditors' Certificate on its compliance by the Company (Annexure IV) and applicable certification of the Chief Executive Officer and Chief Financial Officer (Annexure III).

AUDITORS

M/s. PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the 21st Annual General Meeting and offer themselves for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.



As regards the observation made in the Auditor's report, your Directors wish to state that the interpretation of the Institute of Chartered Accountants of India is not found in the notification issued by the Government of India and hence has no legal sanction. Accounting Standard-16 covers capitalisation of interest in projects in respect of 'qualifying assets' and cannot be applied to all cases of capital expenditure. Such an interpretation by the Institute of Chartered Accountants of India has the effect of taking foreign exchange gains to the credit of capital expenditure but a major part of foreign exchange loss to interest expenditure, which cannot be the intention of the Government notification, which is to give relief to industries from violent negative fluctuations in foreign exchange. In our view the accounting treatment given by the Company is correct and helps reflect a true and fair view of profit of the year.

COST AUDIT

The Central Government has not recommended cost audit of the Company during the year under consideration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Under the Notification No.GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company, as the shipping industry is not included in the Schedule to the relevant rules.

With regard to foreign exchange earnings and outgo, the position is as under:

		(Rs. in Lacs) (2008-09)
(i)	Foreign exchange earnings including proceeds on sale of ship (on accrual basis)	7,799.17
(ii)	Foreign exchange outgo including operating components and spare parts and other expenditure in foreign currency (on accrual basis)	4,762.79

PERSONNEL

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of section 219(1)(b)(iv) of the said Act, this Report and the Accounts Statement are being sent to all Shareholders excluding the Statement of Particulars of Employees under Section 217(2A). Any Shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

ACKNOWLEDGEMENTS

Your Directors thank the Company's clients, vendors, charterers, business associates, main line operators, investors and bankers for their continued support during the year. It will be your Company's endeavour to build and nurture strong links with them based on mutuality, respect and co-operation with each other. Your Directors take this opportunity to thank all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry despite increased competition from several existing and new players.

Your Directors place on record their appreciation for the support and continued co-operation that the Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Corporate Affairs, the Directorate General of Shipping, the Mercantile Marine Department, the Stock Exchanges, the Reserve Bank of India, the Central Board of Excise and Customs, and other Government agencies. Your Directors also express their sincere thanks to the Indian National Ship Owners' Association, Port authorities, Insurance companies, Protection and Indemnity clubs for their continued support during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 17th June, 2009

S. Ramakrishnan
Chairman & Managing Director

Management's Discussion and Analysis

(Annexure I to the Directors' Report)

Industry review

Container Shipping

The container trade across the world has dampened during the year with the hit of recession. The ongoing slow down has affected the container throughput in India during the current year. In the current fiscal 2008-09, the consolidated container throughput increased marginally to 6.85 million TEUs from 6.71 million TEUs in the previous fiscal i.e 2007-08.

The global freight industry has been badly affected by sluggish trade due to the economic downturn and container shippers have since reported a sharp fall in both freight volumes and rates.

Reports state that with new capacity expected to be added at a faster pace over the next three quarters, a surplus fleet oversupply of three million TEUs may appear at the end of the year if the economy remains sluggish. It is anticipated that while the tonnage is expected to grow by around 5%, the fleet strength is expected to grow by about 13% thereby leaving an excess fleet capacity. In fact, the idle fleet of container vessels stood at 486 ships of 1.31 million TEUs representing 10.4 percent of the global fleet.

Logistics

The logistics industry in India is poised to embark on a sustainable growth trajectory over the next few years. The Indian economy was growing steadily before the onset of the global financial crisis. It can be seen that this financial meltdown has crippled the entire industry. The logistics players are now utilizing this opportune time to strengthen their back end operations, warehouse management and product delivery systems.

The Indian logistics industry has been growing at a rate of 30% to 40% per annum. Although the logistics business is dampened due to the global meltdown, it is expected that with the easing of this crisis, the industry would soon gather steam. The Indian logistics market is currently believed to be around USD 90 billion. Even against the background of a continuing meltdown, it has been predicted that the Indian logistics industry will witness annual growth of 16% and reach a market size of over \$125 billion by 2010.

Considering the domestic consumption and the scope for logistics companies in India, an increasing number of players, including foreign players, have entered the market during the current fiscal. Companies are now finding new growth pockets in the domestic consumption market. The imbalance in the production and consumption within India has helped the domestic logistics market in a big way. It has offered immense opportunities for trade within India.

3PL services have come of age in the country and now more companies are seeking services from such service providers in the country. The logistics business is no longer limited to

basic transportation but includes a gamut of services such as warehousing, distribution, inventory management, packaging, labeling and a host of other activities.

The logistics industry is changing fast, responding to the growing demand from the consumer market and the industrial sector. The dynamics of the industry are much likely to change and the logistics players are all set to cash in on the emerging opportunities. Logistics companies are in fact constantly working towards newer and more distinctive services and value additions. The concept of fourth party logistics (4PL) is also expected to enter India soon as several giant Indian logistics companies are going for tie-ups with foreign logistics companies to introduce 4PL in the country.

Globalisation and liberalization will be the two major factors that will influence the economic growth of the country which in turn will shape the logistics industry in India.

Performance review of Shreyas

Shreyas' performance during the year has been largely influenced by the rising fuel prices, lower charter hire rates and freight rates. The operating costs have increased on account of these factors. Many players across the globe have laid up their vessels for want of tonnage. However with the shift of focus to domestic trade through SRSL (the wholly owned subsidiary), the Company has salvaged itself in this economic turmoil to some extent.

Contrary to the demand and supply in the international trade, the domestic consumption in India has been on a steady rise. This has attracted a few players in the market, which erstwhile was a monopoly of Shreyas. Despite this competition, Shreyas is optimistic to maintain its share of the business.

The Company has also joined hands with shipping companies in order to offer better service to the clients on the coastal ports both, east and west. This arrangement is the first of its kind in the Indian Shipping industry. The Company is constantly making such efforts to innovate strategies to utilize the synergies of the Indian shipping players.

The Company presently operates on the West coast and South coast. Considering the prospects in the domestic market, the Company has, with a view to expand its base, commenced services to newer ports like Pipavav and Mangalore. The Company has also introduced newer commodities in its trade. Out of the total volumes carried by Shreyas during the year, 66% were logistics volumes and balance 34% were feeder volumes.

The Profit before tax during the year increased to Rs.1836.11 lacs from Rs. 922.93 lacs during the previous year. Interest has reduced to Rs. 825.14 lacs in the current year from Rs. 1219.50 lacs in the previous year.

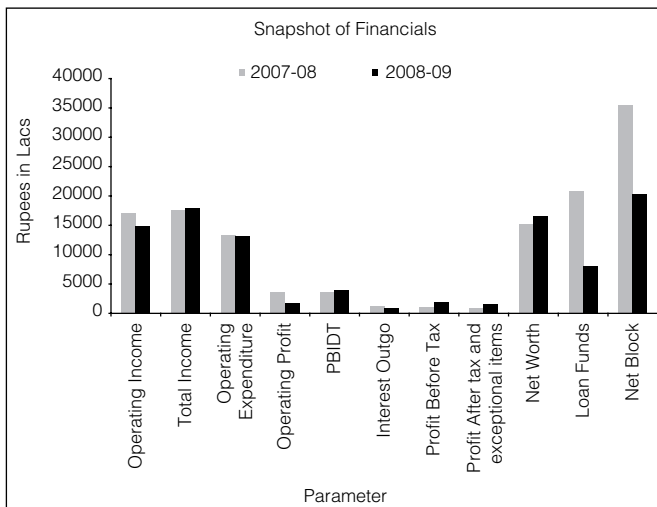
The Company has taken adequate measures to insulate itself from the impact of the global recession. Therefore during the year, Shreyas has taken a conscious decision and sold off four vessels i.e M. V. OEL Express, M. V. OEL India, M. V. OEL Strength, M. V. OEL Aishwarya for a total consideration of Rs. 21011.31 lacs. With the sale proceeds, the Company repaid its secured loans to the tune of Rs. 15865.07 lacs.



There have been continual efforts in reducing the transportation costs, lease rentals, administration expenses and ground rent costs. The impact is clearly visible in the last quarter of the financial year.

We give below a snapshot of the salient features of the Company's stand-alone performance during 2008-09 vis-à-vis the performance during 2007-08:

- Total Income increased by 2.12 % from Rs.17611.31 lacs to Rs. 17984.57 lacs.
- Interest cost reduced by 32.34% from Rs.1219.50 lacs to Rs. 825.14 lacs
- Depreciation increased by 4.32% from Rs. 1323.14 lacs to 1334.73 lacs
- Profit before extraordinary and exceptional items and tax increased by 77.37% from Rs. 1011.53 lacs to Rs. 1836.11 lacs.
- Profit After Tax increased by 73.38% from Rs. 838.39 lacs to Rs. 1499.20 lacs.



Outlook on opportunities

Container shipping

The global meltdown has a major influence on the container shipping industry. The shipping players continue to sail this storm with a big heart. Container ship charter rates crashed to all-time lows in the financial year 2008-09, coupled with demand for tonnage evaporating. The container shipping industry in the near future appears to be gloomy. A positive indication is that the decline in rates has slowed down in the recent past.

The statistics reveal that by the end of calendar year 2009, fleet capacity growth is forecast to rise by almost 13%. The activity of scrapping of old tonnage has been on the rise. With this the shipping industry as a whole is making space for newer tonnage. It is expected that in due course the demand and supply would attain an equilibrium which will facilitate recovery of the container shipping industry.

Logistics

The ongoing global downturn will impact the logistics business to some extent. But given the pattern of domestic consumption within India, the Indian logistics business is insulated from this trend to some extent.

With the entry of world retail leaders into Indian retail sector and major Indian entrepreneurs hurrying to establish, the business is expected to boom in India. This will open abundant opportunities for logistics service providers.

Infrastructure in India is expected to grow – matching to the requirement – as road, rail, port and airport sectors are planning huge investments to face the challenge. These infrastructure sectors would be completing their first phase of modernization and setting up plans by 2012. Private sector entry into container train segment has been permitted. PP (Public- private partnership) has envisaged into new routes, railway stations, logistics parks, cargo aggregation and warehouses. If everything goes as planned, India will have world - class infrastructure facilities in transportation sector and undoubtedly, other sectors will follow.

Globalisation and liberalization will be the two major factors that will influence the economic growth of the country which in turn will shape the logistics industry in India. The emergence of the organized retail sector will be one of the key growth drivers of the logistics industry. Besides, strong growth enablers exist in the form of over USD 300 billion infrastructure investments, phased introduction of VAT, development of agrifood processing industries and rapidly growing international trade. India centric business from global logistics companies, the Cold Chain business and as India becomes more affluent, the growth of niche markets will be some of the other factors.

Outlook on Threats, Risks and Concerns

Shipping

Shortage of seafarers continues to pose serious problems for the Indian shipping companies.

The industry will also be faced with challenges such as fewer repair yard slots, the shortage of officers, soaring bunker costs, multiplicity of regulations, infrastructure constraints.

The factors affecting the industry are mainly the high process of bunker (duty-paid) and operational costs under Indian flag and Indian registry. There are numerous tax regimes involved. There is a further difficulty in attracting shipboard staff for coastal operations. Manning costs of Indian registered coastal vessels are extremely high which also needs attention. A few ports faced labour disputes thereby leading to congestion at these ports. Lack of container handling facilities at minor ports, and restrictions, are additional major operational issues. Major ports and container terminals continue to be congested and berthing for coastal vessels is a real nightmare. The country is yet to be geared for expansive growth to that extent.

Logistics

The most pressing need of the logistics sector at this hour is the lack of an industry status. Owing to this, the sector suffers from immense fragmentation and disparity. Numerous companies, who operate on scanty margins, with little stress on quality, dominate it. With the granting of industry status, the sector shall be benefited by industry level tariffs for power, water and land – reducing the high cost of logistics in India, streamlining of reports to be filed by companies, creation of organized body to interface between government and industry and easier access to financing and FDI for capacity development. With a new stable Government, the logistics companies may certainly expect a positive response.

Exorbitant logistic cost (14% of the total value of goods) in India is primarily responsible for making goods uncompetitive and may further erode the competitiveness in the international market unless corrective measures are taken.

The domestic logistics industry which is expected to generate substantial business in the next two years is also posed with difficulties in finding and integrating quality. Skilled staff continues to be difficult challenge as people are the lifeblood of this industry.

Growth in multi modal transport is crucial for reducing the logistics cost of Indian trade. As trade in manufactured cargo increases, there would be rising demand for multi-modal services. At present, the cost of switching from one mode to the other are high as different modal nodes are far away from each other. Logistics infrastructure development needs to be a planned in a manner that such exchanges are facilitated with ease.

Internal control systems and their adequacy

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data.

The Internal Audit, an independent appraisal function to examine and evaluate the efficiency and effectiveness of the Internal control system, appraises periodically about activities and audit findings to the Audit Committee, Statutory auditors and the Top Management.

Internal audit ensures that systems are designed and implemented with adequate internal controls commensurate with the size and operations; transactions are executed and assets are safeguarded and deployed in accordance with the policies, existence of adequacy of internal controls in all existing policies and procedures.

Human Resources

As on 31st March, 2009, the Company had 36 shore staff and 132 floating staff.

The relations between the employees and the Company remained cordial throughout the year. The Company continues to focus on safety, training and development of the employees.

Cautionary Statement

Statements in this report describing the Company's objectives, projections, estimates and expectations may be forward looking statements, within the meaning of applicable laws and regulations, based on beliefs of Shreyas' Management. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including amongst others, changes in the general economic and business conditions, changes in the currency exchange rates and interest rates, introduction of competing services, lack of acceptance of new services, and changes in business strategy. Shreyas does not intend to assume any obligation to update any forward-looking statements or information, which speak as of their respective dates reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 17th June, 2009

S. Ramakrishnan
Chairman & Managing Director



Report on Corporate Governance

(Annexure II to the Directors' Report)

(As required by Annexure IC to Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

I. Corporate Governance Philosophy and Practice

The Corporate Governance philosophy of the Company is based on the principles of transparency and high degree of disclosure levels and accountability for all its stakeholders. We believe that sound corporate governance is critical to enhance and retain stakeholders' trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavour to enhance long-term shareholder value and respect minority rights in all our business decisions.

II. Board of Directors

Composition of Board of Directors

The composition of the Board is in accordance with the requirements set forth by Clause 49 in this regard. All the Directors are experts in their respective fields / professions. The Board consists of ten Directors of which two are Executive Directors and eight are Non-Executive Directors. The Chairman and Managing Director is an Executive Director and Promoter. Six Directors of the Company are Independent Directors and four are Promoters.

Details, as on date, of the composition of the Board and changes therein since the last Report, category of the Directors and their attendance at Board meetings and the last Annual General Meeting, number of their other directorships and Committee Memberships / Chairmanships are given below:

Name of the Director	Category of Directorship ¹	Number of Board meetings attended out of six held during the year 2008-2009	Attendance at the last AGM (27.09.08)	No. of Directorships in other public limited companies as on 31.03.2009	No. of Committee positions held in other public limited companies as on 31.03.2009 ²	
					Chairman	Member
Mr. S. Ramakrishnan Chairman & Managing Director	ED	2	Yes	14	NIL	NIL
Mr. V. Ramnarayan³ Executive Director	ED (NI)	5	Yes	13	NIL	NIL
Mr. S. Mahesh⁴ Director	NED (NI)	2	Yes	11	NIL	NIL
Mr. L. B. Culas Director	NED (NI)	3	No	1	NIL	NIL
Mr. K. P. Medhekar Director	NED (I)	6	Yes	3	NIL	2
Capt. P. P. Radhakrishnan Director	NED (I)	5	No	3	NIL	1
Mr. Amitabha Ghosh Director	NED (I)	4	No	13	4	4
Mr. S. Ragothaman Director	NED (I)	4	Yes	4	1	2
Mr. Bherulal Chaudhary Director	NED (I)	5	Yes	1	1	1
Mr. D. T. Joseph Director	NED (I)	5	Yes	5	1	1
Mr. Anil Devli Executive Director (Resigned w.e.f. 13 th January, 2009)	ED	5	Yes	NA	NA	NA

Notes:

1. Category of Directorship:

- ED – Executive Director
- NED (NI) – Non-Executive Director and not Independent
- NED (I) – Non-Executive Director and Independent

2. As required by Clause 49 of the Listing agreement entered into with the Stock Exchanges, only Membership /

Chairmanship of the Audit Committee and Shareholders' / Investors Grievance Committee have been considered. None of the Directors of the Company is a Member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he is a Director.

- 3. Appointed as an Executive Director w.e.f. 13th January, 2009.
- 4. Mr. S. Ramakrishnan and Mr. S. Mahesh are brothers.

Number of Board Meetings

Six Board meetings were held during the year ended on 31st March, 2009. These were on 22nd April, 2008, 30th June, 2008, 29th July, 2008, 11th August, 2008, 31st October, 2008 and 31st January, 2009 .

The gap between any two Board meetings did not exceed four months as required by Clause 49 of the Listing agreement with the Stock Exchanges.

Information supplied to the Board

To enable the Board members to discharge their responsibilities effectively and take informed decisions, a comprehensive Agenda folder with explanation on each item is sent to each Director well in advance of the Board meeting. All the Agenda items are discussed in detail during the Board meeting. The Board members have complete access to any information within the Company and to any employee of the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as the related details that require deliberation by the members of the Board.

The information as specified in Annexure 1A to Clause 49, is made available to the Board whenever applicable and materially significant.

Code of Conduct

All Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year ended 31st March, 2009. The said Code has been posted on the website of the Company, i.e., www.shreyas.co.in.

III. Audit Committee of Directors (Audit Committee)

Composition

The present composition of the Audit Committee is as follows:

Name	Position held	Category
Mr. Amitabha Ghosh	Chairman	Non-Executive and Independent Director
Mr. K. P. Medhekar	Member	Non-Executive and Independent Director
Capt. P. P. Radhakrishnan	Member	Non-Executive and Independent Director
Mr. S. Ragothaman	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary

All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, Mr. Amitabha Ghosh and Mr. S. Ragothaman are considered to have accounting and related financial management expertise.

The Chief Financial Officer, representative of the Internal auditors and the Statutory auditors are invitees to the meetings of the Audit Committee.

Terms of reference

The powers and terms of reference of the Audit Committee are comprehensive and include all that is mandated as per Clause 49 of the Listing agreement and Section 292A of the Companies Act, 1956. The Committee is vested with necessary powers, as defined in its Charter, to achieve its objectives.

The Committee, inter alia, has reviewed the financial statements including Auditors' Report for the year ended 31st March, 2009 and has recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management and the financial statements of the subsidiary companies.

Meetings and attendance during the year

Sr. No.	Name of Director	Meetings / Attendance			
		04.06.2008	25.07.2008	31.10.2008	31.01.2009
1	Mr. Amitabha Ghosh	Present	Present	Absent	Present
2	Mr. K. P. Medhekar	Present	Present	Present	Present
3	Capt. P. P. Radhakrishnan	Present	Present	Present	Present
4	Mr. S. Ragothaman	Absent	Present	Present	Present

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the Board meetings.

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.

IV. Shareholders' / Investors' Grievance Committee of Directors

Composition

The present composition of the Shareholders' / Investors Grievance Committee is as follows:

Name	Position held	Category
Mr. K. P. Medhekar	Chairman	Non-Executive and Independent Director
Mr. V. Ramnarayan	Member	Executive Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Terms of reference

- Review the existing investor redressal system and suggest measures for improvement.
- Resolution of investor grievances / complaints.
- Suggest improvement in investor relations.
- Consider and take on record Certificate from a practicing Company Secretary under Clause 47(c) of the Listing agreement.
- Propose to the Board of Directors, the appointment / re-appointment of the Registrar and Share Transfer Agent, including the terms and conditions, remuneration, service charge / fees.



Meetings and attendance during the year

The Company has held two meetings of the Shareholders' / Investors' Grievance Committee during the year ended on 31st March, 2009. These were on 2nd October, 2008 and 17th March, 2009. All members of the Committee and the Secretary were present at the above meetings.

The Secretarial Department of the Company, under the supervision of the Company Secretary, who is also nominated by the Company as the "Compliance Officer" as required under SEBI Regulations / Listing Agreement, and the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. (earlier known as Intime Spectrum Registry Ltd.) attend to all grievances of the Shareholders and the investors. The Company and M/s. Link Intime India Pvt. Ltd. are making further attempts to ensure that the grievances are expeditiously addressed and redressed to the full satisfaction of the Shareholders. The minutes of the Share Transfer Committee are noted by the Board of Directors at the Board Meetings.

A comparative statement of the various complaints received and redressed by the Company and M/s. Link Intime India Pvt. Ltd. during the year 2008-09 is given below:

Nature of complaints	Number of complaints	
	Received	Pending
Non-receipt of dividend	12	0
Non-receipt of Share certificates after transfer	8	0
Non-receipt of Annual Report	1	0
Non-receipt of demat credit / remat credit	9	0
Non-receipt of rejected Demat Requisition Form	9	0
Others (not included above)	5	0
TOTAL	44	0

V. Remuneration Committee

Composition

The present composition of the Remuneration Committee is as follows:

Name	Position held	Category
Capt. P. P. Radhakrishnan	Chairman	Non-Executive and Independent Director
Mr. K. P. Medhekar	Member	Non-Executive and Independent Director
Mr. S. Ragothaman	Member	Non-Executive and Independent Director
Mr. Amitabha Ghosh	Member	Non-Executive and Independent Director
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

Terms of reference

- Determine the Company's policy on specific remuneration packages for Executive Directors.

- Bring about objectivity in determining the remuneration package of Executive Directors while striking a balance between the interest of the Company and the Shareholders.
- Recommend the remuneration package of Executive Directors to the Board for its approval.

During the year, two meetings of the Remuneration Committee were held on 4th June, 2008 and 31st January, 2009.

Meetings and attendance during the year

Sr. No.	Name of Director	Meetings / Attendance	
		04.06.2008	31.01.2009
1	Capt. P. P. Radhakrishnan	Present	Present
2	Mr. K. P. Medhekar	Present	Present
3	Mr. S. Ragothaman	Absent	Present
4	Mr. Amitabha Ghosh	Present	Present

Remuneration Policy

a. For Executive Directors

The Board of Directors is authorised to decide the remuneration of the Executive Director(s), subject to the recommendation of the Remuneration Committee of Directors and approval of the Shareholders and the Central Government, if required. The details of remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director for the year 2008-09 have been disclosed in Note No. 8 to the accounts. The appointment of Mr. S. Ramakrishnan is in terms of the approval received from the Central Government vide its letter bearing reference No. 1/99/2004-CL.VII dated 14th September, 2004 which is valid from 1st April, 2004 upto 31st March, 2009. The Company has made an application to the Central Government for re-appointment of Mr. S. Ramakrishnan as Chairman and Managing Director of the Company for the term of 5 years from 1st April, 2009.

The Whole-time Director Mr. S. Ramakrishnan was paid remuneration as per his respective terms of appointment as approved by the Shareholders. Mr. Anil Devli was paid remuneration till 13th January, 2009, i.e his date of resignation. No remuneration was paid to Mr. V. Ramnarayan for the period from 13th January, 2009 to 31st March, 2009.

b. For Non-Executive Directors

All fees / compensation paid to Non-Executive Directors are fixed by the Board of Directors of the Company with the previous approval of the Shareholders in the General meeting. Presently, Non-Executive Directors are paid remuneration by way of Sitting Fees of Rs.12,000/- per Board Meeting and Rs. 10,000/- per Audit Committee and Remuneration Committee Meeting attended. The details of Sitting Fees paid to the Non-Executive Directors for the year 2008-09 and shares held by them in the Company as on 31st March, 2009 are as under:

Name of the Director	Sitting Fees for Board Meetings attended (Rs.)	Sitting Fees for Audit Committee Meetings attended (Rs.)	Sitting Fees for Remuneration Committee Meetings attended (Rs.)	Number of Equity shares held in Shreyas Shipping & Logistics Ltd. as on 31 st March, 2009
Mr. V. Ramnarayan ¹	48,000/-	N.A	N.A	109,375
Mr. S. Mahesh	24,000/-	N.A	N.A	112,475
Mr. L. B. Culas	36,000/-	N.A	N.A	130,845
Mr. K. P. Medhekar	72,000/-	40,000/-	20,000/-	NIL
Capt. P. P. Radhakrishnan	60,000/-	40,000/-	20,000/-	NIL
Mr. Amitabha Ghosh	48,000/-	30,000/-	20,000/-	NIL
Mr. S. Ragothaman	48,000/-	30,000/-	10,000/-	3,000
Mr. Bherulal Chaudhary	60,000/-	N.A	N.A	NIL
Mr. D. T. Joseph	60,000/-	N.A	N.A	NIL

¹ Appointed as an Executive Director w.e.f. 13th January, 2009 and is therefore not entitled to Sitting Fees with effect from said date.

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. Approval of the Shareholders was obtained at the Annual General Meeting held on 21st July, 2005 for payment of remuneration in the form of commission to the Directors not in whole-time employment of the Company, such commission not exceeding in the aggregate 1% per annum of the net profits of the Company for the five years commencing from 1st April, 2005, subject to the discretion and directions of the Board of Directors of the Company. The Board of Directors have not recommended commission for the Directors not in whole-time employment of the Company for the year ended 31st March, 2009.

The Company does not have a scheme for stock options for its Directors. None of the Non-executive Directors had pecuniary interest in or transactions with the Company during the year.

VI. Share Transfer Committee

The Share Transfer Committee has been specifically constituted for approving the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced share certificates, etc. ensuring compliance with legal requirements of share transfers and co-ordination with the Registrar and Share Transfer Agent, Depositories, etc. The present composition of the Committee is as follows:

Name	Position held	Category
Mr. S. Ramakrishnan	Chairman	Chairman & Managing Director
Mr. V. Ramnarayan*	Member	Executive Director
Mr. S. Mahesh	Member	Director
Mr. Rajesh Desai	Member	Sr. Manager - Finance & Accounts
Ms. Namrata Malushte	Secretary	Company Secretary & Compliance Officer

* Mr. V. Ramnarayan was appointed as an Executive Director w.e.f. 13th January, 2009.

Meetings of the Share Transfer Committee are usually held fortnightly. 24 meetings of the Share Transfer Committee were held during the year 2008-09.

VII. General Body Meetings

a. Particulars of the last three Annual General Meetings (AGMs)

Financial year	AGM No.	Date	Venue	Time
2007-08	20 th	27 th September, 2008	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp. Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m
2006-07	19 th	21 st July, 2007	Nehru Centre Auditorium, Discovery of India Building, Nehru Centre, Dr. Annie Beasant Road, Worli, Mumbai – 400018.	11.00 a.m
2005-06	18 th	21 st July, 2006	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp. Vijaya Bank, Chembur, Mumbai – 400 071.	11.00 a.m

b. Special resolutions passed at last three AGM's

The following two Special resolutions were passed by the Shareholders at the AGM held on 27th September, 2008:

- Approval and ratification of the excess remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director for the year 2007-08.
- Approval and ratification of the excess remuneration paid to Mr. Anil Devli, Executive Director for the year 2007-08.

The following three Special resolutions were passed by the Shareholders at the AGM held on 21st July, 2007:

- Increase in remuneration payable to Mr. Anil Devli, Executive Director for the period 1st April, 2007 to 20th April, 2007.



- Re-appointment of Mr. Anil Devli, Executive Director for a further period of five years w.e.f. 21st April, 2007.
- Increase in the remuneration payable to Mr. S. Ramakrishnan; Chairman & Managing Director.

The following three Special resolutions were passed by the Shareholders at the AGM held on 21st July, 2006:

- Payment of incentive remuneration upto 100% of the salary to Mr. Anil Devli, Executive Director.
- Re appointment of Mr. Anil Devli, Executive Director for a further period of one year.
- Increase in the remuneration payable to Mr. S. Ramakrishnan; Chairman & Managing Director.

c. Passing of resolutions by Postal ballot

No resolutions were passed by postal ballot during the year ended 31st March, 2009. Postal ballot shall be conducted as per the provisions of the Companies Act, 1956, as and when situations arise.

VIII. Disclosures

- a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interests of the Company in view of the following:
 - (i) All details relating to financial and commercial transactions, wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.
 - (ii) These are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
- b. 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, the Management periodically submits to the Board, a Risk Assessment & Minimisation Report outlining the various risks encountered by the Company, the control mechanisms adopted for mitigating such risks and the impact of materialization of such risks. The Management continues to take effective steps to mitigate such risks by devising an elaborate business strategy to counter and deal with the components of risks.
- c. Disclosures have been received from Senior Management personnel to the effect that during the year ended 31st March, 2009, there were no financial and commercial transactions in which they had personal interest that may have a potential conflict with the interest of the Company at large.
- d. With regard to matters related to capital markets, the Company has duly complied with the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or

strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority.

- e. As on 31st March, 2009, the Company has two subsidiaries as follows:

Shreyas Relay Systems Ltd : 100% holding by the Company

Haytrans (India) Limited : 51% holding by the Company

- f. The Company has fully complied with all the mandatory requirements of Clause 49.

The status of compliance with **non-mandatory requirements** stipulated by the said Clause is as under:

- o Tenure of Independent Directors is not being restricted to period of nine years in the aggregate since the Board of Directors unanimously opine that the length of the tenure on the Board would not have any material negative impact on the performance of Independent directors and discharge of their duties towards the Company.
- o The Board of Directors has constituted a Remuneration Committee consisting of four members, who are non-executive and independent. The Chairman of the Remuneration Committee was present at the 20th Annual General Meeting held on 27th September, 2008.
- o Since the half-yearly financial results are being published in leading newspapers as well as being displayed on the Company's website and EDIFAR website of the SEBI, the said results and summary of significant events are not being sent to each household of Shareholders.
- o Adequate and transparent information is circulated to the members of the Board of Directors at its various meetings, which provide valuable inputs on the business of the Company and their responsibilities as Directors. Also, the Directors are kept abreast of the latest developments in Laws, Rules and Regulations, as also on the various risks to which the Company is subject and the manner in which these risks are mitigated and/or minimised. Therefore, the need for a formal training on these issues is not felt necessary presently.
- o The re-appointment of Non-executive Directors is proposed and seconded at meetings of the Board of Directors on the basis of the contribution and performance of the Director being re-appointed. The Director being re-appointed does not participate during such discussions nor does he vote on the resolution proposing his re-appointment.
- o The Company presently does not have a documented Whistle Blower Policy in place. However, given its dedication to principles such as honesty, quality, responsibility, compassion, fairness, respect, adaptability and gratitude, the Company personnel

feel free to report to the Management, any concerns they may have about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

- o The Company ensures that any person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an Independent Director.

g. Disclosure regarding appointment or re-appointment of Directors

Mr. S. Mahesh, Mr. S. Ragothaman and Capt. P.P. Radhakrishnan retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

I. Name: Mr. S. Mahesh

Experience:

He is around 39 years of age. He is a Graduate in Commerce from the University of Mumbai and has hands on experience in shipowning and ship management. In addition, he has expertise in International Trading.

Other Directorships:

<u>Name of the companies/firm</u>	<u>Nature of interest</u>
1. Shreyas Shipping & Logistics Limited	Director
2. Relay Shipping Agency Limited	Director
3. TLPL Shipping Pvt. Ltd.	Director
4. TLPL Logistics Pvt. Ltd.	Director
5. Clarion Solutions Pvt. Ltd.	Director
6. Crescent Shipping Agency (I) Ltd.	Whole time Director
7. Crescent Take Global Chain Supply Pvt. Limited	Director
8. Haytrans (India) Ltd	Director
9. Meridian Shipping Agency Pvt. Ltd.	Director
10. NLS Agency (India) Pvt. Ltd.	Director
11. Orient Express Ship Management Ltd.	Director
12. Shreyas Relay Systems Ltd.	Director
13. Sivaswamy Holdings Pvt. Ltd.	Director
14. Tejas Oil Pvt. Ltd.	Director
15. Transcorp Finance Ltd.	Director

16. Transcorp Securities Ltd.	Director
17. Transworld Logistics Limited	Director
18. Transworld Management Consultancy Pvt. Ltd.	Director
19. Transworld Oil Pvt. Ltd.	Director
20. Transworld Cultural and Sports Foundation	Director
21. Trident Trading Pvt. Ltd.	Director
22. Transworld Shipping and Logistics Limited	Director
23. Albatross CFS Pvt. Ltd.	Director
24. Albatross Logistics Centre (I) Pvt. Ltd.	Director
25. Admec Logistics Ltd.	Director
26. Trident Terminals Private Ltd.	Director

Committee Memberships: NIL

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2009: 1,12,475 shares

II. Name: Mr. S. Ragothaman

Experience:

Mr. S. Ragothaman aged 63 years is a Commerce Graduate and a Chartered Accountant. He is Ex-General Manager of erstwhile ICICI Ltd (since merged with ICICI Bank Ltd). During his almost 3 decades of service at ICICI, he had exposures in Project Finance, Investment Banking, Leasing and other financial services. He has represented ICICI Ltd on the Board of various companies including ICICI Asset Management Co. Ltd and ICICI Bank. After moving out of ICICI Ltd in 1997 he has been offering advisory services to Corporates in the areas of Fund mobilization, Mergers and Acquisitions, Business restructuring, Micro finance etc. He is currently on the Board of following companies.

Other Directorships:

<u>Name of the companies/firm</u>	<u>Nature of interest</u>
The Bombay Dyeing and Manufacturing Co. Ltd	Director
Xpro India Ltd	Director
Xpro Global Ltd	Director
Hinduja Foundries Ltd	Director



Committee Memberships:

<u>Name of the companies/firm</u>	<u>Name of Committee</u>	<u>Committee Position</u>
The Bombay Dyeing and Manufacturing Co. Ltd	Audit Committee	Member
Hinduja Foundries Ltd	Audit Committee	Member
Xpro India Ltd	Audit Committee	Chairman

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2009: 3000 shares

III. Name: Capt. P. P. Radhakrishnan

Experience:

Capt. P. P. Radhakrishnan is around 72 years of age. He is a Master Mariner holding Certificate of Competency. He was appointed as Chairman & Managing Director (CMD) of Shipping Corporation Of India (SCI) during 1991-1995 and has commanded various types of vessels in the SCI fleet. Prior to his stint as CMD of SCI, he occupied the position of Director of Technical Services Division, Bulk Carrier and Tanker Division and Coastal and Passenger Services Division at various times. He has been associated with the shipping industry for several decades and has dealt with all facets of the shipping and ship building industry.

Other Directorships:

<u>Name of the companies/firm</u>	<u>Nature of interest</u>
West Asia Maritime Ltd.	Director
EC Ship Management Co. Ltd.	Director
Haytrans (India) Ltd.	Nominee Director

Committee Memberships:

<u>Name of the Companies/firm</u>	<u>Name of Committee</u>	<u>Committee Position</u>
West Asia Maritime Ltd.	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2009: NIL

IV. Name: Mr. S. Ramakrishnan

Experience:

Mr. S. Ramakrishnan is 48 years of age. He is the driving force of the Company. He is a Commerce Graduate having extensive experience in the Shipping Industry including ship owning, chartering and ship management. His expertise in all facets of running container feeder services has helped the Company in making all round progress including achieving consistent profitability.

Other Directorships:

<u>Name of the companies/firm</u>	<u>Nature of interest</u>
Clarion Solutions Limited	Director
Albatross CFS Private Limited	Director
Crescent Shipping Agency (I) Ltd.	Director
TLPL Shipping Pvt. Ltd.	Director
Transworld Shipping and Logistics Limited	Director
Crescent Take Global Supply Chain Pvt. Limited	Director
Haytrans (India) Ltd.	Director
Tejas Oil Private Limited	Director
NLS Agency (India) Private Limited	Director
Trident Trading Private Limited	Director
Orient Express Ship Management Ltd.	Director
Relay Shipping Agency Ltd.	Director
Shreyas Relay Systems Ltd.	Director
Sivaswamy Holdings Private Ltd.	Director
Transworld Oil Private Ltd.	Director
Transcorp Finance Ltd.	Director
Transcorp Securities Ltd.	Director
Transworld Constructions Pvt. Ltd.	Director
Transworld Energies Ltd.	Director
Transworld Logistics Ltd.	Director
Transworld Management Consultancy Pvt. Ltd.	Director
Meridian Shipping Agency Pvt. Ltd.	Director
Albatross Shipping Ltd.	Director
TLPL Logistics Pvt. Ltd.	Director
Albatross Logistics Centre (I) Pvt. Ltd.	Director
India Gateway Terminal Pvt. Ltd.	Director
United Arab Shipping Agency Company (I) Pvt. Ltd.	Director
Transworld Cultural and Sports Foundation	Director
Admec Logistics Ltd	Director
Trident Terminals Pvt. Ltd.	Director
IDBI Fortis Life Insurance Co Ltd.	Director

Committee Memberships:

<u>Name of the companies/firm</u>	<u>Name of Committee</u>	<u>Committee Position</u>
NIL		

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2009: 1,09,375 Shares

V. Name: Mr. V. Ramakrishnan

Experience:

Mr. V. Ramnarayan is 60 years of age. He is a graduate in Science from University of Mumbai with Post Graduate Diploma in Business Management. He has over 29 years of experience in the container shipping industry. He has to his credit the handling experience of the first container service which commenced from India. His experience covers all aspects of shipping.

Other Directorships:

Name of the companies/firm Nature of interest

Albatross Shipping Limited	Director
TLPL Shipping Private Limited	Director
Transworld Logistics Limited	Director
Crescent Shipping Agency (I) Ltd.	Director
Transworld Management Consultancy Pvt. Ltd.	Director
Clarion Solutions Pvt. Limited	Director
Meridian Shipping Agency Pvt. Ltd	Director
Sivaswamy Holdings Pvt. Ltd.	Director
NLS Agency (I) Pvt. Ltd.	Director
Haytrans (India) Limited	Director
Crescent Take Global Supply Chain Pvt. Ltd.	Director
Orient Express Ship Management Ltd.	Director
Relay Shipping Agency Ltd.	Director
Shreyas Relay Systems Ltd.	Executive Director
Transcorp Finance Ltd.	Director
Transcorp Securities Ltd.	Director
Transworld Constructions Pvt. Ltd.	Director
Transworld Energies Limited	Director
Transworld Cultural and Sports Foundation	Director
Trident Trading Private Limited	Director
Transworld Shipping and Logistics Ltd.	Director
Albatross CFS Private Limited	Director
TLPL Logistics Private Limited	Director
Albatross Logistic Centre (I) Private Limited	Director
United Arab Shipping Company Agency (I) Pvt. Ltd	Director
Tejas Oil Private Limited	Director
Transworld Oil Private Limited	Director
Admec Logistics Ltd.	Director
Trident Terminals Pvt. Ltd.	Director

Committee Memberships:

Name of the companies/firm Name of Committee Committee Position

NIL

Shareholding in Shreyas Shipping & Logistics Ltd.

as on 31st March, 2009: 1,09,375 Shares

IX. Means of communication

- a. The financial results of the Company are being published in leading newspapers to provide easier accessibility to the Shareholders and are also displayed on the Company's website www.shreyas.co.in.

The financial results during the year 2008-09 were published in the newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31/03/2008	30/06/2008	30/09/2008	31/12/2008
The Hindu Business Line	02/07/08	31/07/08	01/11/08	--
Lokmat	02/07/08	31/07/08	01/11/08	--
Free Press Journal	--	--	--	01/02/09
Navashakti	--	--	--	01/02/09

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. The same can be viewed by logging on to www.sebiedifar.nic.in.

- b. 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.
- c. The Management's Discussion & Analysis Report is appearing as Annexure I to the Directors' Report.

X. Auditors' certificate on Corporate Governance

The Auditors certificate on compliance with the Corporate Governance requirements under Clause 49 of the Listing agreements entered into with the Stock Exchanges is given as Annexure III to the Directors' Report.

XI. Code of Conduct for prevention of Insider trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended in 2002 and 2008, the Company has adopted a comprehensive "Code of Conduct for Prevention of Insider Trading" and "Code of Corporate Disclosure Practices". The Company believes that these Codes will help in ensuring compliance of the SEBI Regulations.



XII. General Shareholders' Information

S. No.	Salient items of interest	Particulars
i.	AGM date	25 th September, 2009
ii.	AGM Time	11.00 a.m.
iii.	AGM Venue	Sivaswamy Auditorium of Fine Arts Cultural Centre, Chembur (East), Mumbai – 400 071
iv.	Financial Calendar (tentative)	1.04.2009 to 31.03.2010
	Results for the quarter ending	
	30 th June, 2009	Last week of July, 2009
	30 th September, 2009	Last week of October, 2009
	31 st December, 2009	Last week of January, 2010
	31 st March, 2010	June, 2010
		Annual General Meeting is proposed to be held in September, 2010
v.	Dates of Book Closure	15.09.2009 to 25.09.2009 (both days inclusive)
vi.	Dividend Payment date	No dividend recommended by the Board
vii.	Listing on Stock Exchanges	<p>A. Equity shares: The Bombay Stock Exchange Ltd., Mumbai National Stock Exchange of India Ltd.</p> <p>B. Preference shares: The Bombay Stock Exchange Ltd., Mumbai</p> <p>The Company has paid listing fees for the year 2008-09 to the Indian Stock Exchanges where its securities are listed.</p> <p>The Company voluntarily delisted its Global Depository Receipts from Luxembourg Stock Exchange on 29th December, 2008.</p>
viii.	Stock Code	<p>A. Equity shares: The Bombay Stock Exchange Ltd., Mumbai - 520151 National Stock Exchange of India Ltd. - SHREYAS</p> <p>B. Preference shares: The Bombay Stock Exchange Ltd., Mumbai - 700105</p>
ix.	The International Securities Identification Number (ISIN) for the Company's Shares in dematerialised form.	<p>A. Equity shares: INE757B01015</p> <p>B. Preference shares: INE757B04019</p>

S. No.	Salient items of interest	Particulars
x.	Registrar & Share Transfer Agent	M/s. Link Intime India Pvt. Ltd. (earlier known as Intime Spectrum Registry Ltd.) C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (West) Mumbai – 400 078, Tel no. 2596 3838; Fax No. 2596 2691
xi.	Share Transfer System	Transfers of Shares in physical form are processed by M/s. Link Intime India Pvt. Ltd. and are approved by the Share Transfer Committee, which usually meets fortnightly. Transfers of Shares are effected and Share Certificates are dispatched within a period of 30 days from the date of receipt of the request, provided the relevant documents are valid and complete in all respects. Trading in the Company's Shares is permitted only in dematerialised form. In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit / credit of the accounts involved.
xii.	Dematerialisation of shares (Equity)	As at 31 st March, 2009 – 15200 Members (60.25% of the total Members) hold 5696907 Equity Shares of Rs.10/- each (51.14% of the total Equity Shares) in dematerialised mode.
xiii.	Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	NIL
xiv.	Plant locations	Not applicable as the Company is in shipping and logistics business.
xv.	Address for correspondence	<p>Registered office: 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (East), Mumbai - 400 088.</p> <p>Administrative office: 2nd Floor, Sahyadris, Geetmala Complex, Near Shah Industrial Estate, Opp. Deonar Village Road, Govandi (E), Mumbai - 400 088. Tel. No. 66220300 Fax. No.: 66220444</p> <p>Registrar & Share Transfer Agents M/s. Link Intime India Pvt. Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078</p>

Distribution of Shareholding as on 31st March, 2009

Category (Nominal value of shares)	No. of Shareholders	% of Total Shareholders	Share amount (In Rs.)	% of Total Shareholding
From To				
Upto 2,500	16335	83.40	15391530	7.01
2,501 - 5,000	1748	8.92	6913210	3.15
5,001 - 10,000	838	4.27	6798730	3.09
10,001 - 20,000	343	1.75	5241070	2.39
20,001 - 30,000	120	0.61	3048730	1.39
30,001 - 40,000	46	0.23	1650680	0.75
40,001 - 50,000	37	0.19	1725040	0.78
50,001 - 1,00,000	66	0.34	4877360	2.22
1,00,001 & above	54	0.28	173928980	79.21
Total	19587	100.00	219575330	100.00

Top 10 shareholders as on 31st March, 2009

S. No	Name of the Shareholder	Number of Shares held as on 31.03.09	% of Shareholding
1	Transworld Holdings Limited	12351650	56.25
2	Anisha Ramakrishnan	975575	4.44
3	Mithila Mahesh	975575	4.44
4	Valli Sivaswamy	383500	1.75
5	Novastar International Fund	189500	0.86
6	Ritesh Ramakrishnan	168375	0.77
7	Master Murli Mahesh	168375	0.77
8	Rhodes Diversified	150000	0.68
9	Rajan Ramnarayan	140875	0.64
10	Rajeev Ramnarayan	136375	0.62

Stock price data

(1) The monthly high and low stock quotations during the financial year 2008-09 and performance in comparison to the BSE Sensex and S&P CNX Nifty is given below:

Month & Year	Share Price of Shreyas on BSE		BSE SENSEX		Share Price of Shreyas on NSE		S&P CNX Nifty	
	Month's High (Rs.)	Month's Low (Rs.)	Month's High (Index point)	Month's Low (Index point)	Month's High (Rs.)	Month's Low (Rs.)	Month's High (Index point)	Month's Low (Index point)
April 2008	87.05	71.05	17480.74	15297.96	89.80	66.00	5230.75	4628.75
May 2008	89.00	69.15	17735.70	16196.02	88.45	66.05	5298.85	4801.90
June 2008	72.40	55.00	16632.72	13405.54	72.45	54.05	4908.80	4021.70
July 2008	55.00	44.60	15130.09	12514.02	55.30	42.60	4539.45	3790.20
August 2008	54.85	48.00	15579.78	14002.43	53.90	43.00	4649.85	4201.85
September 2008	56.75	34.00	15107.01	12153.55	56.70	34.50	4558.00	3715.05
October 2008	37.00	20.10	13203.86	7697.39	37.80	20.70	4000.50	2252.75
November 2008	33.00	19.85	10945.41	8316.39	34.35	20.05	3240.55	2502.90
December 2008	29.20	20.75	10188.54	8467.43	28.80	20.20	3110.45	2570.70
January 2009	28.15	21.15	10469.72	8631.60	31.00	20.55	3147.20	2661.65
February 2009	28.95	20.00	9724.87	8619.22	29.80	20.05	2969.75	2677.55
March 2009	24.00	16.75	10127.09	8047.17	22.45	16.05	3123.35	2539.45

Shareholders' profile

As on 31st March, 2009, the Company had 19587 shareholders. The Company's Shares are held by diverse entities as per the following break-up:

	Category	No. of Shares held	Percentage of Shareholding	No. Shares Pledged or otherwise encumbered	Percentage of Shares Pledged
A	Promoter's Holding				
	1 Promoters				
	Indian Promoters:	1014945	4.62	NIL	0.00
	Foreign Promoters:	15078150	68.67	NIL	0.00
B	Non-Promoter Holding				
	2 Institutional Investors				
	a. Mutual Funds and UTI	900	0.00	N.A.	N.A.
	b. Banks, Financial Institutions	0	0.00	N.A.	N.A.
	c. Foreign Institutional Investors	362499	1.65	N.A.	N.A.
3 Others	a. Bodies Corporate	608629	2.77	N.A.	N.A.
	b. Indian Public	4439687	20.22	N.A.	N.A.
	c. NRIs/OCBs	209210	0.96	N.A.	N.A.
	d. HUF	219088	1.00	N.A.	N.A.
	e. Clearing Member	7042	0.03	N.A.	N.A.
	f. Market Maker	17383	0.08	N.A.	N.A.
	Total (1+2+3)	21957533	100.00	NIL	0.00



(2) Shares traded during 1st April, 2008 to 31st March, 2009

Particulars	On BSE	On NSE
No. of shares traded	1,384,873	2,800,141
Highest Share price	89.00 (on 22/05/2008)	89.80 (on 17/04/2008)
Lowest Share price	Rs. 16.75 (on 03/03/2009)	Rs. 16.05 (on 03/03/2009)
Closing Share price as on 31 st March, 2009	Rs. 19.20	Rs. 19.60
Market capitalisation as on 31 st March, 2009	Rs. 421,584,633.60	Rs. 430,367,646.80

(3) The Company's share price movement during 2008-09 on BSE and NSE vis-à-vis respective indices:



(4) The details of the high/low market price of the GDRs of the Company at the Luxembourg Stock Exchange during 2008-09 are provided hereunder.

Month	Quotation for GDRs (each GDR representing one underlying Equity share of the face value of Rs.10/- each)	
	Month-end GDR Close Price (in USD)*	GDR trading volume
April 2008	1.93	N.A
May 2008	1.66	N.A
June 2008	1.28	N.A
July 2008	1.14	N.A
August 2008	1.12	N.A
September 2008	0.75	N.A
October 2008	0.60	N.A
November 2008	0.46	N.A
December 2008	0.50	N.A

* Company voluntarily delisted its GDRs from Luxembourg Stock Exchange as on 29th December, 2009.

Note: There were no outstanding GDRs during the year ended 31st March, 2009.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 17th June, 2009

S. Ramakrishnan
Chairman & Managing Director

Certificate

**(Annexure IV to the Directors' Report)
(As required by clause 49 of the Listing Agreements entered into with Stock Exchanges)**

To the Members of

Shreyas Shipping and Logistics Limited

We have examined the compliance of conditions of Corporate Governance by Shreyas Shipping and Logistics Ltd for the year ended on 31st March 2009 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PKF Sridhar & Santhanam**
Chartered Accountants

S Ramakrishnan
Partner
M. No 18967

Place: Mumbai
Date: 17th June, 2009

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

(Annexure III to the Directors' Report)

(As required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

To
The Shareholders and the Board of Directors
Shreyas Shipping & Logistics Limited

We, S. Ramakrishnan, Chief Executive Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges) and Vinay Kshirsagar, Chief Financial Officer (as per Clause 49 of the Listing agreement entered into with the Stock Exchanges), of Shreyas Shipping & Logistics Limited, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2009 (hereinafter referred to as 'the year') and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and have taken requisite steps to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year; and
 - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- e. There have been no instances of significant fraud of which we have become aware and any involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- f. All Board members and Senior managerial personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics during the year ended 31st March, 2009.

Mumbai
17th June, 2009

S. Ramakrishnan
Chief Executive Officer

Vinay Kshirsagar
Chief Financial Officer



Auditors' Report

To

The Members of Shreyas Shipping and Logistics Ltd.

1. We have audited the attached Balance Sheet of Shreyas Shipping and Logistics Ltd. as at 31st March 2009, the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (v) *As per the Guidance provided by the Accounting Standards Board of the Institute of Chartered Accountants of India through Frequently Asked Questions on AS*

11 Notification, the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are to be considered as "borrowing costs" and accounted for in accordance with Accounting Standard 16 (AS 16) - Borrowing Costs. In view of this a) the foreign exchange loss is understated to the extent of Rs 144,20,050, depreciation related to adjustment to opening reserves is overstated to the extent of Rs 173,929 and hence Profit after tax for the year ended 31 March 2009 is stated higher by Rs.1,42,46,121, b) the foreign exchange gain reversed and debited to general reserves as of 1 Apr 08 is less to the extent of Rs 32,14,551 (net of depreciation) and c) hence fixed assets are stated higher to the extent of Rs .1,74,60,672.

- (vi) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except to the extent indicated in Para (v) above relating to capitalization of certain borrowing costs that are not eligible for capitalisation.
- (vii) Subject to our comments with respect to capitalisation of certain borrowing costs that are not eligible for capitalisation as referred to in paragraph (v) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009.
 - (b) In case of the Profit and Loss account, of the profit for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam.
Chartered Accountants

S. Ramakrishnan
Partner
M. No. 18967

Place: Mumbai
Date: 17th June, 2009

Annexure to the Auditors' Report**Re: Shreyas Shipping and Logistics Limited****Referred to in paragraph 3 of our report of even date,**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The Company has disposed off four ships during the year including the one acquired in the year. However the going concern status of the Company has not been affected as it still holds and operates five ships as at the end of the year.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) During the year Company has given an unsecured interest bearing loan of Rs 50 lakhs to Haytrans (India) Ltd, a subsidiary company the terms and conditions of which are not prima facie prejudicial to the interest of the Company. This loan has been repaid in full by the Subsidiary in the current year including interest. Except for this loan, Company has not given any other loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and
- (b) In respect of transactions exceeding the value of Rs five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time;
- (vi) The Company has not accepted deposits from the public;
- (vii) The Company has an internal audit system commensurate with its size and nature of its business;
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act,
- (ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities except for a solitary instance of delay in remitting unpaid dividend into Investor Education and Protection Fund. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) There are no dues of Income tax/Sales tax/Wealth tax/Service tax/Custom duty /Cess that have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the financial year and in the immediately preceding financial year;
- (xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xiii) As the Company is not a Nidhi/Mutual benefit fund/ Society, the provisions of special statute applicable to chit fund is not applicable to this Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions except for guaranteeing loans taken by its Subsidiary, the terms and conditions of which are not prejudicial to the interest of the Company.
- (xvi) Term loans were applied for the purpose for which the loans were obtained;
- (xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The Company has not issued any debentures.
- (xx) There have been no public issues during the year.
- (xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan

Partner

Place: Mumbai

Date : 17th June, 2009

M. No. 18967



BALANCE SHEET AS AT 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2009	AS AT 31.03.2008
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	310,575,330	349,575,330
RESERVES AND SURPLUS	2	1,346,647,404	1,170,632,514
		<u>1,657,222,734</u>	<u>1,520,207,844</u>
LOAN FUNDS			
SECURED LOANS	3	805,880,494	2,076,339,365
		<u>805,880,494</u>	<u>2,076,339,365</u>
TOTAL		<u>2,463,103,228</u>	<u>3,596,547,209</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	2,466,145,321	2,951,449,616
LESS : DEPRECIATION		441,553,924	454,305,198
NET BLOCK		<u>2,024,591,397</u>	<u>2,497,144,418</u>
CAPITAL WORK-IN-PROGRESS		-	1,049,718,476
TOTAL		<u>2,024,591,397</u>	<u>3,546,862,894</u>
INVESTMENTS			
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	34,111,163	64,038,605
SUNDRY DEBTORS	7	82,113,860	178,355,851
CASH AND BANK BALANCES	8	28,694,797	67,340,122
OTHER CURRENT ASSETS	9	36,716,194	8,481,989
LOANS AND ADVANCES	10	134,466,763	103,575,189
CURRENT ASSETS TOTAL (A)		<u>316,102,777</u>	<u>421,791,756</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	184,722,953	243,589,838
PROVISIONS	12	12,122,802	202,216,656
CURRENT LIABILITIES TOTAL (B)		<u>196,845,755</u>	<u>445,806,494</u>
NET CURRENT ASSETS (A - B)		<u>119,257,022</u>	<u>(24,014,738)</u>
TOTAL		<u>2,463,103,228</u>	<u>3,596,547,209</u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants

S.Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 17th June, 2009

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	Year ended 31.03.2009	Year ended 31.03.2008
INCOME			
OPERATING EARNINGS			
a) CHARTER HIRE INCOME		238,523,725	260,897,631
b) FREIGHT INCOME		1,219,673,419	1,434,866,331
c) NON LINER INCOME		1,620,453	1,262,627
d) DUTY CREDIT ENTITLEMENT		32,462,140	7,847,142
TOTAL OPERATING EARNINGS		1,492,279,737	1,704,873,731
OTHER INCOME			
a) PROFIT/(LOSS) ON SALE OF SHIP (net)		278,270,133	-
b) MISCELLANEOUS INCOME	13	14,316,641	16,586,831
c) FOREX EXCHANGE GAIN / (LOSS)		13,590,015	39,670,787
TOTAL OTHER INCOME		306,176,789	56,257,618
TOTAL INCOME		1,798,456,526	1,761,131,349
EXPENDITURE			
OPERATING EXPENSES	14	1,321,061,873	1,333,245,038
ADMINISTRATION & OTHER EXPENSES	15	77,429,773	72,470,025
INTEREST	16	82,513,868	121,949,558
DEPRECIATION		133,473,293	132,313,533
TOTAL EXPENDITURE		1,614,478,807	1,659,978,154
PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL ITEMS AND TAXATION		183,977,719	101,153,195
LESS: EXCEPTIONAL ITEMS		-	8,859,653
PROFIT BEFORE TAX		183,977,719	92,293,542
LESS: PRIOR PERIOD ITEMS		367,147	6,005,047
LESS: PROVISION FOR TAXATION			
- CURRENT		31,000,000	1,737,000
- FRINGE BENEFIT TAX		1,038,972	896,000
- PRIOR YEAR		1,651,103	(184,129)
PROFIT AFTER TAX		149,920,497	83,839,624
SURPLUS BROUGHT FORWARD FROM PREVIOUS YEAR		445,471,368	458,881,847
AMOUNT AVAILABLE FOR APPROPRIATION		595,391,865	542,721,471
APPROPRIATIONS			
TRANSFER TO GENERAL RESERVE		-	8,400,000
TRANSFER TO CAPITAL REDEMPTION RESERVE		39,000,000	-
TRANSFER TO TONNAGE TAX RESERVE		-	25,000,000
DIVIDEND PAID ON PREFERENCE SHARES		1,813,660	-
TAX ON DIVIDEND PAID		308,232	-
PROPOSED DIVIDEND ON EQUITY SHARES		-	43,915,066
TAX ON PROPOSED DIVIDEND ON EQUITY SHARES		-	7,463,370
PROPOSED DIVIDEND ON PREFERENCE SHARES		7,462,000	10,660,000
TAX ON PROPOSED DIVIDEND ON PREFERENCE SHARES		1,268,170	1,811,667
SURPLUS CARRIED TO SCHEDULE 2		545,539,803	445,471,368
		595,391,865	542,721,471
NOTES TO ACCOUNTS			
FACE VALUE PER SHARE RS. 10/- EACH	17		
Earnings per share-Basic and Diluted (excluding extra-ordinary & exceptional items) (Refer Note 15 in schedule 17)		6.33	3.65
Earnings per share-Basic and Diluted (including extra-ordinary & exceptional items) (Refer Note 15 in schedule 17)		6.33	3.25

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants

S.Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 17th June, 2009

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer



SCHEDULES TO BALANCE SHEET

(AMOUNT IN RUPEES)

SCHEDULE 1 : SHARE CAPITAL

AUTHORISED

24,000,000	Equity Shares of Rs 10/- each
1,400,000	8.2% Non Convertible Cumulative Redeemable Preference Shares of Rs 100/- each

ISSUED, SUBSCRIBED AND PAID-UP

2,19,57,533	Equity Shares of Rs 10/- each fully Paid-up
	Of the above
	a) 1,23,51,650 Equity Shares held by Holding Company Transworld Holdings Limited, Mauritius.
	b) 10,162,750 Equity Shares allotted as fully paid-up pursuant to a contract without payment being received in cash.
	c) 21,33,333 Equity Shares issued as fully paid-up on conversion of equal number of Global Depository Receipts (GDR). (All the GDRs have been converted into Equity Shares).
1,300,000	8.2% Non-Convertible, Cumulative, Redeemable Preference Shares of Rs 100/- each fully paid-up
	Date of allotment 27th October, 2005
	To be redeemed at par at the end of the 3rd, 4th & 5th year from the Date of allotment in the ratio of 30:30:40
	Less First Tranche Redeemed at par on 25th October, 2008
	Balance

TOTAL

AS AT 31.03.2009	AS AT 31.03.2008
240,000,000	240,000,000
140,000,000	140,000,000
380,000,000	380,000,000
219,575,330	219,575,330
130,000,000	130,000,000
39,000,000	-
91,000,000	130,000,000
310,575,330	349,575,330

SCHEDULE 2 : RESERVES AND SURPLUS

SECURITIES PREMIUM

As per last Balance Sheet (a)

GENERAL RESERVE

As per last Balance Sheet	102,268,697	203,489,620
Add: Transfer from Profit and Loss Account	-	8,400,000
Add: Transfer from Capital Reserve	-	710,826
Less: Transfer to Hedging Reserve (Accounting Standard-30)	-	107,525,147
Add: Transfer from provision on cancellation of Derivatives	107,525,147	-
Less: Opening adjustment towards capitalisation of changes in foreign exchange rates in line with Notification dated 31st March, 2009 with regard to Accounting Standard -11 (Refer note no. 1 in Schedule 17)	70,578,692	-
Less: Opening adjustment for Gratuity & compensated absence. (Accounting Standard-15)	-	2,806,602

(b)

TONNAGE TAX RESERVE

As per last Balance Sheet	107,146,945	185,600,000
Add: Transfer from Profit and Loss Account	-	25,000,000
Less: Transfer to Tonnage Tax Utilisation Reserve	-	103,453,055
(In view of income subject to Tonnage Tax being negative, no transfer to Tonnage Tax Reserve is made in the current year.)		

(c)

ASSET IMPAIRMENT RESERVE

As per last Balance Sheet (d)

139,215,152	102,268,697
107,146,945	185,600,000
107,146,945	107,146,945
30,000,000	30,000,000

(AMOUNT IN RUPEES)

	AS AT 31.03.2009	AS AT 31.03.2008
HEDGING RESERVE		
Less: Provision for Hedging Losses (Accounting Standard-30)	-	107,525,147
Add: Transfer from General Reserve	-	107,525,147
(e)	-	-
TONNAGE TAX UTILISATION RESERVE		
As per last Balance Sheet	103,453,055	-
Add: Transfer from Tonnage Tax Reserve	-	103,453,055
(f)	103,453,055	103,453,055
CAPITAL REDEMPTION RESERVE		
Add: Transfer from Profit and Loss Account on redemption of first tranche of 3,90,000, 8.2% Non convertible Cumulative, Redeemable Preference Shares of Rs 100 each at par on 25th October, 2008.	39,000,000	-
(g)	39,000,000	-
CAPITAL RESERVE		
As per last Balance Sheet	-	710,826
Less: Transfer to General Reserve	-	710,826
(h)	-	-
SURPLUS		
Balance in Profit & Loss Account	545,539,803	445,471,368
(i)	545,539,803	445,471,368
TOTAL (a+b+c+d+e+f+g+h+i)	1,346,647,404	1,170,632,514
SCHEDULE 3 : SECURED LOANS		
FROM BANKS		
ICICI BANK LTD (RUPEE LOAN)	-	111,670,878
Secured by an exclusive charge over the Vessel M.V.Orient Victory and a second charge over the Vessel M.V.Orient Aishwaraya		
STATE BANK OF INDIA (FCNR LOAN)	387,564,421	364,576,483
Secured by a charge over the Vessel M.V.Oel Trust (Due within 12 Months Rs 72,444,786/-)		
STATE BANK OF INDIA (FCNR LOAN)	380,321,370	355,061,340
Secured by a charge over the Vessel M.V. Independent Spirit (Due within 12 Months Rs 67,681,980/-)		
STATE BANK OF INDIA (FCNR LOAN)	-	178,863,211
Secured by a charge over the Vessel M.V.Oel Express		
STATE BANK OF INDIA (RUPEE LOAN)	-	647,677,500
Secured by first charge over Vessel under construction and a second charge over the Vessel M.V. OEL Independence.		
STATE BANK OF INDIA (RUPEE LOAN)	-	397,400,000
Secured by a charge over the Vessel M.V. Unity.		
ICICI BANK LTD (CAR LOAN)	1,601,857	2,071,265
Secured by hypothecation of Cars (Due within 12 Months Rs 516,520/-)		
STANDARD CHARTERED BANK. (Working Capital Overdraft)	36,392,846	19,018,688
Secured by hypothecation of present and future book debts & Stocks		
TOTAL	805,880,494	2,076,339,365


SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN RUPEES)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2008	ADDITIONS	DEDUCTIONS/ADJUSTMENTS	COST AS AT 31.03.2009	AS AT 01.04.2008	FOR THE YEAR	DEDUCTIONS/ADJUSTMENTS	AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
FLEET	2,923,255,071	1,535,936,169	2,011,618,725	2,447,572,515	444,257,855	131,130,655	140,391,472	434,997,038	2,012,575,477	2,478,997,216
EQUIPMENT ON BOARD	3,667,946	-	597,150	3,070,796	1,676,912	187,724	203,638	1,660,998	1,409,798	1,991,034
FURNITURE & FIXTURES	9,041,210	468,680	9,160,627	349,263	3,084,402	525,070	3,565,539	43,933	305,330	5,956,808
OFFICE EQUIPMENTS (INCLUDING COMPUTERS AND SOFTWARE)	10,262,194	2,418,357	1,892,173	10,788,378	4,188,389	1,139,899	1,520,852	3,807,436	6,980,942	6,073,805
VEHICLES	5,223,195	-	858,826	4,364,369	1,097,640	489,945	543,066	1,044,519	3,319,850	4,125,555
TOTAL AS ON 31.03.2009	2,951,449,616	1,538,823,206	2,024,127,501	2,466,145,321	454,305,198	133,473,293	146,224,567	441,553,924	2,024,591,397	2,497,144,418
TOTAL AS ON 31.03.2008	2,396,854,995	557,712,065	3,117,444	2,951,449,616	323,482,718	132,313,533	1,491,053	454,305,198	2,497,144,418	

Current year additions and deductions include adjustment for exchange differences arising on foreign currency loans related to acquisition of ships as per details given below

Particulars		Amount (Rs.)
Gross Block	Additions	190,347,754
	Deductions	73,265,433
Depreciation	For the Year	(3,779,988)
	Previous Year	2,686,741

(Refer Note 1 in Schedule 17 Notes to the Accounts)

Additions during the year includes Rs. 21,042,067/- interest capitalised on New ship built

SCHEDULE 5 : INVESTMENTS
(A) LONG TERM INVESTMENTS (AT COST)

S. No.	NAME OF THE COMPANY	Face Value Rupees	As at 31.03.2009		As at 31.03.2008	
			No. of Shares/ debentures	Amount Rupees	No. of Shares/ debentures	Amount Rupees
1)	TRADE-UNQUOTED- Fully Paid					
	IN SUBSIDIARIES					
	SHREYAS RELAY SYSTEMS LIMITED - Equity Shares.	10	2,500,000	25,000,000	2,500,000	25,000,000
	HAYTRANS (INDIA) LTD. - Equity Shares.	100	10,450	5,434,171	10,450	5,434,171
	SHREYAS RELAY SYSTEMS LIMITED- 11 % Non-Convertible Cumulative, Redeemable Preference Shares	100	1,000,000	100,000,000	-	-
	OTHERS					
	ORIENT EXPRESS SHIP MANAGEMENT LIMITED - Equity Shares.	10	15,000	150,000	15,000	150,000
2)	Non TRADE -QUOTED					
	Listed, Secured, Guaranteed, Non-Convertible Debentures of DSP Merrill Lynch Capital Ltd.	1,000,000	10	10,000,000	10	10,000,000
	TOTAL LONG TERM INVESTMENTS (A)			140,584,171		40,584,171

(B) CURRENT INVESTMENTS IN MUTUAL FUNDS- (UNQUOTED, AT LOWER OF COST OR NET ASSET VALUE)

S. No.	DESCRIPTION	As at 31.03.2009 Face Value	As at 31.03.2009		As at 31.03.2008	
			Units	Amount Rupees	Units	Amount Rupees
1	BIRLA SUN LIFE GILT PLUS-REGULAR-QTRLY DIVIDEND	10	1,199,111	14,378,186	-	-
2	BIRLA SUN LIFE DYNAMIC BOND FUND-RETAIL MTHLY DIVIDEND	10	1,467,818	15,090,640	-	-
3	DSP BLACK ROCK STRATEGIC BOND FUND WKLY DIVIDEND	1,000	50,386	50,541,960	-	-
4	TSTD-TATA SHORT TERM BOND FUND-FORTNIGHT DIVIDEND	10	3,362,766	40,214,309	-	-
5	LIC LIQUID PLUS FUND	10	-	-	790,112	7,901,123
6	PRU ICICI GILT INVESTMENT PLAN DIVIDEND [1708370/79]	10	2,268,437	28,782,387	-	-
7	PRU ICICI GILT INVESTMENT PLAN DIVIDEND [4258258/209]	10	1,160,304	14,722,175	-	-
8	PRU ICICI SHORT TERM PLAN-FORTNIGHTLY DIVIDEND	10	1,247,692	14,940,981	-	-
9	PRUDENTIAL ICICI FLEXIBLE INCOME PLAN	10	-	-	948,790	10,032,030
10	UTI LIQUID PLUS INSTITUTIONAL DAILY INCOME OPTION	1,000	-	-	10,059	10,060,713
11	ING LIQUID PLUS FUND-INSTITUTIONAL DAILY DIVIDEND	10	-	-	511,933	5,121,016
Total				178,670,638		33,114,882
TOTAL INVESTMENTS (A + B)				319,254,809		73,699,053

S. No.	Description	As on 31.03.2009		As on 31.03.2008	
		Cost	Market Value	Cost	Market Value
1	Aggregate Value Quoted Investment (Market Value - No quotes are available)	10,000,000	-	10,000,000	-
2	Aggregate Value Unquoted Investment	309,254,809	-	63,699,053	-
Total		319,254,809	-	73,699,053	-

* Refer Annexure II (item 22 of Schedule 17 Notes to the Accounts) for details of Purchases and Sales of Investments

(AMOUNT IN RUPEES)

SCHEDULE 6 : INVENTORIES

(At lower of Cost or Net Realisable Value)

Lube Oils and Fuel Oil*

Victualling Stock*

*(As valued and certified by the Management)

TOTAL

AS AT 31.03.2009	AS AT 31.03.2008
33,230,495	63,340,111
880,668	698,494
34,111,163	64,038,605

SCHEDULE 7 : SUNDRY DEBTORS

(Unsecured and considered good)

Debts outstanding for a period exceeding six months:

Other Debts

TOTAL

-	470,741
82,113,860	177,885,110
82,113,860	178,355,851



(AMOUNT IN RUPEES)

SCHEDULE 8 : CASH AND BANK BALANCES

	AS AT 31.03.2009	AS AT 31.03.2008
Cash on Hand	2,005,671	4,162,424
With Scheduled Banks		
in Current Accounts	8,211,666	36,198,860
in Term Deposits	13,045,191	-
in Margin Money Deposits*	1,826,587	23,991,500
(*Pledged with Bank as Margin for Guarantees issued)		
in Unclaimed Dividend Accounts	3,605,682	2,987,338
TOTAL	28,694,797	67,340,122

SCHEDULE 9 : OTHER CURRENT ASSETS

Claims Reveivable (Unsecured, Considered good)	21,423,229	3,917,037
Interest accrued and not due on deposits	114,820	1,270,193
Income accrued	1,381,764	-
Unfinished Voyages Expenses	13,796,381	3,294,759
TOTAL	36,716,194	8,481,989

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received		
Considered good	111,974,436	81,353,311
Considered doubtful	2,344,386	-
	114,318,822	81,353,311
Less: Provision for Doubtful Advances	2,344,386	-
	111,974,436	81,353,311
Advance Income Tax Less Provisions (includes Fringe Benefits Tax)	21,488,465	21,384,564
Bills receivable		
Considered doubtful	2,266,418	2,266,418
	2,266,418	2,266,418
Less: Provision for Doubtful Bills receivable	2,266,418	2,266,418
	-	-
Deposits	1,003,862	837,314
TOTAL	134,466,763	103,575,189

SCHEDULE 11 : CURRENT LIABILITIES

Sundry Creditors for Trade		
Due to Micro and Small Enterprises	6,997	580,175
Due to Others	114,592,277	174,304,655
Creditors for Expenses	12,160,502	30,561,232
Other Liabilities	36,424,706	31,310,135
Unfinished Voyages Income	17,919,971	3,334,929
Investor Education and Protection Fund:		
Unclaimed Dividend	3,605,682	2,987,338
(No amount is due and outstanding to be credited to the fund.)		
Interest accrued but not due on loans	12,818	511,374
TOTAL	184,722,953	243,589,838

SCHEDULE 12 : PROVISIONS

Proposed Equity Dividend	-	43,915,066
Provision for tax on Equity Dividend	-	7,463,370
Proposed Preference Dividend	7,462,000	10,660,000
Provision for tax on Preference Dividend	1,268,170	1,811,667
Provision for notional Hedging Loss/(Gain)	-	129,348,424
Provision for Gratuity	-	4,885,559
Provision for Compensated Absence	3,392,632	4,132,570
TOTAL	12,122,802	202,216,656

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

SCHEDULE 13 : MISCELLANEOUS INCOME

	Year ended 31.03.2009	Year ended 31.03.2008
Dividend from Mutual Fund Investments (Current - Non Trade)	9,710,390	11,901,295
Interest received on Deposits with Banks (TDS Rs 2,34,087/- , Previous Year Rs 3,72,155/-)	1,387,883	2,572,027
Interest Received on Income Tax Refund	364,188	151,762
Interest Received on Loan to Subsidiary (TDS Rs 18361/- , Previous Year Rs Nil)	81,027	-
Profit on Sale of Mutual Fund Investments (Current - Non Trade)	-	135,378
Other Income	2,773,153	1,826,369
TOTAL	14,316,641	16,586,831

SCHEDULE 14 : OPERATING EXPENSES

Salaries, Wages & Other Allowances for Floating Staff	202,874,893	213,057,344
Contribution to Provident Fund for Floating Staff	4,318,784	3,298,041
Staff Welfare for Floating Staff	2,165,296	1,846,591
TOTAL	209,358,973	218,201,976
Fuel/Lube Oils Consumed	628,133,507	577,864,046
Ocean Freight Charges	18,891,562	12,928,673
Port and Marine Dues	169,456,448	228,226,792
Stores and Spares Consumed	125,989,360	103,609,808
Crew Victualling	13,568,937	14,966,779
Repairs and Maintenance to Fleet	27,585,806	25,955,965
Insurance and Protection Club fee	35,250,286	35,757,066
Vessel Management and Agency Fees	57,964,159	65,989,874
Brokerage / Commission	899,997	103,828
Rates & Taxes	2,699,627	2,966,973
Dry Dock Expenses	14,112,692	33,513,439
Sundry Expenses	17,150,519	13,159,819
TOTAL	1,321,061,873	1,333,245,038



(AMOUNT IN RUPEES)

SCHEDULE 15 : ADMINISTRATION & OTHER EXPENSES

Salaries, wages and Other Allowances*

(*includes payments to Managerial Personnel as per item No 8 in Schedule 17 - Notes to the Accounts)

	Year ended 31.03.2009	Year ended 31.03.2008
Salaries and Bonus	29,603,446	29,872,080
Contribution to Provident Fund and Gratuity	2,042,600	6,292,461
Staff Welfare	2,497,360	2,368,375
TOTAL	34,143,406	38,532,916
Postage, Telephone and Fax	2,402,354	2,196,991
Travelling and Conveyance	2,606,816	3,607,593
Professional & Consultancy Fees	6,565,698	8,319,646
Bad Debts Written off	-	2,054,835
Provision for doubtful advances	2,344,386	-
Loss on Sale / Restatement of Current Non-trade Investments	3,850,864	-
Loss on Sale / Discard of Assets	5,964,684	303,219
Insurance Expenses	622,451	619,317
Rent	4,623,693	2,350,985
Rates & Taxes	189,054	182,304
Repairs and Maintenance	2,314,629	1,590,763
Donations	51,001	550,000
Director's Sitting fees	666,000	606,000
Other Expenses	11,084,737	11,555,456
TOTAL	77,429,773	72,470,025

SCHEDULE 16: INTEREST

On Loan from Banks

i) Fixed Period Loans (Including Payment related to interest swap Rs 281,06,327 . P.Y 284,62,027)	79,765,406	121,817,614
ii) Working Capital Loans	2,487,343	-
Others	261,119	131,944
TOTAL	82,513,868	121,949,558

SCHEDULE 17 : NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting basis and convention

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Expenses specifically attributable to construction of a new built ship including forex loss/ gain on forward covers taken for the purposes of payment of installments to the ship-builder are capitalised.

When assets are retired or otherwise disposed off, the cost of such assets and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in the Profit and Loss Account.

(iii) Depreciation

In respect of fleet, the amount determined by charging the cost reduced by residual value as technically assessed equally over the expected useful life of the fleet or depreciation at the rate prescribed (5%) under the Schedule XIV of Companies Act, 1956 which ever is higher, is provided as depreciation.

Depreciation of Fixed Assets except software has been provided on straight line method on pro-rata basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of software, Depreciation is provided at 33.33% on Straight line method, which is higher than rate prescribed in schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Depreciation has been provided prospectively, where the cost of depreciable asset has undergone change due to following :

- (a) Increase/decrease in Long term liability on account of exchange fluctuations.

- (b) Additions and major improvements forming an integral part of an asset,

(iv) Investments

Long term Investments are stated at cost. Diminution in the value of investments, other than temporary in nature, is provided for.

Current investments are valued at cost or net realizable value whichever is lower.

(v) Inventories

Inventories are valued at lower of Cost or Net Realisable Value. The cost is determined under "First in First out" formula.

(vi) Foreign Exchange Transactions

- a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.
- b) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from the cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.
- c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April 2007, in terms of Ministry of Corporate Affairs Notification dated 31st March, 2009 relating to Accounting Standard 11.
- d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the Profit and Loss Account
- e) In respect of forward exchange contracts covering either Company's earnings or payment related to acquisition of fixed assets (other than firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period. In case of New Build Ship, in respect of forward exchange contract entered into to hedge the foreign currency risk of a firm commitment or a highly probable forecast transaction (not covered by Accounting Standing 11 revised 2003), the Company capitalizes all the related costs including premium or discount, exchange differences and Profit/Loss on cancellation of such contracts, if any.



(vii) Derivatives

Derivatives are accounted as follows based on a limited early adoption of AS-30 to the extent not in conflict with legal provisions and other Accounting Standards:

- a) Fair value hedges are marked to market and the notional Loss or Gain is accounted in the Profit and Loss Account.
- b) Cash flow hedges are marked to market and the notional loss or gain is taken to Hedging reserve account.
- c) Other derivatives are marked to market and the notional losses or gains are booked in the Profit and Loss Account.

(viii) Revenue Recognition

- a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills.
- b) Operating Earnings represent the value of charter hire and freight earnings. Freight income is recognized once the ship calls on the port of delivery.
- c) Income and Expenses relating to unfinished leg of the voyage as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg of voyages include fixed and semi-fixed ship operating costs.
- d) Stores and Spares (other than lube oils and victualling) are charged off to Profit and Loss Account, on receipt.
- e) The revenue in respect of the duty free import licenses, under Served From India Scheme, is recognized as income in the books of account when and to the extent there is no significant uncertainty as to their ultimate realization.

(ix) Dry Dock/Special Survey expenses

Major Improvements/ Upgradation included in dry dock expenditure are capitalized as part of cost of ship. Other dry dock/Special Survey expenses are charged to Profit and Loss Account as and when incurred.

(x) Asset Impairment

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

(xi) Assets Impairment Reserve

Considering that Shipping is cyclical and capital intensive, the Board, if so required in its judgment, sets aside a portion of Net Profits to Asset Impairment Reserve which will be utilized when an impairment loss arises.

(xii) Employee Benefits

The Company has a defined Contribution plan for shore Employees for Provident Fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss Account. Company has no other obligation except the monthly contributions.

Company has defined benefit plans namely gratuity and leave encashment and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognised immediately in Profit and Loss Account as Income / Expense.

Any other termination benefits are recognised as expenses immediately on the basis of actual expenses.

In respect of Floating staff, Provident Fund and Gratuity contributions are made to Seafarers Welfare Fund Society respectively. No Gratuity is payable in respect of officers who are on contract with the Company. Company has no further obligation except the monthly contributions.

(xiii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition / construction of the underlying qualifying fixed assets are capitalised as a part of the respective asset up to the date of acquisition /completion of construction.

(xiv) Provisions and Contingent liabilities

Provisions are recognised when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation can not be measured or where a realistic estimate of the obligation cannot be made, contingent liabilities are recognised.

Contingent liabilities are also recognised when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more future events not wholly within the control of the Company.

(xv) Taxation

The Company has opted for Tonnage Tax and Current Tax is the aggregate of Tonnage Tax for shipping income and income tax on non-shipping income. In view of Company opting for Tonnage Tax, there is no provision for deferred tax.

NOTES ON ACCOUNTS

- 1) The following change in accounting policies has been made during the year.

The Company has exercised the option provided by the Notification dated 31st March, 2009 issued by Ministry of Corporate Affairs under new Para 46 of Accounting Standard 11 "The effect of changes in foreign exchange rates" to capitalize / adjust the foreign exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets. The option has been exercised in respect of foreign currency loans pertaining to vessels which were in operation as at 31st March, 2009. Depreciation will be provided on these adjustments over the balance period of the assets.

The net exchange gain of Rs. 7,32,65,433 which had been credited to Profit and Loss Account of the previous year ended 31st March 2008 has been reduced from the cost of the capital assets and debited to General reserve. Corresponding reduction in depreciation for the previous year of Rs. 26,86,741 has been debited to Depreciation reserve and credited to General Reserve.

Depreciation of Rs. 37,79,988 has been provided less in the current year on account of the above adjustment to reserves. The exchange loss of Rs. 19,03,47,754 in current year has been added to the cost of fixed asset and credited to Profit and Loss Account

Had this option not been exercised, the profit for the year would have been lower to the extent of Rs. 19,41,27,742 and fixed assets would have been lower by Rs. 12,35,49,050.

- 2) Pursuant to the announcement issued by the Institute of Chartered Accountants of India on 28th March, 2008, the Company had early adopted Accounting Standard 30 (Financial Instruments) on a limited basis from the year 2007-08 to account for derivatives to the extent that the adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Companies Act and other regulatory requirements. Due to this change, a notional loss of Rs. 10,75,25,147/- (net) was taken to the Hedging Reserve account (recouped from General Reserve) in the previous year. During the year all these derivative contracts have been unwound and resultant loss /gain has been charged to Profit and Loss Account. Consequently provision of Rs. 10,75,25,147 has been reverted to General Reserve.
- 3) The Company's Subsidiary, Haytrans (India) Limited has made a loss of Rs. 1,60,29,035/- for the year ended 31st March, 2009 and has a negative net worth of Rs. 2,13,77,987/- as on 31st March, 2009. In view of the long term plans for the Company, the diminution in value is considered as temporary and hence no provision is made.
- 4) a) The exceptional item in the previous year was on account of provision for wage arrears to crew in terms of National Maritime Board Agreement dated 17th February, 2008 for the year 2006-2007 and 2007-2008.

b) Prior period expenses represent

Current year :	Port related expenses pertaining to earlier period	Rs. 3,67,147/-
Previous year :	(i) Profit on cancellation of forward contracts relating to acquisition of new ship recognised as revenue in 2006-07 reversed and capitalised in 2007-08	Rs. 56,05,247/-
	(ii) Insurance premium pertaining to 2006-07 accounted in 2007-08	Rs. 3,99,800/-
		Rs. 60,05,047/-

- 5 Disclosures as required by AS 15 revised (2005) on Employee benefits.:

(A) Gratuity Benefits

- (a) Description of the Gratuity Plan:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement / death / incapacitation/termination of employment, of amounts that are based on salaries and tenure of the employees.

- (b) Amount recognized in the Balance Sheet and movements in net liability:

(In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Present Value of Funded Obligations	46.88	69.15
Fair Value of Plan Assets	(64.32)	(20.30)
Net Liability / (Asset) recognised in the Balance Sheet	(17.44)	48.85

*Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation. This is available for future adjustment and considered recoverable.

**The fair value of the plan assets does not include the Company's own financial instruments.

***The net asset recognized is grouped under "Loans & Advances".

- (c) Expenses recognized in the Statement of Profit & Loss Account

(In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Current Service Cost	7.28	2.43
Interest on Defined Benefit Obligation	5.74	1.81
Expected Return on Plan Assets	(1.68)	(0.79)



Particulars	2008-2009		2007-2008
Net Actuarial Losses/ (Gains) Recognized in the year	(14.51)		(0.67)
Past Service Cost	-		45.74
Losses/ (Gains) on "Curtailments & Settlements"	-		-
Effect of the limit in Para 59(b)	2.49		-
Total	(0.68)		48.52

*The actual return on Plan Assets is 1.67 lakhs (Previous year Rs. 1.29 lakhs.)

(d) Reconciliation of Benefit obligation & Plan assets for the Period

(In Rs. Lakhs)

Particulars	Year Ended	
	2008-2009	2007-2008
<u>Change in Defined Benefit Obligation</u>		
Opening Defined Benefit Obligation	69.15	21.31
Current Service Cost	7.28	2.43
Interest Cost	5.74	1.80
Actuarial Losses / (Gain)	(14.52)	(0.17)
Past Service Cost	-	45.75
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / Settled on Divestiture	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(20.77)	(1.97)
Closing Defined Benefit Obligation	46.88	69.15

<u>Change in Fair Value of Assets</u>		
Opening Fair Value of Plan Assets	20.30	11.61
Expected Return on Plan Assets	1.67	0.79
Actuarial Gain / (Losses)	(0.01)	0.50
Assets Distributed on Settlements	-	-
Contributions by Employer	65.62	9.37
Assets Acquired on Acquisition / (Distributed on Divestiture)	0.00	0.00
Expected Difference on Foreign Plans	0.00	0.00
Benefits Paid	(20.77)	(1.97)
Amount not recognized as per assets (Limit para 59(b))	(2.49)	0.00
Closing Fair Value of Plan Assets	64.32	20.30
Expected Employer's Contribution Next Year	-	-

(e) Actuarial Assumptions at the Valuation date

Particulars	2008-2009	2007 – 2008
Discount Rate	7.25% p.a	7.80% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a	7.50% p.a
Salary Escalation Rate	10.00% for the first 3 yrs & 7% thereafter	10.00% for the first 4 yrs & 7% thereafter

*This is based on estimation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Description of the Plan Assets

Category of Assets	2008-2009	2007-2008
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(In Rs Lakhs)

Particulars	2008-2009	2007-2008	2006-2007
Defined Benefit Obligation	46.88	69.15	21.31
Plan Assets	64.32	20.30	11.61
Surplus / (Deficit)	17.44	(48.85)	(9.70)
Exp. Adj. on Plan Liabilities	(16.34)	0.15	-
Exp. Adj. on Assets	(0.01)	0.50	-

(B) Privilege Leave Encashment (Compensated Absences for Employees)

The Company permits encashment of privilege leave accumulated by the employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privilege leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2008-2009	2007 – 2008
Discount Rate	7.25 % p.a.	7.80 % p.a.
Salary Escalation Rate	10.00% for the first 3 yrs & 7% thereafter	10.00% for the first 4 yrs & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability:

(In Rs. Lakhs)

Particulars	2008-2009	2007 – 2008
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	41.33	37.70
Closing balance of present value of Compensated Absences (Y)	33.93	41.33
Movement in Net Liability (X - Y)	7.40	3.63

(c) Payments made under defined Contribution Scheme:

(In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Contribution to Provident Fund & Gratuity		
Crew & Offshore Staff	43.19	32.98
Contribution to Provident Fund	18.86	18.53

6. Information pursuant to para 4-D, clauses a,b,c and e of Part II of Schedule VI of the Companies Act, 1956 has not been given in view of exemption granted by the Department of Company Affairs Vide Order No 46/17/2009-CL-III dated 5th February, 2009

7. Dividend remitted in Foreign Currency

	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
Dividend (Gross)	2,47,03,300	NIL
Number of Non-resident shareholders	1	
Number of Shares held	1,23,51,650	
Type	Final	
For the year	2007-2008	

8. MANAGERIAL REMUNERATION*

(Included under Salary, Wages and Allowances-Schedule –15)	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
TO MANAGING DIRECTOR*		
(i) Remuneration	47,52,000	59,40,000
(ii) Contribution to Provident Fund	4,60,800	5,36,400
(iii) Leave Travel Allowance	-	3,68,800
Total	52,12,800	68,45,200

(Included under Salary, Wages and Allowances-Schedule –15)	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
TO EXECUTIVE DIRECTOR*		
(I) Remuneration	29,66,155	37,78,800
(ii) Contribution to Provident Fund	2,98,405	3,80,160
(iii) Leave Travel Allowance	1,18,356	1,50,000
(iv) Medical Allowance	11,836	15,000
(v) Special Reward	-	6,00,000
(vi) Leave Encashment	6,29,800	-
Total	40,24,552	49,23,960

*The above figures do not include contribution to Gratuity and provision for compensated absence as separate figures are not available.

9. AUDITORS' REMUNERATION

(included in Administration & Other expenses –Schedule 15)	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
(i) As Auditors (including Service Tax)	7,44,525	5,61,800
(ii) In other capacity (including Service Tax)		
a) Tax and Transfer pricing Audit Fees	1,48,905	1,12,360
b) Fees for Limited Review of Quarterly Accounts	3,02,291	2,24,720
c) Fees for Certification.	50,459	33,708
(iii) Out of Pocket Expenses	4,92,908	1,93,169

10. CONTINGENT LIABILITIES

(Amount in Rupees)

	As at 31.03.2009	As at 31.03.2008
a) Claims against the Company not acknowledged as debts	10,57,00,000	10,57,00,000
b) Corporate guarantee given on behalf of Subsidiary company (including interest)	17,42,09,199	20,00,42,544
c) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	NIL	24,54,31,000
d) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company)	3,05,97,784	NIL



11. Foreign currency exposures that are not hedged by derivative instruments.

(Amount in equivalent US Dollars)

Particulars	2008-2009	2007-2008
a) Receivables	6,73,754	3,82,270
b) Payables	10,14,440	22,81,379
c) FCNR Loan from Bank	1,50,71,360	NIL

The Company has no derivatives as at 31st March, 2009.

12. Segment Reporting:

a) Segmentwise Revenue and Results:

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
Revenue by Segment		
Shipping	9,791.09	10,682.18
Logistics (Shipping part)	4,790.88	6,275.45
Others	3,123.53	91.10
Total Revenue	17,705.50	17,048.73
Segment Results		
Shipping	174.82	1,133.75
Logistics (Shipping part)	(111.15)	1,216.98
Others	3,106.64	(6.85)
Total	3,170.31	2,343.88
Add: Other Income	279.07	562.58
Less: i) Interest & Finance Charges	825.14	1,219.50
ii) Unallocated Expenditure	784.46	675.44
Profit before Tax, Prior Period, Exceptional & Extra ordinary items	1839.78	1,011.52
Segment Depreciation		
Shipping	949.09	907.73
Logistics (Shipping part)	364.10	396.48
Unallocated	21.54	18.93

The Company operates in two business segments viz. Shipping and Logistics. Shipping comprises Charter and Feeder Services and Logistics includes Shipping part of Domestic and Liner business.

b) Geographical Segment (Based on primary Location of Customers)

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
In India	10,237.37	12,896.54
In Pakistan	96.18	298.18
Rest of World	7,371.95	3,854.01
Total Revenue	17,705.50	17,048.73

c) Segment Capital employed

Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to individual segment assets and liabilities has been made. However Depreciation has been allocated amongst segments based on best estimates of usage of fixed assets in the respective segments during the year.

d) Others under Revenue and Results include profit on sale of ship Rs. 27,82,70,133/- (Net) (Previous year Rs. NIL/-).

13. Intangible Assets

Software is amortised over 3 Years and included under Office equipment in Schedule-4:Fixed Assets.

(Amount in Rupees)

Particulars	Year ended 31.3.2009	Year ended 31.3.2008
Opening Balance	2,235	1,66,627
Addition during the year	14,08,082	-
Total	14,10,317	1,66,627
Amortisation	2,87,739	1,64,392
Closing Balance	11,22,578	2,235

14. Accounting for Lease

The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of Rs. 15,69,616/- (Rs.1,051,400/-) is charged to the Profit and Loss Account.

15. Working of Earnings Per Share

Particulars	Year ended on 31.3.2009	Year ended on 31.3.2008
Weighted average number of Equity shares	2,19,57,533	2,19,57,533
Nominal value Per Share	Rs. 10/-	Rs. 10/-
Profit for the year after Tax	Rs.14,99,20,497	Rs.8,38,39,624
Less: Provision for Preference Dividend + Tax (including proposed dividend)	Rs. 1,08,52,062	Rs.1,24,71,667
Net Balance available to Equity Shareholders	Rs.13,90,68,435	Rs 7,13,67,957
Earnings Per Share (Basic & Diluted) including extraordinary and exceptional items.	Rs. 6.33	Rs.3.25
Earnings Per Share (Basic & Diluted) excluding extraordinary and exceptional items.	Rs. 6.33	Rs.3.65

16. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

	2008-2009	2007-2008
A The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Principal: Rs.6,997/- Interest: Rs.NIL	Principal: Rs 5,80,175/- : Interest: Rs 8,237/-
B The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Rs. 8,237/- (for the year 2007-08)	Nil
C The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;)	Nil	Nil
D The amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Rs 8,237

	2008-2009	2007-2008
E The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Rs 8,237

Note: This disclosure is related to such parties as have been identified on the basis of information available with the Company.

17. The aggregate of expenses, appearing in Schedule 14 & 15, is given below:

Amount in Rupees

Expense Head	Year ended on 31.3.2009	Year ended on 31.3.2008
A. Salaries, Wages & Other Allowances	23,24,78,339	24,29,29,424
B. Contribution to Provident Fund and Gratuity	63,61,384	95,90,502
C. Staff Welfare	46,62,656	42,14,966
D. Insurance Expenses	3,58,72,737	3,63,76,383
E. Rates & Taxes	28,88,681	31,49,277

18. Loan and Advances include following dues from companies under the same management

(Amount in Rupees)

Name of the Company	As At 31.3.2009	As At 31.3.2008	Maximum amount due at any one time during the year
Relay Shipping Agency Limited	3,29,84,322	2,44,35,043	4,84,18,525

19. Deposits include amount with Port Trust of India Rs. 50,000/- (PY Rs. 50,000/-)



20. Disclosure made in terms of clause 32 of the listing agreement with stock exchange.

Particulars	Name of the company	Amount outstanding as on 31.03.2009 (Rs.)	Maximum amount due at any one time during the year (Rs.)
a) Loans and advances			
(i) Loans and advances in the nature of loans made to subsidiary company.	Haytrans (India) Ltd.	NIL	50,00,000
(ii) Loans and advances in the nature of loans made to associate company.			
(iii) Loans and advances in the nature of loans where there is.			
1) no repayment schedule or repayment beyond seven years (or)		NIL	NIL
2) no interest or interest below section 372A of the Companies Act.			
(iv) Loans and advances in the nature of loans made to firms / companies in which directors of the company are interested.			
b) Investments by the Company			
(i) In subsidiary Company	Shreyas Relay Systems Ltd.		
	a) 25,00,000 Equity shares of Rs 10/- each fully paid	2,50,00,000	2,50,00,000
	b) 10,00,000 Non Convertible, Cumulative, Redeemable Preference Shares each of Rs 100/- paid	10,00,00,000	NIL
(ii) In subsidiary company	Haytrans (India) Ltd. 10,450 Equity Shares of Rs. 100/- each fully paid	54,34,171	54,34,171
(iii) In associates company		NIL	NIL
c) Investments by the loanee in the shares of the parent company and Subsidiary company when the Company has made a loan or advance in the nature of Loan-NIL.		NIL	NIL

21. Related Party Transactions (Refer Annexure I)

22. Details of Purchases and Sales of Investments (Schedule -5) (Refer Annexure II)

23. Previous years figures have been regrouped/recast wherever necessary to conform to the current year's classifications.

SIGNATURES TO SCHEDULES 1 TO 17

For PKF Sridhar & Santhanam
Chartered Accountants

S.Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 17th June, 2009

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

Annexure-1

22. RELATED PARTY TRANSACTIONS (as on 31.03.2009)

(Amount in,000)

TRANSACTION	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Charter hire income								
Orient Express Lines Ltd., Mauritius	-	-	30,217	-	-	-	30,217	182,413
Shreyas World Navigation Pte. Ltd. Singapore	-	-	7,652	-	-	-	7,652	-
Service / freight income								
Balaji Shipping (UK) Ltd.	-	-	19,115	-	-	-	19,115	8,869
Orient Express Lines Ltd., Mauritius	-	-	61,414	-	-	-	61,414	7,183
Shreyas Relay System Ltd.	-	479,088	-	-	-	-	479,088	615,874
Relay Shipping Agency Ltd.	-	-	-	1,523	-	-	1,523	2,698
Clarion Solutions Ltd.	-	-	-	17	-	-	17	59
Loan given								
Haytrans (India) Limited	-	5,000	-	-	-	-	5,000	-
Shreyas Relay System Ltd.	-	-	-	-	-	-	-	55,000
Interest received on loan given								
Haytrans (India) Limited	-	81	-	-	-	-	81	-
Repayment of loan given								
Shreyas Relay System Ltd.	-	-	-	-	-	-	-	8,800
Shreyas Relay System Ltd.	-	-	-	-	-	-	-	55,000
Haytrans (India) Limited	-	5,000	-	-	-	-	5,000	-
Vessel management fees paid								
Orient Express Ship Management Ltd.	-	-	-	29,417	-	-	29,417	33,000
Agency Fees paid								
Relay Shipping Agency Ltd.	-	-	-	22,717	-	-	22,717	26,670
Lanka Orient Express Line	-	-	-	5,116	-	-	5,116	771
Seabridge Shipping Co L.L.C.	-	-	643	-	-	-	643	-
Ocean Sea Freight Charges								
Orient Express Lines Ltd., Mauritius	-	-	5,362	-	-	-	5,362	647
Orient Express Linse (S) Pte. Ltd., Singapore	-	-	-	-	-	-	-	-
Rent paid								
Sivaswamy Holdings Pvt. Ltd.	-	-	-	3,781	-	-	3,781	2,293
Vehicle Lease Rent paid								
Mrs. Savita Kshirsagar	-	-	-	-	-	380	380	455


Annexure-1
22. RELATED PARTY TRANSACTIONS (as on 31.03.2009) (Contd.)

(Amount in Rs.'000)

TRANSACTION	Holding company*	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Managerial Remuneration paid								
Mr. S. Ramakrishnan	-	-	-	-	5,213	-	5,213	6,845
Mr. Anil Devli	-	-	-	-	4,025	-	4,025	4,924
Mr. Vinay Kshirsagar	-	-	-	-	2,728	-	2,728	3,491
Stores, spares, victualling, Repairs expenses, Handling & Fwd etc.paid								
ADMEC Logistics Ltd.	-	-	-	9,860	-	-	9,860	13,019
Haytrans (India) Limited	-	251	-	-	-	-	251	-
Sale of Vessel								
Orient Express Lines - Panama	-	-	1,727,493	-	-	-	1,727,493	-
Purchases of Assets								
Clarion Solutions Ltd	-	-	-	23	-	-	23	-
Shreyas Relay System Ltd	-	68	-	-	-	-	68	-
Haytrans (India) Limited	-	124	-	-	-	-	124	-
Investment made								
Shreyas Relay System Ltd.	-	100,000	-	-	-	-	100,000	-
Haytran (India) Limited	-	-	-	-	-	-	-	5,434
Purchases of Shares of Haytrans (India) Ltd.								
Haytrans Limited, Mauritius	-	-	-	-	-	-	-	4,986
Dividend Paid on Equity Shares								
Transworld Holdings Ltd.	24,703	-	-	-	-	-	24,703	-
Mr. S. Ramakrishnan	-	-	-	-	219	-	219	-
Mrs. Geeta Ramakrishnan	-	-	-	-	-	217	217	-
Mr. Ritesh Ramakrishnan	-	-	-	-	-	337	337	-
Ms. Anisha Ramakrishnan	-	-	-	-	-	1,951	1,951	-
Mrs. Valli Sivaswamy	-	-	-	-	-	767	767	-
Mrs. Mala Mahesh	-	-	-	-	-	217	217	-
Master Murali Mahesh	-	-	-	-	-	337	337	-
Kumari Mithila Mahesh	-	-	-	-	-	1,951	1,951	-
Mr. S. Mahesh	-	-	-	-	-	225	225	-
Mr. V. Ramnarayan	-	-	-	-	219	-	219	-
Mrs. Brinda Ramnarayan	-	-	-	-	-	217	217	-
Mr. Rajan Ramnarayan	-	-	-	-	-	282	282	-
Mr. Rajiv Ramnarayan	-	-	-	-	-	273	273	-
Mr. Anil Devli	-	-	-	-	12	-	12	-

RELATED PARTY TRANSACTIONS (as on 31.03.2009) (Contd.)

Outstanding balances pertaining to related parties as at 31st March, 2009

(Amount in Rs.'000)

Nature of balance	Holding company *	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as on 31.03.2009	Total as on 31.03.2008
Debit balance due to company	-	23,234	7,782	33,043	-	-	64,059	107,044
Credit balance due from company	-	109	4,056	4,925	-	-	9,091	13,106

- NOTE: 1) Figure have been adjusted for exchange rate variations.
2) Reimbursement of expenses incurred by/to Group Companies is not included here.

*** Names of related parties**

Nature of relationship	Name of the related party
Holding company	Transworld Holdings Ltd., Mauritius (holds 56.25% of the equity share capital as at 31 st March, 2009)
Fellow subsidiaries	Shreyas World Navigation Pte. Ltd., Singapore Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Orient Express Lines Inc, Panama Balaji Shipping (UK) Ltd. Balaji Shipping Co. SA, Panama Aqua Container Lines Ltd. Mauritius Jubilee Shipping inc. Panama Sea Bridge Shipping L.L.C.
Subsidiary Companies	Shreyas Relay System Ltd. Haytrans (India) Limited
Other related parties	ADMEC Logistics Ltd. Albatross Shipping Pvt. Ltd. Clarion Shipping (Pvt.) Ltd, Colombo Clarion Solutions Ltd. Crescent Shipping Agency (India) Ltd. Haytrans Limited, Mauritius Lanka Orient Express Lines Ltd. Colombo Meridian Shipping Agency Pvt. Ltd. NLS Agency (India) Pvt. Ltd. Orient Express Ship Management Ltd. Relay Shipping Agency Ltd. Sivaswamy Holdings Pvt. Ltd. Sivaswamy Memorial Charitable Trust Transworld Logistics Ltd. Transworld Management Consultancy Pvt. Ltd. Transworld Shipping & Logistics Ltd. Transworld Shipping Services (I) Pvt. Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V. Ramnarayan Mr. Vinay Kshirsagar Mr. Anil Devli
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Master Murali Mahesh Kumari Mithila Mahesh Mrs. Valli Sivaswamy Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Raamnarayan Mrs. Savita Kshirsagar



(Refer Annexure II)

(B) SHORT TERM INVESTMENTS IN MUTUAL FUND

Details of Purchases and Sales of Investments Schedule - 5

S. No.	DESCRIPTION	YEAR 2008-2009				YEAR 2007-2008			
		PURCHASE/SWITCH		SOLD/SWITCH OUT		PURCHASE/SWITCH		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
1	ABN AMRO Cash Fund-Institutional Daily Dividend	5,000,756	50,007,565	5,000,756	50,007,565	-	-	-	-
2	ABN AMRO Fixed Term Plan Series-2	-	-	-	-	1,035,307	10,005,643	1,035,307	10,005,643
3	ABN AMRO Money Plus Fund-Institutional Daily Dividend	5,112,929	51,130,528	5,112,929	51,130,528	-	-	-	-
4	Birla FTP Quarterly Series-9 Dividend Payout	-	-	-	-	-	-	4,000,000	40,000,000
5	Birla Sunlife Cash Manager-IP-Daily Dividend[1012857820]	-	-	-	-	654,049	6,542,444	1,407,534	14,078,799
6	Birla Sunlife Cash Plus Fund-Institutional-Daily Div.Reinvest	4,556,123	45,564,628	4,556,123	45,564,628	-	-	-	-
7	Birla Sunlife Dynamic Bond Fund-Retail Plan Monthly Div.	1,467,818	15,259,297	-	-	-	-	-	-
8	Birla Sunlife Gilt Plus-Regular-Quarterly Dividend	1,199,111	15,280,209	-	-	-	-	-	-
9	Birla Sunlife Liquid Plus Fund-Institutional Plan	5,571,397	70,754,007	5,571,397	70,754,007	4,434,233	44,372,478	4,434,233	44,372,478
10	C54 DBS Chola Liquid Inst.Daily Div. Reinvestment Plan	-	-	-	-	1	14	99	994
11	DSP Black Rock Cash Plus Fund-Regular Plan-Weekly Div.	49,941	50,000,000	49,941	50,000,000	-	-	-	-
12	DSP Black Rock Strategic Bond Fund-Institutional Plan-Weekly Div.	50,386	50,541,961	-	-	-	-	-	-
13	DSP Black Rock Strategic Bond Fund-Regular Plan-Weekly Div.	49,868	50,079,756	49,868	50,079,756	-	-	-	-
14	HSBC Cash Fund-Institutional Plus-Daily Dividend	4,998,060	50,008,592	4,998,060	50,008,592	-	-	-	-
15	HSBC Liquid Plus-Inst.Plus-Daily Dividend	5,012,590	50,189,061	5,012,590	50,189,061	-	-	-	-
16	ING Liquid Fund Institutional -Daily Dividend Option	8,450	84,529	520,383	5,205,545	2,267,594	22,683,418	1,755,661	17,562,402
17	Kotak Flexi Debt Scheme	3,528,306	38,385,438	3,528,306	38,385,438	254,876	2,556,683	254,876	2,556,683
18	L136D SBI DEBT Fund Series - 90Days [March'07] Div.	-	-	-	-	-	-	4,000,000	40,000,000
19	LIC Floating Rate Fund-Short Term Plan-Div.	-	-	-	-	3,266	30,316	747,187	7,583,272
20	LIC Liquid Fund Daily Dividend	910,916	10,001,951	910,916	10,001,951	2,049,506	22,503,779	2,049,506	22,503,779
21	LIC MF FMP-Series-13-Dividend [5106601856]	-	-	-	-	174,650	1,746,499	4,179,616	41,796,156
22	LIC MF Liquid Plus Fund-Daily Dividend Plan	1,559,643	15,596,433	2,349,756	23,497,556	7,506,605	75,066,054	6,716,493	67,164,931
23	LOTUS India FMP - 3 Months - Series 1-Retail Dividend	750,299	7,514,396	750,299	7,514,396	1,256	12,789	102,029	1,020,515
24	Prudential ICICI Gilt Investment Plan-Qtrly Div[1708370/79]	2,268,437	30,369,710	-	-	-	-	-	-
25	Prudential ICICI Gilt Investment Plan-Qtrly Div[4258258/29]	1,160,304	15,016,508	-	-	-	-	-	-

Details of Purchases and Sales of Investments Schedule - 5

S. No.	DESCRIPTION	YEAR 2008-2009				YEAR 2007-2008			
		PURCHASE/SWITCH		SOLD/SWITCH OUT		PURCHASE/SWITCH		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
26	Prudential ICICI Floting Rate Fund-Plan-B Fortnightly Div.[1708370/79]	1,487,958	15,043,637	1,487,958	15,043,637	-	-	-	-
27	Prudential ICICI Floting Rate Plan C Fortnightly Div[4258258/29]	1,492,475	15,041,525	1,492,475	15,041,525	-	-	-	-
28	Prudential ICICI Flexible Income Plan-Daily Div.	5,240,724	55,010,857	6,189,514	65,042,887	9,460,636	98,359,866	8,511,846	88,327,836
29	Prudential ICICI Institutional Short Term Plan-Fortnightly Div[4258258/29]	410,444	4,913,389	410,444	4,913,389	-	-	-	-
30	Prudential ICICI Liquid -Super Institutional Plan-Daily Div.	8,767,083	90,000,000	8,767,083	90,000,000	4,535,615	45,356,606	6,317,581	63,176,261
31	Prudential ICICI Short Term Plan-Fortnightly Div[1708370/79]	1,247,692	15,230,735	-	-	-	-	-	-
32	Reliance FHF Series 1-QP 2 -Dividend [40429090801]	-	-	-	-	-	-	290,000	2,900,000
33	Reliance Floating Rate Fund-Daily Dividend-Reinvest	-	-	-	-	1,315	13,233	355,265	3,575,960
34	Reliance Liquid Fund -Cash Plan-Daily Dividend	-	-	-	-	73,459	73,539,549	73,459	73,539,549
35	Reliance Liquid Plus Fund-Institutional Option	327,129	5,000,892	327,129	5,000,892	-	-	-	-
36	Reliance Liquid Plus Fund-Institutional Option	25,404	25,433,250	25,404	25,433,250	-	-	-	-
37	Reliance Liquid Plus Fund-Retail Option-Dly Dividend[40414459948]	1,308,571	20,004,384	1,308,571	20,004,384	-	-	-	-
38	Reliance Monthly Interval Fund-Daily Dividend	-	-	-	-	-	-	150,000	1,500,000
39	SBI SHF Liquid Fund	33,176,522	331,931,104	33,176,522	331,931,104	-	-	-	-
40	SBI Premier Liquid Fund	32,878,919	329,857,758	32,878,919	329,857,758	-	-	-	-
41	Sundaram BNP Paribas Money Fund	1,981,512	20,003,962	1,981,512	20,003,962	6,289,100	63,045,898	6,289,100	63,045,898
42	Sundaram BNP Paribus Liquid Plus Fund	2,017,378	20,224,213	2,017,378	20,224,213	-	-	-	-
43	TATA Fixed Income Portfolio Fund Scheme A	6,500,000	65,000,000	6,500,000	65,000,000	-	-	-	-
44	TFARD9 TATA Fixed Horizon Fund Series 9-Scheme A-Div.	-	-	-	-	-	-	500,000	5,000,000
45	TFLD TATA Floater Fund-Daily Dividend	6,411,935	64,347,614	6,411,935	64,347,614	2,505,651	25,145,580	2,505,651	25,145,580
46	TLSD01 TATA Liquid Super High Investment Fund-Daily Div.	6,590,917	155,369,850	6,590,917	155,369,850	-	-	-	-
47	TSTD-TATA Short Term Bond Fund-Dividend	3,362,766	40,753,466	-	-	-	-	-	-
48	UTI Cash Fund-Daily Income Plan[1144984643]	49,055	50,009,162	49,055	50,009,162	-	-	-	-
49	UTI Fixed Maturity Plan-[HFMP/0307] Dividend Plan Reinv.	-	-	-	-	163,625	1,636,257	4,176,889	41,768,893
50	UTI Liquid Fund-Cash Plan IP-Daily Div. [1144984643]	65,483	65,497,009	75,542	75,557,722	10,067	10,021,115	2,461	2,461,527
51	UTI Liquid Plus Fund-Institutional Plan-Daily Div[1144984643]	-	-	-	-	12,725	12,725,553	12,725	12,725,553
52	UTI Money Market Fund-Daily Dividend	-	-	-	-	1,425,596	25,107,738	1,425,596	25,107,738



Additional information under Part IV of Schedule VI to the Companies Act, 1956 Balance Sheet Abstract and Company's General Business Profile.

I Registration details		
Registration No.		48500
State Code		11
Balance Sheet Date		31/03/2009
II Capital raised during the year		Amount (Rs.in '000)
Public Issue		NIL
Rights Issue		NIL
Bonus Issue		NIL
Private Placement		
8.2% Non-Convertible, Cumulative, Redeemable Preference Share of Rs 100/- each		NIL
III Position of Mobilization and Deployment of Funds		Amount (Rs.in '000)
Total Liabilities		2,463,103
Total Assets		2,463,103
Source of Funds		
Share Capital		310,575
Reserves & Surplus		1,346,647
Secured Loans		805,881
Unsecured Loans		NIL
Deferred Tax Liability		NIL
Application of Funds		
Net Fixed Assets		2,024,591
Investments		319,255
Net Current Assets		119,257
Misc. Expenditure		NIL
Accumulated losses		NIL
IV Performance of the Company		
Turnover (Including other income)		1,798,457
Total Expenditure		1,614,479
Profit before extraordinary, exceptional items and tax		183,978
Profit/(Loss) after Tax		149,920
Preference Dividend Paid		1,814
Interim Equity Dividend Paid		NIL
Tax on Dividend Paid		308
Proposed Preference Dividend		7,462
Tax on Proposed Preference Dividend		1,268
Transfer to Capital Redemption Reserve		39,000
Transfer to General Reserve		NIL
Balance available to Equity Shareholders		139,068
Earning per share including Exceptional Items (Rs.)		6.33
Earning per share excluding Exceptional items (Rs.)		6.33
Interim Equity Dividend Rate %		
Final Equity Dividend rate%		
V Generic Names of three Principal products/Services of the Company		
Item Code No. (ITC Code)		NIL
Product description		NIL

Note: This is a Shipping Company.

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

Place : Mumbai
Date : 17th June, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	Year ended 31 st March 2009	Year ended 31 st March, 2008
Cashflow from operating activities		
Net profit/ (Loss) before tax	183,977,719	101,153,195
Adjusted for		
Depreciation	133,473,293	132,313,533
Loss on Sale on Fixed assets	5,964,684	303,219
Loss on Sale of Investments	3,850,864	-
Provision for Gratuity & Leave Encashment adjusted against Opening Reserve	-	(2,806,602)
Interest Expenses	82,252,749	121,817,614
Unrealised Exchange / swap Loss / (Gain) on current Assets & Liabilities	315,432	-
Income for current Investments	(9,710,390)	-
Interest Income	(1,468,910)	(2,572,027)
Profit on Sale of Ship	(278,270,133)	-
Operating Profit Before Working Capital changes (a)	120,385,308	350,208,932
Adjustments for : Increase/(Decrease) in Working Capital		
Increase/(Decrease) in Current Assets		
Inventories	(29,927,442)	22,297,054
Sundry Debtors	(96,571,773)	802,941
Other Current Assets, Loans and Advances	37,236,395	(108,866,080)
	(89,262,820)	(85,766,085)
Less: increase/(Decrease) in Current Liabilities & Provision	(87,660,538)	107,028,378
Net increase/(Decrease) in Working Capital (b)	(1,602,282)	(192,794,463)
Cash Generated from Operations (a) - (b) = (c)	121,987,590	543,003,395
Less: Taxation	33,793,976	23,833,435
(Less) /Add : Inflow from extra ordinary & exceptional items (Net)	-	(8,859,653)
Less : Prior Period items	367,147	6,005,047
NET CASH FROM OPERATING ACTIVITIES (A)	87,826,467	504,305,260
Cash flow from investing activities		
Addition / Revaluation to Fixed Assets including Capital Work in Progress	(559,683,421)	(1,096,513,600)
Sale of Fixed Assets	2,150,208,383	1,323,172
Sale of Investments	-	64,748,122
Purchase of Investments	(100,000,000)	-
Interest Income	1,468,910	2,572,027
Income from Current Investments	5,859,526	-
NET CASH FROM INVESTING ACTIVITIES (B)	1,497,853,398	(1,027,870,279)
Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(1,270,458,871)	537,030,930
Proceeds from issue of Shares/GDR (net of issue expenses)	(39,000,000)	-
Loan to Subsidiary (Net of Repayment)	-	8,800,000
Interest Expenses	(82,252,749)	(121,817,614)
Dividend Paid	(56,388,726)	-
Tax on dividend paid	(9,583,269)	-
NET CASH FROM FINANCING ACTIVITIES (C)	(1,457,683,615)	424,013,316
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	127,996,250	(99,551,703)
CASH & CASH EQUIVALENTS - OPENING BALANCE	73,476,166	173,027,868
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	127,996,250	(99,551,703)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	460,750	-
CASH & CASH EQUIVALENTS - CLOSING BALANCE	201,933,166	73,476,166
	127,996,250	(99,551,703)
CLOSING CASH & CASH EQUIVALENTS CONSISTS OF		
CASH ON HAND (Refer Schedule 8)	2,005,671	4,162,424
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Schedule 8)	21,256,857	36,198,860
INVESTMENT IN LIQUID FUND SECURITIES	178,670,638	33,114,882
TOTAL	201,933,166	73,476,166

Notes:

- 1) The above statement has been prepared by indirect method.
- 2) Cash and Cash equivalents include cash and bank balances and Investments in Liquid fund securities of Mutual Funds maturing within 90 days and exclude margin money deposits.

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam

Chartered Accountants

S. Ramakrishnan

Partner

Membership No. 18967

Place : Mumbai

Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan

Chairman & Managing Director

Place : Mumbai

Date : 17th June, 2009



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

SR. NO.	PARTICULARS	SHREYAS RELAY SYSTEMS LIMITED	HAYTRANS (INDIA) LIMITED
1	The relevant financial year of the subsidiary ends on	31 st March, 2009	31 st March, 2009
2	No. of shares held as on 31 st March, 2009	25,00,000 Equity shares of Rs. 10/- each fully paid-up	10,450 Equity shares of Rs. 100/- each fully paid-up
3	Extent of holding as on 31 st March, 2009	100%	51.10%
4	The net aggregate of profit/(loss) of subsidiary so far as they concern the members of the Company		
	(a) Dealt with in the accounts of Company for the year ended 31 st March, 2009	Not applicable	Not applicable
	(b) Not dealt with in the accounts of Company for the year ended 31 st March, 2009	(78,030,005)	(16,029,035)
5	The net aggregate of profit/(loss) for previous financial year of the subsidiary, since it became subsidiary so far as they concern members of the Company		
	(a) Dealt with in the accounts of Company	-	-
	(b) Not dealt with in the accounts of Company	-	-

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

Place : Mumbai
Date : 17th June, 2009

Auditors' Report on Consolidated Financial Statements

To The Board of Directors of Shreyas Shipping & Logistics Ltd.

1. We have audited the attached consolidated Balance Sheet of Shreyas Shipping & Logistics Ltd. ('the Company') and its subsidiaries (the company and its subsidiaries constitutes 'the Group') as at 31st March 2009, and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both annexed thereto. The financial statements are the responsibility of the company's management. Our responsibility is to express our opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted Auditing Standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one subsidiary (Haytrans (India) Ltd). The financial statement of Haytrans (India) Ltd as on 31st March,09 (Total Assets: Rs. 187.34 lakhs; Total Revenue Rs 6031.93 lakhs, Total Cash Flow Rs.0.09 lakhs) has been audited by another auditor whose report has been furnished to us and, our opinion, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on the reports of the other auditor.
4. (i) We report that the consolidated Financial Statements have been prepared in accordance with the requirement of Accounting Standard (AS 21) "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, on the basis of the individual audited Financial Statements of the Company and its subsidiaries.
- (ii) *As per the Guidance provided by the Accounting Standards Board of the Institute of Chartered Accountants of India through Frequently Asked Questions on AS 11 Notification, the exchange differences arising from foreign*

currency borrowings to the extent they are regarded as an adjustment to interest costs are to be considered as "borrowing costs" and accounted for in accordance with Accounting Standard 16 (AS 16) - Borrowing Costs. In view of this a) the foreign exchange loss is understated to the extent of Rs 144,20,050/-, depreciation related to adjustment to opening reserves is overstated to the extent of Rs 173,929 and hence Profit after tax for the year ended 31 March 2009 is stated higher by Rs.1,42,46,121/-, b) the foreign exchange gain reversed and debited to general reserves as of 1 Apr 08 is less to the extent of Rs 32,14,551 (net of depreciation) and c) hence fixed assets are stated higher to the extent of Rs.1,74,60,672.

- (iii) On the basis of the information and according to the explanations given to us, *subject to our comments with respect to capitalization of certain borrowing costs that are not eligible for capitalisation as referred to in paragraph (ii) above and non provision for gratuity and leave salary in the subsidiary Haytrans (India) Ltd., the amount whereof is indeterminate*, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) in the case of consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31,2009;
 - b) in the case of consolidated Profit and Loss Account of the consolidated results of operations of the Group for the year ended as on that date, and
 - c) in the case of consolidated Cash Flow statement of the consolidated cash flows of the Group for the year ended as on that date.

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan
Partner
M. No. 18967

Place: Mumbai
Date: 17th June, 2009



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2009	AS AT 31.03.2008
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	310,575,330	349,575,330
RESERVES AND SURPLUS	2	1,262,787,545	1,180,603,696
		<u>1,573,362,875</u>	<u>1,530,179,026</u>
LOAN FUNDS			
SECURED LOANS	3	1,020,201,201	2,312,508,360
		<u>1,020,201,201</u>	<u>2,312,508,360</u>
DEFERRED TAX LIABILITY (NET)		-	7,537,709
TOTAL		<u>2,593,564,076</u>	<u>3,850,225,095</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	2,643,752,764	3,131,105,655
LESS : DEPRECIATION		465,727,879	474,181,187
NET BLOCK		<u>2,178,024,885</u>	<u>2,656,924,468</u>
CAPTIAL WORK-IN-PROGRESS		-	1,049,924,092
TOTAL		<u>2,178,024,885</u>	<u>3,706,848,560</u>
INVESTMENTS			
	5	188,999,099	44,431,555
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	34,111,163	64,038,605
SUNDRY DEBTORS	7	189,427,684	320,560,944
CASH AND BANK BALANCES	8	39,622,156	78,502,629
OTHER CURRENT ASSETS	9	40,744,020	23,732,489
LOANS AND ADVANCES	10	208,683,748	199,409,974
CURRENT ASSETS TOTAL (A)		<u>512,588,771</u>	<u>686,244,641</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	270,621,667	377,557,082
PROVISIONS	12	15,427,012	209,742,579
CURRENT LIABILITIES TOTAL (B)		<u>286,048,679</u>	<u>587,299,661</u>
NET CURRENT ASSETS (A - B)		<u>226,540,092</u>	<u>98,944,980</u>
MISCELLANEOUS EXPENDITURE		-	-
TOTAL		<u>2,593,564,076</u>	<u>3,850,225,095</u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 17th June, 2009

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	Year ended 31.03.2009	Year ended 31.03.2008
INCOME			
OPERATING EARNINGS			
a) CHARTER HIRE INCOME		238,523,725	260,897,631
b) FREIGHT INCOME		1,998,389,602	2,262,607,692
c) NON LINER		1,620,453	1,262,627
d) FREIGHT FORWARDING INCOME		602,071,414	376,388,829
e) DUTY CREDIT ENTITLEMENT UNDER SFIS		32,462,140	7,847,142
TOTAL OPERATING EARNINGS		2,873,067,334	2,909,003,921
OTHER INCOME			
a) PROFIT ON SALE OF SHIP (NET)		278,270,133	-
b) MISCELLANEOUS INCOME	13	16,619,870	19,655,510
c) FOREX EXCHANGE GAIN/ (LOSS)		13,381,088	46,620,389
TOTAL OTHER INCOME		308,271,091	66,275,899
TOTAL INCOME		3,181,338,425	2,975,279,820
EXPENDITURE			
OPERATING EXPENSES	14	2,627,980,273	2,436,396,108
ADMINISTRATION & OTHER EXPENSES	15	223,464,661	176,684,362
INTEREST	16	102,859,998	133,552,927
DEPRECIATION		144,530,716	139,903,282
TOTAL EXPENDITURE		3,098,835,648	2,886,536,679
PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL ITEMS AND TAXATION		82,502,777	88,743,141
ADD: EXCEPTIONAL ITEMS		8,750	(10,732,544)
LESS: GOODWILL WRITTEN OFF		-	455,149
PROFIT BEFORE TAX		82,511,527	77,555,447
LESS: PRIOR PERIOD ITEMS (net)		367,147	6,005,047
LESS: PROVISION FOR TAXATION			
- CURRENT		31,000,000	1,758,000
- DEFERRED TAX		(7,537,709)	3,472,120
- FRINGE BENEFIT TAX		2,209,501	1,952,902
- PRIOR YEAR		611,131	(184,129)
PROFIT AFTER TAX		55,861,457	64,551,507
ADD : LOSS TRANSFERRED TO MINORITY INTEREST		-	4,764,660
PROFIT AFTER TAX		55,861,457	69,316,167
SURPLUS BROUGHT FORWARD FROM PREVIOUS YEAR		459,533,662	484,336,646
AMOUNT AVAILABLE FOR APPROPRIATION		515,395,118	553,652,813
APPROPRIATIONS			
TRANSFER TO GENERAL RESERVE		-	8,400,000
TRANSFER FROM GENERAL RESERVE		-	3,208,202
TRANSFER TO CAPITAL REDEMPTION RESERVE		39,000,000	-
TRANSFER TO TONNAGE TAX RESERVE		-	25,000,000
DIVIDEND PAID ON PREFERENCE SHARES		1,813,660	-
TAX ON DIVIDEND PAID		308,232	-
TAX ON INTERIM DIVIDEND EARLIER YEARS		-	77,250
PROPOSED DIVIDEND ON EQUITY SHARES		-	43,915,066
TAX ON PROPOSED DIVIDEND ON EQUITY SHARES		-	7,463,370
PROPOSED DIVIDEND ON PREFERENCE SHARES		7,462,000	10,660,000
TAX ON PROPOSED DIVIDEND ON PREFERENCE SHARES		1,268,170	1,811,667
SURPLUS CARRIED TO SCHEDULE 2		465,543,056	459,533,662
	17	515,395,118	545,252,813
Earnings per share-Basic and Diluted (excluding Extraordinary / exceptional items) (Refer Note 11 in schedule 17)		2.05	3.10
Earnings per share-Basic and Diluted (including Extraordinary / exceptional items) (Refer Note 11 in schedule 17)		2.05	2.59

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants

S.Ramakrishnan

Partner

Membership No. 18967

S.Ramakrishnan

Chairman & Managing Director

K. P. Medhekar

Director

Namrata Malushte

Company Secretary

V. Ramnarayan

Executive Director

Vinay Kshirsagar

Chief Financial Officer

Place : Mumbai

Date : 17th June, 2009

Place : Mumbai

Date : 17th June, 2009



SCHEDULES TO CONSOLIDATED BALANCE SHEET

(AMOUNT IN RUPEES)

		AS AT 31.03.2009	AS AT 31.03.2008
SCHEDULE 1 : SHARE CAPITAL			
AUTHORISED			
24,000,000	Equity Shares of Rs 10/- each	240,000,000	240,000,000
1,400,000	8.2% Non-Convertible Cumulative Redeemable Preference Shares of Rs 100/- each	140,000,000	140,000,000
		380,000,000	380,000,000
ISSUED, SUBSCRIBED AND PAID UP			
2,19,57,533	Equity Shares of Rs 10/- each fully Paid up	219,575,330	219,575,330
	a) 1,23,51,650 Equity Shares held by Holding Company Transworld Holdings Limited, Mauritius.		
	b) 10,162,750 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.		
	c) 21,33,333 Equity Shares issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR). (All the GDRs have been converted into Equity Shares).		
1,300,000	8.2% Non-Convertible, Cumulative, Redeemable Preference Shares of Rs 100/- each fully paid up Date of allotment 27 th October, 2005 To be redeemed at par at the end of the 3 rd , 4 th & 5 th Year from the Date of allotment in the ratio of 30:30:40.	130,000,000	130,000,000
	Less First Tranche Redeemed at par on 25 th October, 2008	39,000,000	-
	Balance	91,000,000	130,000,000
TOTAL		310,575,330	349,575,330
SCHEDULE 2 : RESERVES AND SURPLUS			
SECURITIES PREMIUM			
	As per last Balance Sheet (a)	382,292,449	382,292,449
GENERAL RESERVE			
	As per last Balance Sheet	98,177,585	203,489,620
	Add: Transfer from Profit and Loss account	-	8,400,000
	Add: Transfer from Capital Reserve	-	710,826
	Less: Transfer to Hedging Reserve (AS-30)	-	107,525,147
	Add: Transfer from provision on cancellation of Derivatives	107,525,147	-
	Less: Opening adjustment toward Changes in Foreign Exchange Rates as per (AS-11) (Refer note no 2(a) in Schedule 17)	70,350,692	-
	Less: Opening adjustment for Gratuity & Leave encashment (AS-15)	-	3,689,512
	Less: Transfer to Profit and Loss Account	-	3,208,202
	(b)	135,352,040	98,177,585
TONNAGE TAX RESERVE			
	As per last Balance Sheet	107,146,945	185,600,000
	Add : Transfer from Profit and Loss Account	-	25,000,000
	Less: Transferred to Tonnage Tax Utilisation Reserve	-	103,453,055
	(In view of income subject to Tonnage Tax being negative, no transfer to Tonnage Tax Reserve is made in the current year) (c)	107,146,945	107,146,945

(AMOUNT IN RUPEES)

SCHEDULE 2 Continued..		AS AT 31.03.2009	AS AT 31.03.2008
ASSET IMPAIRMENT RESERVE			
As per last Balance Sheet	(d)	30,000,000	30,000,000
HEDGING RESERVE			
Add: Transfer from General Reserve		-	107,525,147
Less: Provision for Hedging Losses (AS-30)		-	107,525,147
	(e)	-	-
TONNAGE TAX UTILISATION RESERVE			
As per last balance sheet		103,453,055	-
Add: Transferred from Tonnage Tax Reserve		-	103,453,055
	(f)	103,453,055	103,453,055
CAPITAL REDEMPTION RESERVE			
Add: Transfer from Profit and Loss Account on redemption of first tranche of 3,90,000, 8.2% Non convertible Cumulative, Redeemable Preference Shares of Rs 100/- each at par on 25 th October, 2008.		39,000,000	-
	(g)	39,000,000	-
CAPITAL RESERVE			
As per last Balance Sheet		-	710,826
Less: Transfer to General Reserve		-	710,826
	(h)	-	-
SURPLUS			
Balance in Profit & Loss Account	(i)	465,543,056	459,533,662
TOTAL (a+b+c+d+e+f+g+h+i)		1,262,787,545	1,180,603,696

SCHEDULE 3 : SECURED LOANS

FROM BANKS

ICICI BANK LTD (RUPEE LOAN)

Secured by an exclusive charge over the Vessel M.V.Orient Victory and a second charge over the Vessel M.V.Orient Aishwaraya

- 111,670,878

STATE BANK OF INDIA (FCNR LOAN)

Secured by a charge over the Vessel OEL Trust
(Due within 12 Months Rs 72,444,786/-.)

387,564,421 364,576,483

STATE BANK OF INDIA (FCNR LOAN)

Secured by a charge over the Vessel M.V. Independent Spirit
(Due within 12 Months Rs 67,681,980/-.)

380,321,370 355,061,340

STATE BANK OF INDIA (FCNR LOAN)

Secured by a charge over the Vessel M.V.OEL Express

- 178,863,211

STATE BANK OF INDIA (RUPEE TERM LOAN)

Secured by first charge over Vessel under construction and a second charge over the Vessel M.V OEL Independence.

- 647,677,500

STATE BANK OF INDIA (RUPEE TERM LOAN)

Secured by first charge over the vessel M.V Unity.

- 397,400,000

ICICI BANK LTD (CAR LOAN)

Secured by hypothecation of Cars
(Due within 12 Months Rs 516,520/-.)

1,601,857 2,071,265



(AMOUNT IN RUPEES)

SCHEDULE 3 Continued..

STANDARD CHARTERED BANK (TERM LOAN)

Secured by Hypothecation of Specific Containers
(Due within 12 Months Rs 58,133,333/-)

Standard Chartered Bank (Short Term Working Capital Loan)

Secured by first pari passu charge over the books debts of Shreyas Relay Systems Limited

STATE BANK OF INDIA (FCNR LOAN)

Secured by Hypothecation of Specific Containers
(Due within 12 Months Rs 15,285,000/-)

STANDARD CHARTERED BANK (Working Capital Overdraft)

Secured by hypothecation of present and future book debts & Stocks

TOTAL

AS AT 31.03.2009	AS AT 31.03.2008
66,266,667	74,400,000
-	92,500,000
30,749,004	24,394,203
153,697,882	63,893,480
1,020,201,201	2,312,508,360

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN RUPEES)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2008	ADDITIONS	DEDUCTIONS/ ADJUST- MENTS	COST AS AT 31.03.2009	AS AT 01.04.2008	FOR THE YEAR	DEDUCTIONS/ ADJUST- MENTS	AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
FLEET	2,923,255,071	1,535,936,169	2,011,618,725	2,447,572,515	444,257,855	131,130,655	140,391,472	434,997,038	2,012,575,477	2,478,997,216
LAND	-	-	-	-	-	-	-	-	-	-
EQUIPMENT ON BOARD	3,667,946	-	597,150	3,070,796	1,676,912	187,724	203,638	1,660,998	1,409,798	1,991,034
CONTAINER EQUIPMENT	154,666,215	13,025,666	-	167,691,881	11,800,961	7,660,940	-	19,461,901	148,229,980	142,865,254
FURNITURE & FIXTURES	19,984,940	1,105,455	18,911,221	2,179,174	4,760,325	1,952,492	5,683,775	1,029,042	1,150,132	15,224,614
OFFICE EQUIPMENTS (INCLUDING COMPUTERS AND SOFTWARE)	20,904,103	3,672,570	8,063,581	16,513,092	9,548,079	2,372,164	5,400,087	6,520,156	9,992,936	11,356,024
TRAILOR (VEHICLE)	2,332,268	-	-	2,332,268	310,823	675,000	-	985,823	1,346,445	2,021,445
VEHICLES	6,281,919	-	1,895,064	4,386,855	1,813,340	551,699	1,298,301	1,066,738	3,320,117	4468579
BICYCLES	13,193	-	7,010	6,183	12,891	42	6750	6,183	-	302
TOTAL AS ON 31.03.2009	3,131,105,655	1,553,739,860	2,041,092,751	2,643,752,764	474,181,186	144,530,716	152,984,023	465,727,879	2,178,024,885	2,656,924,468
TOTAL AS ON 31.03.2008	2,515,875,277	619,849,580	4,619,202	3,131,105,655	336,086,294	139,903,282	1,808,389	474,181,187	2,656,924,468	

Current year additions and deductions include adjustment for exchange differences arising on foreign currency loans related to acquisition of ships & Container Equipments as per details given below

Particulars	Amount (Rs)
Gross Block	
Additions	196,917,754
Deductions	73,265,433
Depreciation	
For the Year	(3,779,988)
Previous Year	2,686,741

(Refer Note 2(a) in Schedule 17 Notes to the Accounts)

Additions during the year includes Rs. 21,042,067/- interest capitalised on New ship built

(AMOUNT IN RUPEES)

SCHEDULE 5 : INVESTMENTS

(A) LONG TERM INVESTMENTS (AT COST)

1 TRADE - UNQUOTED-FULLY PAID

(B) CURRENT NON TRADE INVESTMENT- (UNQUOTED)

1 MUTUAL FUNDS INVESTMENTS (AT LOWER OF COST OR NET ASSET VALUE)

TOTAL (A + B)

AS AT 31.03.2009	AS AT 31.03.2008
10,150,000	11,150,000
178,849,099	33,281,555
188,999,099	44,431,555

(AMOUNT IN RUPEES)

SCHEDULE 6 : INVENTORIES

(At lower of Cost or Net Realisable Value)

	AS AT 31.03.2009	AS AT 31.03.2008
Lube Oils and Fuel Oil*	33,230,495	63,340,111
Victualling Stock* (*As valued and Certified by the Management)	880,668	698,494
TOTAL	34,111,163	64,038,605

SCHEDULE 7 : SUNDRY DEBTORS

(Unsecured and considered good)

Debts outstanding for a period exceeding six months:

Considered Good	19,411,098	13,740,636
Considered doubtful	17,746,535	692,041
Others:		
Considered Good	170,016,586	306,820,308
Considered doubtful	5,071,582	3,008,148
	212,245,801	324,261,133
Less: Provision for doubtful debts	22,818,117	3,700,189
TOTAL	189,427,684	320,560,944

SCHEDULE 8 : CASH AND BANK BALANCES

Cash on Hand	2,125,377	4,318,536
With Scheduled Banks		
in Current Accounts	18,389,319	48,205,255
in Term Deposits	13,045,191	-
in Margin Money Deposits* (*Pledged with Bank as Margin for Guarantees issued)	2,456,587	22,991,500
in Unclaimed Dividend Account	3,605,682	2,987,338
TOTAL	39,622,156	78,502,629

SCHEDULE 9 : OTHER CURRENT ASSETS

Claims Receivable (Considered good)	21,740,550	4,757,043
Income accrued	1,381,764	1,950,000
Interest income accrued but not due on deposits	155,295	1,301,131
Unfinished Voyages Expenses	17,466,411	15,724,315
TOTAL	40,744,020	23,732,489



(AMOUNT IN RUPEES)

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated)

	AS AT 31.03.2009	AS AT 31.03.2008
Advance for Capital Expenditure	-	6,127,589
Advances recoverable in cash or in kind or for value to be received		
Considered good	136,489,943	131,444,042
Considered doubtful	2,344,386	
Less: Provision for Doubtful Advances	2,344,386	-
	136,489,943	131,444,042
Advance Income Tax Less Provisions (includes Fringe Benefits Tax)	68,676,743	55,018,254
Bills receivable		
Considered doubtful	2,266,418	2,266,418
	2,266,418	2,266,418
Less: Provision for Doubtful Bills receivable	2,266,418	2,266,418
	-	-
Deposits	3,517,062	6,820,089
TOTAL	208,683,748	199,409,974

SCHEDULE 11 : CURRENT LIABILITIES

Sundry Creditors for Trade		
Due to Micro and Small Enterprises	6,997	580,175
Due to Others	173,593,642	287,653,921
Creditors for Expenses	24,734,486	45,833,240
Other Liabilities	39,177,299	35,335,905
Unfinished Voyages Income	29,490,744	4,655,129
Investor Education and Protection Fund:		
Unclaimed Dividend	3,605,681	2,987,338
(No amount is due and outstanding to be credited to the fund.)		
Interest accrued but not due on loans	12,818	511,374
TOTAL	270,621,667	377,557,082

SCHEDULE 12 : PROVISIONS

Proposed Equity Dividend	-	43,915,066
Provision for tax on Equity Dividend	-	7,463,370
Proposed Preference Dividend	7,462,000	10,660,000
Provision for tax on Preference Dividend	1,268,170	1,811,667
Provision for notional Hedging Loss/(Gain)	-	129,348,424
Provision for Gratuity	-	7,032,736
Provision for Compensated Absence	6,696,842	9,511,316
TOTAL	15,427,012	209,742,579

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

SCHEDULE 13 : OTHER INCOME

	Year ended 31.03.2009	Year ended 31.03.2008
Dividend from Mutual Fund Investment (Current - Non Trade)	9,750,853	11,901,295
Interest received on Deposits with Banks (TDS Rs. 2,45,076/-, Previous Year Rs. 3,83,866/-)	1,463,011	2,623,709
Interest Received on Income Tax Refund	1,069,812	151,762
Profit on Sale of Mutual Fund Investments (Current - Non Trade)	-	135,378
Profit on sale of Asset	-	5,814,304
Other Income	4,336,194	(970,938)
TOTAL	16,619,870	19,655,510

SCHEDULE 14 : DETAILS OF OPERATING EXPENSES

Salaries, Wages & Other Allowances for Floating Staff	202,874,893	213,057,344
Contribution to Provident Fund for Floating Staff	4,318,784	3,298,041
Staff Welfare for Floating Staff	2,165,296	1,846,591
TOTAL	209,358,973	218,201,976
Fuel/Lube Oils Consumed	628,133,507	577,864,046
Ocean Freight Charges	63,050,610	46,757,711
Port and Marine Dues	169,456,448	228,226,792
Stores and Spares Consumed	125,738,413	103,609,808
Crew Victualling	13,568,937	14,966,779
Repairs and Maintenance to Fleet	27,585,806	25,955,965
Insurance and Protection Club fee	39,251,029	38,104,850
Vessel Management and Agency Fees	66,661,491	81,802,615
Brokerage / Commission	10,449,018	2,605,401
Rates & Taxes	2,699,627	2,966,973
Dry Dock Expenses	14,112,692	33,513,439
Sundry Expenses	17,150,519	13,159,819
Terminal Handling Charges Domestic	214,446,582	204,125,648
Transportation Expenses	320,870,354	319,111,665
Other Domestic Expenses	34,769,015	31,677,862
Terminal Handling Charges Liner	51,573,551	92,504,418
Other Liner Expenses	16,354,397	4,505,559
Godown Rent	3,583,302	2,737,340
Container Lease Rent	60,841,601	54,038,291
Other Operating Expenses	1,267,451	2,080,531
Express Cargo Expenses	-	854,304
Trailer Expenses	3,533,438	2,568,714
Freight Forwarding Expenses	533,523,512	334,455,602
TOTAL	2,627,980,273	2,436,396,108



(AMOUNT IN RUPEES)

SCHEDULE 15 : ADMINISTRATION & OTHER EXPENSES

Salaries, wages and Other Allowances*

(*includes payments to Managerial Personnel)

Salaries and Bonus

91,709,645

77,573,924

Contribution to Provident Fund and Gratuity

5,128,690

11,221,079

Staff Welfare

6,155,638

4,682,543

TOTAL

102,993,973

93,477,546

Bad debts

695,966

-

Less Provision for eariler year no longer required written back

695,966

-

TOTAL

-

-

Provision for Doubtful Debts

21,914,997

6,062,184

Postage, Telephone and Fax

7,234,296

6,443,809

Travelling and Conveyance

7,137,941

9,205,100

Professional & Consultancy Fees

9,343,827

13,536,322

Provision for doubtful advances

2,344,386

-

Loss on Sale / Restatement of Current Non-trade Investments

4,850,864

-

Loss on Sale / Discard of Assets

15,223,243

707,636

Insurance Expenses

1,580,524

972,639

Rent

15,923,696

11,104,569

Rates & Taxes

989,054

282,304

Repairs and Maintenance

4,907,956

2,936,263

Gifts & Presents

42,290

11,597

Donations

51,201

950,000

Directors' Sitting fees

826,000

691,000

Other Expenses

28,100,413

30,303,393

TOTAL

223,464,661

176,684,362

SCHEDULE 16: INTEREST

On Loan from Banks

i) Term Loans

88,293,013

131,474,453

ii) Working Capital Loans

14,305,866

1,946,549

Others

261,119

131,925

TOTAL

102,859,998

133,552,927

SCHEDULE 17 : NOTES TO THE ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES****(i) Accounting basis and convention**

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Expenses specifically attributable to construction of a new built ship including forex loss/ gain on forward covers taken for the purposes of payment of installments to the ship-builder are capitalised.

When assets are retired or otherwise disposed off, the cost of such assets and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in the Profit and Loss Account.

(iii) Depreciation

In respect of fleet, the amount determined by charging the cost reduced by residual value as technically assessed equally over the expected useful life of the fleet or depreciation at the rate prescribed (5%) under the Schedule XIV of Companies Act, 1956 which ever is higher, is provided as depreciation.

In respect of second hand Trailors, the depreciation rate is based on balance useful life derived from the rate specified in Schedule XIV to the Companies Act, 1956.

Depreciation of Fixed Assets except software has been provided on straight line method on pro-rata basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of software, Depreciation is provided at 33.33% on Straight line method, which is higher than rate prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Depreciation has been provided prospectively, where the cost of depreciable asset has undergone change due to following :

- (a) Increase/decrease in Long term liability on account of exchange fluctuations.
- (b) Additions and major improvements forming an integral part of an asset.

Haytrans (India) Limited, a subsidiary, has provided depreciation on written down value method. The impact of depreciation on straight line method is not likely to be material and hence, not quantified or adjusted.

(iv) Investments

Long term Investments are stated at cost. Diminution in the value of investments, other than temporary in nature, is provided for.

Current investments are valued at cost or net realizable value whichever is lower.

(v) Inventories

Inventories are valued at lower of Cost or Net Realisable Value. The cost is determined under "First in First out" formula.

(vi) Foreign Exchange Transactions

a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.

b) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from the cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.

c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standards 11.

d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the Profit and Loss Account.

e) In respect of forward exchange contracts covering either Holding company's earnings or payment related to acquisition of fixed assets (other than firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period. In case of New Build ship, in respect of forward exchange contract entered into to hedge the foreign currency risk of a firm commitment or a highly probable forecast transaction (not covered by Accounting Standards 11 revised 2003), the Company capitalizes all the related costs including premium or discount, exchange differences and Profit/Loss on cancellation of such contracts, if any.



(vii) Derivatives

Derivatives are accounted as follows based on a limited early adoption of AS-30 to the extent not in conflict with legal provisions and other Accounting Standards:

- a) Fair value hedges are marked to market and the notional Loss or Gain is accounted in the Profit and Loss Account.
- b) Cash flow hedges are marked to market and the notional loss or gain is taken to Hedging reserve account.
- c) Other derivatives are marked to market and the notional losses or gains are booked in the Profit and Loss Account.

(viii) Revenue Recognition

- a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills.
- b) Operating Earnings represent the value of charter hire and freight earnings. Freight income is recognized once the ship calls on the port of delivery. In case of liner operations in Shreyas Relay System Ltd, a Subsidiary, income is recognized once the ship sails from the port of loading.
- c) Income and Expenses relating to unfinished leg of the voyage as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively. Expenses aggregated under unfinished leg of voyages include fixed and semi-fixed ship operating costs.
- d) Stores and Spares (other than lube oils and victualling) are charged off to Profit and Loss Account, on receipt.
- e) The revenue in respect of the duty free import licenses, under Served From India Scheme, is recognized as income in the books of account when and to the extent there is no significant uncertainty as to their ultimate realization.

(ix) Dry Dock/Special Survey expenses

Major Improvements/ Upgradation included in dry dock expenditure are capitalized as part of cost of ship.

Other dry dock/Special Survey expenses are charged to Profit and Loss Account as and when incurred.

(x) Asset Impairment

The Group reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

(xi) Assets Impairment Reserve

Considering that Shipping is cyclical and capital intensive, the Board, if so required in its judgment, sets aside a portion of Net Profits to Asset Impairment Reserve which will be utilized when an impairment loss arises.

(xii) Employee Benefits

The Group has a defined Contribution plan for shore Employees for Provident Fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss Account. The Group has no other obligation except the monthly contributions.

The Group has defined benefit plans namely gratuity and leave encashment and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognised immediately in Profit and Loss Account as Income / Expense.

Any other termination benefits are recognised as expenses immediately on the basis of actual expenses.

In respect of Floating staff, Provident Fund and Gratuity contributions are made to Seamen's Provident Fund and Seafarers Welfare Fund Society respectively. No Gratuity is payable in respect of officers who are on contract with the Company. Company has no further obligation except the monthly contributions.

(xiii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition / construction of the underlying qualifying fixed assets are capitalised as a part of the respective asset up to the date of acquisition / completion of construction.

(xiv) Provisions and Contingent liabilities

Provisions are recognised when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation can not be measured or where a realistic estimate of the obligation can not be made, contingent liabilities are recognised.

Contingent liabilities are also recognised when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more future events not wholly within the control of the group.

(xv) Taxation

The Holding company has opted for Tonnage Tax and Current Tax is the aggregate of Tonnage Tax for shipping income and income tax on non-shipping income. In view of Holding company opting for Tonnage Tax, there is no provision for deferred tax.

In case of subsidiaries, provision for tax is made as per Income Tax Act, 1961. Deferred tax resulting from difference between book and tax profit is accounted for at the current rate of tax, to the extent the timing differences are expected to crystallize. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date. When there are unabsorbed depreciation and carry forward losses as per Income Tax act, deferred tax assets are recognized only if there exists virtual certainty of their realization.

Deferred tax liability and deferred tax assets of companies in the Group have been aggregated in Consolidated financial statement.

NOTES ON ACCOUNTS

1. The list of subsidiaries which are included in the consolidated along with the group holding therein is given below :

Name of the Company	No. of Equity Shares held by Shreyas Shipping & Logisitics Limited		Holding %	
	2008-09	2007-08	2008-09	2007-08
Shreyas Relay Systems Ltd	25,00,000	25,00,000	100	100
Haytrans (India) Ltd	10,450	10,450	51.10	51.10

2. The following change in accounting policies has been made during the year.

- a) The Company has exercised the option provided by the Notification dated 31st March, 2009 issued by Ministry of Corporate Affairs under new Para 46 of Accounting Standard 11 "The effect of changes in foreign exchange rates" to capitalize / adjust the foreign exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets. The option has been exercised in respect of foreign currency loans pertaining to vessels which were in operation as at 31st March, 2009. Depreciation will be provided on these adjustments over the balance period of the assets.

The net exchange gain of Rs. 7,30,37,433/- (after considering exchange loss of Rs. 2,28,000/- in respect of foreign currency loans pertaining to Container equipment) which had been credited to Profit and Loss Account of the previous year ended 31st March 2008 has been reduced from the cost of the capital assets and debited to General Reserve. Corresponding reduction in depreciation for the previous year of Rs. 26,86,741/- has been debited to Depreciation reserve and credited to General Reserve.

Depreciation of Rs. 37,79,988/- has been provided less in the current year on account of the above adjustment to reserves. The exchange loss of Rs. 19,66,89,754/- in current year has been added to the cost of fixed asset and credited to Profit and Loss Account

Had this option not been exercised, the profit for the year would have been lower to the extent of Rs. 20,04,69,742/- and fixed assets would have been lower by Rs.13,01,19,050/-.

- b) Pursuant to the announcement issued by the Institute of Chartered Accountants of India on 28th March, 2008, the Holding company had early adopted Accounting Standard 30 (Financial Instruments) on a limited basis from the year 2007-08 to account for derivatives to the extent that the adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Companies Act and other regulatory requirements. Due to this change, a notional loss of Rs. 10,75,25,147/- (net) was taken to the Hedging Reserve account (recouped from General Reserve) in the previous year. During the year all these derivative contracts have been unwound and resultant loss /

gain has been charged to Profit and Loss Account. Consequently Rs. 10,75,25,147/- has been reverted to General Reserve.

3. a) The exceptional item in the previous year was on account of provision for wage arrears to crew in terms of National Maritime Board agreement dated 17th February, 2008 for the year 2006-2007 and 2007-2008.

- b) Prior period expenses represent

Current year : Port related expenses pertaining to earlier period Rs. 3,67,147/-

Previous year : (i) Profit on cancellation of forward contracts relating to acquisition of new ship recognised as revenue in 2006-07 reversed and capitalised in 2007-08 Rs. 56,05,247/-

(ii) Insurance premium pertaining to 2006-07 accounted in 2007-08 Rs. 3,99,800/-

Rs. 60,05,047/-

4. Disclosures as required by AS 15 revised (2005) on Employee benefits.:

(A) Gratuity Benefits

- (a) Description of the Gratuity Plan:

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement / death / incapacitation / termination of employment, of amounts that are based on salaries and tenure of the employees.

- (b) Amount recognized in the Balance Sheet and movements in net liability:

(In Rs. Lakhs)

PARTICULARS	2008-2009	2007-2008
Present Value of Funded Obligations	62.94	84.31
Fair Value of Plan Assets	(75.21)	(25.63)
Net Liability / (Asset) recognised in the Balance Sheet	(12.27)	58.68

*Gratuity liability is funded with Life Insurance Corporation of India (LIC) and the above net asset represents the excess between the fair value of Gratuity funds with LIC and the liability as per actuarial valuation. This is available for future adjustment and considered recoverable.

**The fair value of the plan assets does not include the Company's own financial instruments.

***The above figures do not include that of Subsidiary, Haytrans (India) Ltd (HIL) in the absence of detailed disclosures in the Standalone accounts. HIL has a provision of Rs. 5.64 Lakhs towards Gratuity.

****The net assets as aggregated for the Group Rs. 6.63 lakhs is grouped under "Loans & Advances".



(c) Expenses recognized in the Statement of Profit & Loss Account

(In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Current Service Cost	10.10	3.83
Interest on Defined Benefit Obligation	7.10	2.51
Expected Return on Plan Assets	(2.23)	(1.00)
Net Actuarial Losses/ (Gains) Recognized in the year	(16.43)	4.72
Past Service Cost	-	45.74
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	2.49	-
Total	1.03	55.80

*The actual return on Plan Assets is Rs. 2.39 lakhs (Previous year Rs. 1.59 lakhs.)

(d) Reconciliation of Benefit obligation & Plan assets for the Period

(In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	84.31	29.08
Current Service Cost	10.10	3.83
Interest Cost	7.10	2.50
Actuarial Losses / (Gain)	(16.27)	5.31
Past Service Cost	-	45.75
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / Settled on Divestiture	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(22.30)	(2.16)
Closing Defined Benefit Obligation	62.94	84.31

(In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Change in Fair Value of Assets		
Opening Fair Value of Plan Assets	25.63	12.69
Expected Return on Plan Assets	2.21	1.00
Actuarial Gain / (Losses)	0.16	0.59
Assets Distributed on Settlements	-	-
Contributions by Employer	72.00	13.51
Assets Acquired on Acquisition / (Distributed on Divestiture	-	-
Expected Difference on Foreign Plans	-	-
Benefits Paid	(22.30)	(2.16)
Amount not recognized as per assets (Limit para 59(b))	(2.49)	0.00
Closing Fair Value of Plan Assets	75.21	25.63
Expected Employer's Contribution Next Year	8.00	-

(e) Actuarial Assumptions at the Valuation date

Particulars	2008-2009	2007-2008
Discount Rate	7.25% p.a	7.80% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a	7.50% p.a.
Salary Escalation Rate	10.00% for the first 3 yrs & 7% thereafter	10.00% for the first 4 yrs & 7% thereafter

* This is based on estimation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Description of the Plan Assets

Category of Assets	2008-2009	2007-2008
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(In Rs Lakhs)

Particulars	2008-2009	2007-2008	2006-2007
Defined Benefit Obligation	62.94	84.31	29.08
Plan Assets	75.21	25.63	12.69
Surplus / (Deficit)	12.27	(58.68)	(16.39)
Exp. Adj. on Plan Liabilities	(18.63)	5.69	-
Exp. Adj. on Assets	0.16	0.59	-

(B) Privilege Leave Encashment (Compensated Absences for Employees)

The Group permits encashment of privilege leave accumulated by the employees on retirement/ separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privilege leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2008-2009	2007-2008
Discount Rate	7.25 % p.a.	7.80 % p.a.
Salary Escalation Rate	10.00% for the first 3 yrs & 7% thereafter	10.00% for the first 4 yrs & 7% thereafter

(b) Amount recognized in Balance Sheet & movements in net liability: (In Rs. Lakhs)

Particulars	2008-2009	2007-2008
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	65.54	48.69
Closing balance of present value of Compensated Absences (Y)	58.51	65.54
Movement in Net Liability (X - Y)	7.03	(16.85)

*The above figures do not include that of Subsidiary, Haytrans (India) Ltd (HIL) in the absence of detailed disclosures in the Standalone accounts. HIL has a provision of Rs 8.46 Lakhs towards Leave encashment.

(C) Payments made under defined Contribution Scheme:

(In Rs. Lakhs)

PARTICULARS	2008-2009	2007-2008
Contribution to Provident Fund & Gratuity		
Crew	43.19	32.98
Offshore Staff		
Contribution to Provident Fund	32.92	28.14

* The above figures do not include that of Subsidiary, Haytrans (India) Ltd (HIL) in the absence of detailed disclosures in the Standalone accounts.

5. MANAGERIAL REMUNERATION*

(Included under Salary, Wages and Allowances-Schedule -15)	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
TO MANAGING DIRECTOR*		
(i) Remuneration	47,52,000	59,40,000
(ii) Contribution to Provident Fund	4,60,800	5,36,400
(iii) Leave Travel Allowance	-	3,68,800
Total	52,12,800	68,45,200
TO EXECUTIVE DIRECTOR*		
(i) Remuneration	29,66,155	37,78,800
(ii) Contribution to Provident Fund	2,98,405	3,80,160
(iii) Leave Travel Allowance	1,18,356	1,50,000
(iv) Medical Allowance	11,836	15,000
(v) Special Reward	-	6,00,000
(vi) Leave Encashment	6,29,800	-
Total	40,24,552	49,23,960

*The above figures do not include contribution to Gratuity and for compensated absence as separate figures are not available.

6. CONTINGENT LIABILITIES

(Amount in Rupees)

	As at 31.03.2009	As at 31.03.2008
a) Claims against the Company not acknowledged as debts	10,64,09,031	10,57,00,000
b) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	NIL	24,54,31,000

	As at 31.03.2009	As at 31.03.2008
c) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance Company).	3,05,97,784	NIL
d) Bank Guarantees issued to customers/ vendors	24,30,000	33,00,000

7. Foreign currency exposures that are not hedged by derivative instruments.

(Amount in equivalent US Dollars)

Particulars	2008-2009	2007-2008
a) Receivables	7,74,591	9,05,865
b) Payables	10,95,648	25,61,112
c) FCNR Loan from Bank	1,56,71,360	6,00,000

The Group has no derivatives as at 31st March, 2009.

8. Segment Reporting:

a) Segmentwise Revenue and Results:

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
Revenue by Segment		
Shipping	9,791.09	10,682.18
Logistics	17,386.04	20,713.11
Freight Forwarding	6,023.64	3,763.92
Others	3,123.53	91.10
Total Revenue	36,324.30	35,250.30
Less: Intersegment Revenue	4,810.93	6,160.27
	31,513.37	29,090.03
Segment Results		
Shipping	174.82	1,133.75
Logistics	(839.31)	1,220.57
Freight Forwarding	(104.08)	(111.84)
Others	3,106.64	71.63
Total	2,338.07	2,314.11
Add: Other Income	300.01	662.76



Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
Less: i) Interest & Finance Charges	1,028.60	1,335.53
ii) Unallocated Expenditure	784.46	753.91
Profit before Tax , Prior Period, Exceptional & Extra ordinary items	825.02	887.43
Segment Depreciation		
Shipping	949.09	907.71
Logistics	461.93	463.94
Freight Forwarding	12.74	8.45
Unallocated	21.55	18.93

The Group operates in three business segments viz. Shipping, Logistics and Freight Forwarding. Shipping comprises Charter and Feeder Services, Logistics includes Shipping part of Domestic and Regional services and Freight Forwarding includes Sea and Air services of Haytrans (India) Limited.

- b) Geographical Segment (Based on primary Location of Customers)

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
In India	28,525.13	30,790.34
In Pakistan	293.17	390.83
Rest of World	7,506.00	4,069.13
Total Revenue	36,324.30	35,250.30

- c) Segment Capital employed

Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to individual segment assets and liabilities has been made. However, Depreciation has been allocated amongst segments based on best estimates of usage of fixed assets in the respective segments during the year.

- d) Others under Revenue and Results include profit on sale of ship Rs. 27,82,70,133/- (Net)(Previous year Rs. NIL/-).

9. Intangible Assets

Software is amortised over 3 Years and included under Office equipment in Schedule-4:Fixed Assets.

(Amount in Rupees)

Particulars	Year ended 31.3.2009	Year ended 31.3.2008
Opening Balance	2,235	1,66,627
Addition during the year	14,08,082	NIL
Total	14,10,317	1,66,627
Amortisation	2,87,739	1,64,392
Closing Balance	11,22,578	2,235

10. Accounting for Lease

- a) Shreyas Relay Systems Limited, a Subsidiary, has taken Containers on Cancelable Operating Lease and the lease rentals of Rs. 6,08,41,601/- (P.Y. Rs. 5,40,38,291/-) is charged to the Profit and Loss account
- b) The Group has taken Vehicles on Cancelable Operating Lease and the lease rental of Rs 25,67,220/- (Rs.26,80,719/-) is charged to the Profit and Loss Account.

11. Working of Earnings Per Share:

Particulars	Year ended on 31.3.2009	Year ended on 31.3.2008
Weighted average number of Equity shares	2,19,57,533	2,19,57,533
Nominal value Per Share	Rs. 10/-	Rs. 10/-
Profit for the year after Tax	5,58,61,457	Rs.6,93,16,167
Less: Preference Dividend + Tax (including proposed dividend)	1,08,52,062	Rs.1,24,71,667
Net Balance available to Equity Shareholders	Rs.4,50,09,395	Rs 5,68,44,500
Earnings Per Share (Basic & Diluted) including extraordinary and exceptional items.	Rs.2.05	Rs.2.59
Earnings Per Share (Basic & Diluted) excluding extraordinary and exceptional items.	Rs.2.05	Rs.3.10

12. Deferred Tax

(Amount in Rupees)

Particulars	Year ended	Year ended
	31.03.2009	31.03.2008
Deferred Tax Liabilities		
Timing Difference on Depreciation	-	96,11,000
Less:		
Deferred Tax Assets		
Timing differences on Leave encashment & Preliminary Expense	-	20,37,955
Difference in WDV of Assets	-	35,336
Net Deferred Tax Liability	-	75, 37,709

In case of Shreyas Relay Systems Limited, a subsidiary, the Net Deferred Tax Liability as on 31st March, 2008 has turned into a net deferred tax asset as at 31st March, 2009 on account of substantial business loss during the year. However, no deferred tax asset has been recognized in the accounts in the absence of evidence of virtual certainty of its realization in the near future. Under the circumstances, reversal of liability has been restricted to the amount previously recognized as liability.

In case of Haytrans (India) Limited, a subsidiary, considering the uncertainty of realisation of deferred tax asset in future, the deferred tax asset of previous year of Rs. 9,49,291/- has been reversed and no deferred tax asset has been recognised for the year ended 31st March, 2009.

13. Related Party Transactions (Refer Annexure I)
14. Previous year's figures have been regrouped / recast wherever necessary to conform to the current year's classifications.

SIGNATURES TO SCHEDULES 1 TO 17

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 17th June, 2009

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer


RELATED PARTY TRANSACTIONS (as on 31.03.2009)
Annexure 1
(Rs.in 000)

Transaction	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Charter hire income							
Orient Express Lines Ltd., Mauritius	-	30,217	-	-	-	30,217	182,413
Shreyas World Navigation Pte Ltd Singapore	-	7,652	-	-	-	7,652	-
Balaji Shipping (UK) Ltd.	-	-	-	-	-	-	-
Service / freight income							
Balaji Shipping (UK) Ltd.	-	19,115	-	-	-	19,115	8,869
Orient Express Lines Ltd., Mauritius	-	61,414	-	-	-	61,414	7,183
Relay Shipping Agency Ltd	-	-	35,469	-	-	35,469	3,348
Clarion Solutions Ltd.	-	-	4,936	-	-	4,936	245
Albatross Shipping Ltd	-	-	393	-	-	393	3,397
Oel Shipping Agency SDN Bhd-PKL	-	-	96	-	-	96	-
Trailer Income							
Admec Logistics Ltd.	-	-	4,071	-	-	4,071	2,915
Forwarding Income							
United Arab Shipping Co.(I) Pvt Ltd.	-	-	871	-	-	871	1,686
Cresecent Shipping Agency I Ltd.	-	-	166	-	-	166	367
Meridian Shipping Agency I Ltd.	-	-	3	-	-	3	32
NLS Agency I Ltd.	-	-	787	-	-	787	57
Transworld Logistics Ltd.	-	-	2	-	-	2	23
TLPL Logistics Pvt Ltd.	-	-	478	-	-	478	2,147
Albatross Shipping Ltd.	-	-	69	-	-	69	1,179
Relay Shipping Agency Ltd.	-	-	14	-	-	14	4
Merdian Shipping Trading LLC	-	-	33	-	-	33	36
Sea Bridge Shipping	-	-	-	-	-	-	12
Transworld Logistics Shipping Services - USA	-	-	78	-	-	78	88
Ocean Sea Freight Charges							
Orient Express Lines Ltd., Mauritius	-	48,127	-	-	-	48,127	647
Orient Express Linse (S) Pte. Ltd., Singapore	-	1,392	-	-	-	1,392	18
Relay Shipping Agency Ltd.	-	-	-	-	-	-	18
Stores, spares, victualling, Repairs, handling and forwarding expenses, etc. paid							
ADMEC Logistics Ltd.	-	-	9,860	-	-	9,860	13,019
Vessel management fees paid							
Orient Express Ship Management Ltd.	-	-	29,417	-	-	29,417	33,000
Fowarding Expenses							
United Arab Shipping Co.(I) Pvt Ltd.	-	-	42,648	-	-	42,648	92,836
Cresecent Shipping Agency I Ltd.	-	-	17,364	-	-	17,364	19,538
Meridian Shipping Agency I Ltd.	-	-	6,772	-	-	6,772	5,271
NLS Agency I Ltd.	-	-	2861	-	-	2,861	7,225

RELATED PARTY TRANSACTIONS (as on 31.03.2009) (Contd.)

Transaction	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Transworld Logistics Ltd.	-	-	278	-	-	278	1,171
TLPL Shipping Pvt. Ltd.	-	-	-	-	-	-	132
TLPL Logistics Pvt Ltd.	-	-	7,114	-	-	7,114	554
Albatross Shipping Ltd.	-	-	3,261	-	-	3,261	3,444
Admec Logistics Ltd.	-	-	242	-	-	242	394
Relay Shipping Agency Ltd.	-	-	2,411	-	-	2,411	253
Merdian Shipping Trading LLC	-	-	1	-	-	1	455
Sea Bridge Shipping	-	-	349	-	-	349	322
Transworld Logistics Shipping Services - USA	-	-	255	-	-	255	941
Agency Fees paid							
Relay Shipping Agency Ltd.	-	-	27,674	-	-	27,674	34,458
Lanka Orient Express line	-	-	5,116	-	-	5,116	771
Crescent Shipping Agency (India) Ltd.	-	-	597	-	-	597	77
Clarion shipping agency (Pvt) Ltd Colombo	-	-	274	-	-	274	396
Seabridge Shipping co LLC	-	1,962	-	-	-	1,962	1,441
Oel Shipping Agency SDN Bhd-PKL	-	-	222	-	-	222	-
Meridian Shipping & Trdg LLC - Muscat	-	-	174	-	-	174	-
Transworld Logistics Ltd	-	-	0.42	-	-	0.42	-
Transportation charges paid							
Admec Logistics Ltd	-	-	7,076	-	-	7,076	749
Trailor Expenses							
Admec Logistics Ltd	-	-	3,517	-	-	3,517	112
Donation paid							
Sivaswamy Memorial Charitable Trust	-	-	-	-	-	-	400
Rent paid							
Sivaswamy Holdings Pvt. Ltd.	-	-	10,421	-	-	10,421	9,145
S. Ramakrishnan	-	-	-	442	-	442	398
Transworld Mgt Consultancy P Ltd.	-	-	154	-	-	154	-
Container charges paid							
Admec Logistics Ltd	-	-	3,444	-	-	3,444	2,457
Vehicle Lease Rent paid							
Mrs. Savita Kshirsagar	-	-	-	-	380	380	455
Managerial Remuneration paid							
Mr. S. Ramakrishnan	-	-	-	5,213	-	5,213	6,845
Mr. Anil Devli	-	-	-	4,025	-	4,025	4,924
Mr. Vinay Kshirsagar	-	-	-	2,728	-	2,728	3,491
Personnel Delegation							
Transworld Management Private Ltd.	-	-	2,540	-	-	2,540	4,320
Purchase of Assets							
Transworld Logistics Ltd	-	-	122	-	-	122	34,484
Clarion Solutions Ltd	-	-	23	-	-	23	-
Admec Logistics Ltd	-	-	-	-	-	-	2,332


RELATED PARTY TRANSACTIONS (as on 31.03.2009) (Contd.)

Transaction	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Sale of Asset							
Crescents Shipping Agency (India) Ltd	-	-	16	-	-	16	-
Relay Shipping Agency Limited	-	-	320	-	-	320	-
Sale of Vessel							
Orient Express Lines - Panama	-	1,727,493	-	-	-	1,727,493	-
Dividend Paid on Equity Shares							
Transworld Holdings Ltd.	24,703	-	-	-	-	24,703	-
Mr. S. Ramakrishnan	-	-	-	219	-	219	-
Mrs. Geeta Ramakrishnan	-	-	-	-	217	217	-
Mr. Ritesh Ramakrishnan	-	-	-	-	337	337	-
Ms. Anisha Ramakrishnan	-	-	-	-	1,951	1,951	-
Mrs. Valli Sivaswamy	-	-	-	-	767	767	-
Mrs. Mala Mahesh	-	-	-	-	217	217	-
Master Murali Mahesh	-	-	-	-	337	337	-
Kumari Mithila Mahesh	-	-	-	-	1,951	1,951	-
Mr. S. Mahesh	-	-	-	-	225	225	-
Mr. V. Ramnarayan	-	-	-	219	-	219	-
Mrs. Brinda Ramnarayan	-	-	-	-	217	217	-
Mr. Rajan Ramnarayan	-	-	-	-	282	282	-
Mr. Rajiv Raamnarayan	-	-	-	-	273	273	-
Mr. Anil Devli	-	-	-	12	-	12	-

RELATED PARTY TRANSACTIONS (as on 31.03.2009)
Outstanding balances pertaining to related parties as at 31st March, 2009 (In Rs.'000)

Nature of balance	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Relatives of Key Management personnel*	Total as on 31.03.2009	Total as on 31.03.2008
Debit balance due to company	-	7,782	92,674	-	-	100,456	107,044
Credit balance due from company	-	4,056	10,259	-	-	14,316	13,106

- NOTE:** 1) Figure have been adjusted for exchange rate variations
2) Reimbursement of expenses incurred by/to Group Companies is not included here.

*** Names of related parties**

Nature of relationship	Name of the related party
Holding company	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31 st March, 2009)
Fellow subsidiaries	Shreyas World Navigation Pte. Ltd., Singapore Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Orient Express Lines Inc, Panama Balaji Shipping (UK) Ltd. Balaji Shipping Co. SA, Panama Aqua Container Lines Ltd. Mauritius Jubilee Shipping Inc. Panama Sea Bridge Shipping L.L.C.

Nature of relationship	Name of the related party
Other related parties	ADMEC Logistics Ltd. Albatross CFS Pvt Ltd Albatross Logistics Centre (I) Pvt Ltd Albatross Shipping Ltd. Albatross Shipping Pvt. Ltd. Clarion Shipping Ltd, Colombo Clarion Shipping (Pvt.) Ltd, Colombo Clarion Solutions Ltd. Crescent Shipping Agency (India) Ltd. Crescent Take Global Supply Chain Pvt. Ltd. Haytrans Limited, Mauritius Lanka Orient Express Lines Ltd. Colombo Meridian Shipping & Trdg LLC - Muscat Meridian Shipping Agency (I) Ltd. Meridian Shipping Agency Pvt. Ltd. NLS Agency (India) Pvt. Ltd. Orient Express Ship Management Ltd. Relay Shipping Agency Ltd. Sivaswamy Holdings Pvt. Ltd. Sivaswamy Memorial Charitable Trust Tejas Oil Pvt. Ltd. TLPL Logistics Pvt. Ltd. TLPL Shipping Pvt. Ltd. Transcorp Finance Ltd. Transcorp Securities Ltd. Transworld Cultural & Sports Foundation Transworld Logistics Ltd. Transworld Management Consultancy Pvt. Ltd. Transworld Oil Pvt. Ltd. Transworld Shippig & Logistics Ltd. Transworld Shipping Services (I) Pvt. Ltd. Trident Terminals Pvt. Ltd. Trident Trading Pvt. Ltd. Transworld Logistics Shipping Services - USA United Arab Shipping Co.(I) Pvt. Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V. Ramnarayan Mr. Vinay Kshirsagar Mr. Anil Devli
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Master Murali Mahesh Kumari Mithila Mahesh Mrs. Valli Sivaswamy Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Raamnarayan Mrs. Savita Kshirsagar



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	(AMOUNT IN RUPEES)	
	Year ended 31 st March 2009	Year ended 31 st March 2008
A Cashflow from operating activities		
Net profit/ (Loss) Before tax	82,502,777	88,743,140
Adjusted for non operating expenses (income)		
Depreciation	144,530,716	139,903,282
Pre-acquisition Profit (51.10%)	-	2,245,496
Minority Interest	-	(4,764,660)
Profit on Sale on Asset	(278,270,133)	-
Loss on Sale on Fixed assets	15,223,243	707,636
Loss/(Profit) on Sale of Investments	4,850,864	(135,378)
Provision for Gratuity & Leave Encashment adjusted Opening Reserve	-	(4,000,094)
Interest Expenses	102,859,998	133,552,927
Exchange Loss/(Gain) on Current Assets & Liabilities	701,398	(46,620,389)
Income for current Investments	(9,750,853)	(11,901,295)
Interest Income	(1,463,011)	(2,775,471)
Operating Profit Before Working Capital changes	(a)	294,955,194
Adjustments for : Increase/(Decrease) in Working Capital		
Increases/(Decreases) in Current Assets		
Inventories	(29,927,442)	22,297,054
Sundry Debtors	(131,481,966)	149,641,816
Other Current Assets, Loans and Advances	7,745,844	(49,150,733)
	(153,663,564)	122,788,137
Less: Increases(Decreases) in Current Liabilities & Provision	(131,208,750)	220,721,879
Net Increases(Decreases) in Working Capital	(b)	(97,933,742)
Cash Generated from Operations	(a) - (b) (c)	392,888,936
Less: Taxation	47,479,121	56,226,573
Add : Exceptional Items	8,750	10,732,544
Less : Prior Period	367,147	6,005,047
Less : Dividend Paid	-	77,250
Less: Goodwill Written Off	-	455,149
NET CASH FROM OPERATING ACTIVITIES	(A)	319,392,373
B Cash flow from investing activities		
Addition / Revaluation to fixed Assets including Capital Work in Progress	(568,038,871)	(1,158,771,721)
Sale of Fixed Assets	2,151,155,619	2,103,177
Sale of investments	166,673	64,748,122
Purchase of Investments	-	(166,673)
Interest Income	1,463,011	2,775,471
Diminution in value of Investments	1,000,000	-
Income from current investments	4,899,988	11,901,295
NET CASH FROM INVESTING ACTIVITIES	(B)	(1,077,410,328)
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(1,292,307,159)	723,199,925
Redemption of Preference Shares	(39,000,000)	-
Interest Expenses	(102,859,998)	(133,552,927)
Exchange Loss/(Gain) on Current Assets & Liabilities	-	46,620,389
Dividend Paid	(56,388,726)	-
Tax on dividend paid	(9,583,269)	-
NET CASH FROM FINANCING ACTIVITIES	(C)	636,267,387
NET CHANGES IN CASH & CASH EQUIVALENT	(A+B+C)	(121,750,568)
CASH & CASH EQUIVALENTS - OPENING BALANCE	85,638,673	200,424,631
OPENING BALANCE OF CASH & CASH EQUIVALENTS	-	6,964,610
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	126,309,563	(121,750,568)
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	460,750	-
CASH & CASH EQUIVALENTS - CLOSING BALANCE	212,408,986	85,638,673
CASH ON HAND (Refer Schedule 8)	2,125,377	4,318,536
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Schedule 8)	31,434,510	48,205,255
INVESTMENT IN LIQUID FUND SECURITIES (Refer Schedule 5)	178,849,099	33,114,882
TOTAL	212,408,986	85,638,673

Notes: 1) The above statement has been prepared by indirect method except in case of dividend and investments which have been considered on the basis of actual movement of cash.
2) Cash and Cash equivalents include cash and bank balances and Investments in Liquid funds and Mutual Funds.

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants

S. Ramakrishnan

Partner

Membership No. 18967

Place : Mumbai

Date : 17th June, 2009

S. Ramakrishnan

Chairman & Managing Director

Place : Mumbai

Date : 17th June, 2009

Directors' Report

Your Directors are pleased to present the Sixteenth Annual Report and the Audited Accounts for the financial year ended 31st March 2009.

FINANCIAL PERFORMANCE

	Current Year ended 31.03.2009	(Rs. in Lacs) Previous Year ended 31.03.2008
Operating Income	12,595.16	14,437.65
Other Income	29.09	89.52
Profit before Interest, Depreciation and Tax	(601.23)	160.56
Less: Interest	157.89	91.30
Depreciation	97.84	67.45
Profit Before Tax	(856.96)	1.81
Less: Provision for Tax		
Current	-	0.21
Deferred	(84.87)	37.13
Fringe Benefit Tax	4.55	5.45
Prior Year	3.66	-
Profit / (Loss) After Tax	(780.30)	(40.98)
Surplus / Deficit Brought Forward from Previous Year	207.54	254.55
Opening adjustment for gratuity and compensated absence	-	6.03
Opening adjustment towards capitalization of changes in foreign exchange rates	2.28	-
Surplus / Deficit Carried to Balance Sheet	(570.48)	207.54

DIVIDEND

Your Directors do not recommend any Dividend for the financial year 2008-09.

SHARE CAPITAL

During the year Company has issued 10,00,000 11% Non-Convertible, Cumulative, Redeemable Preference Shares of Rs.100/- each to its holding Company Shreyas Shipping and Logistics Limited.

REVIEW OF OPERATIONS

Your company is the logistics arm of Shreyas Shipping & Logistics Ltd. The Indian logistics industry offer immense growth and opportunities are expected to grow over the next decade. This has prompted competition in the Indian domestic market.

The Company presently operates on the West coast and the South coast. In addition to extending its service to Pipavav and Mangalore, the Company has also introduced newer commodities in the trade.

The present global recession has impacted the logistics business in India to some extent. However given the pattern of domestic consumption in India, the Indian logistics business is insulated from this trend to some extent.

QUALITY

Your Company firmly believes that the pursuit of excellence is one of the most critical components for success in the competitive market and therefore consistently strives to adhere to the highest quality standards. Your company has been certified by DNV Quality

Registrar in accordance with Standard ISO 9001: 2000 for Systems for Multimodal Transportation of Cargo upto 30th November 2009.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

HOLDING COMPANY

Your Company continues to be a subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 4(1)(b) of the Companies Act, 1956.

SUBSIDIARY COMPANY

The Company has no subsidiary company during the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. S. Ramakrishnan retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Anil Devli resigned as Executive Director of the Company w.e.f. 13th January, 2009 and Mr. V. Ramnarayan is designated as Executive Director w.e.f. 13th January, 2009. Mr. V. Ramnarayan is a promoter director of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO

Under the Notification No. GSR 1029 dated 31st December 1988, Companies are required to furnish prescribed information regarding

conservation of energy and technology absorption. This however does not apply to your Company, as the industry in which the Company operates is not included in the Schedule to the relevant rules.

With regard to foreign exchange earnings and outgo, the position is as under:

		Rs. in Lacs (2008-09)
(i)	Foreign exchange earnings (on accrual basis)	329.20
(ii)	Foreign exchange outgo including operating and other expenditure, purchase of containers in foreign currency (on accrual basis)	943.94

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2009;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on 31st March, 2009;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a 'going concern' basis'.

AUDITORS

M/s PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and offer themselves for reappointment. A certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

COST AUDIT

The Central Government has not recommended cost audit of the Company during the year under consideration.

PERSONNEL

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 which is required to form part of this Report has been sent to the shareholders separately.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation and acknowledge with gratitude, the support and co-operation that Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Corporate Affairs, the Directorate General of Shipping, the Mercantile Marine Department, the Reserve Bank of India, the Central Board of Excise and Customs and other government agencies.

Your Directors thank the Company's clients, vendors, bankers and the employees and look forward to their continued support.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 17th June, 2009

S. Ramakrishnan
Chairman

Auditors' Report

To

The Members of Shreyas Relay Systems Ltd.

1. We have audited the attached Balance Sheet of Shreyas Relay Systems Ltd. as at 31st March 2009, the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - (b) In case of the Profit and Loss account, of the loss for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam.

Chartered Accountants

S. Ramakrishnan

Partner

M. No. : 18967

Place : Mumbai

Date : 17th June, 2009

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

- | | |
|---|--|
| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;</p> <p>(c) A substantial part of fixed assets have not been disposed off during the year;</p> <p>(ii) The Company has no inventories;</p> <p>(iii) (a) The Company has not given any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act;</p> <p>(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act;</p> <p>(iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;</p> <p>(v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and</p> <p>(b) In respect of transactions exceeding the value of Rs Five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time;</p> <p>(vi) The Company has not accepted deposits from the public;</p> <p>(vii) The Company has an internal audit system commensurate with its size and nature of its business;</p> | <p>(viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act;</p> <p>(ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable;</p> <p>(b) There are no dues of Income tax/ Wealth tax/Service tax//custom duty/Cess that have not been deposited on account of any dispute;</p> <p>(x) The company has accumulated losses of Rs. 571 lakhs which is less than 50% of its paid up share capital of 1250 lakhs (Net worth before adjusting losses). The Company has incurred cash loss during the year. However, there was no cash loss during the previous financial year;</p> <p>(xi) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders;</p> <p>(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;</p> <p>(xiii) As the Company is not a Nidhi/Mutual benefit fund/ Society, the provisions of special statute applicable to chit fund, is not applicable to this Company;</p> <p>(xiv) The Company is not dealing or trading in shares, securities, debentures and other investments;</p> <p>(xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions;</p> <p>(xvi) The term loans taken from the Bank were applied for the purpose for which they were obtained;</p> |
|---|--|

- (xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment;
- (xviii) The Company has made preferential allotment of preference shares to its holding company, Shreyas Shipping & Logistics Limited during the year;
- (xix) The Company has not issued any debentures;
- (xx) There have been no public issues during the year;
- (xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan
Partner
M. No. : 18967

Place : Mumbai
Date : 17th June, 2009

BALANCE SHEET AS AT 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2009	AS AT 31.03.2008
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	125,000,000	25,000,000
RESERVES AND SURPLUS	2	-	20,754,310
		<u>125,000,000</u>	<u>45,754,310</u>
LOAN FUNDS			
SECURED LOANS	3	174,209,199	200,042,544
		<u>174,209,199</u>	<u>200,042,544</u>
DEFERRED TAX LIABILITY (NET)		-	8,487,000
TOTAL		<u><u>299,209,199</u></u>	<u><u>254,283,854</u></u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	174,083,737	167,155,974
LESS : DEPRECIATION		21,831,985	12,942,339
NET BLOCK		152,251,752	154,213,635
CAPITAL WORK- IN-PROGRESS		-	205,616
TOTAL		<u><u>152,251,752</u></u>	<u><u>154,419,251</u></u>
CURRENT ASSETS, LOANS AND ADVANCES			
SUNDRY DEBTORS	5	88,771,399	166,626,652
CASH AND BANK BALANCES	6	9,646,329	11,372,841
OTHER CURRENT ASSETS	7	13,554,176	15,250,500
LOANS AND ADVANCES	8	58,108,028	77,714,430
CURRENT ASSETS TOTAL (A)		<u>170,079,932</u>	<u>270,964,423</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	9	77,195,217	167,695,395
PROVISIONS	10	2,974,963	3,404,425
CURRENT LIABILITIES TOTAL (B)		<u>80,170,180</u>	<u>171,099,820</u>
NET CURRENT ASSETS (A - B)		<u>89,909,752</u>	<u>99,864,603</u>
PROFIT & LOSS ACCOUNT- DEFICIT	16	57,047,695	-
TOTAL		<u><u>299,209,199</u></u>	<u><u>254,283,854</u></u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 17th June, 2009

S. Ramakrishnan
Chairman

V. Ramnarayan
Executive Director

Sameer Chavan
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	Year ended 31.03.2009	Year ended 31.03.2008
INCOME			
OPERATING EARNINGS	11	1,259,515,717	1,443,765,324
OTHER INCOME	12	2,909,140	8,951,599
TOTAL INCOME		1,262,424,857	1,452,716,923
EXPENDITURE			
OPERATING EXPENSES	13	1,254,486,992	1,387,539,845
ADMINISTRATION & OTHER EXPENSES	14	68,060,872	49,121,058
INTEREST	15	15,789,452	9,129,530
DEPRECIATION	4	9,783,556	6,745,238
TOTAL EXPENDITURE		1,348,120,872	1,452,535,671
PROFIT/ (LOSS) BEFORE TAX		(85,696,015)	181,252
PROVISION FOR TAX			
- CURRENT		-	21,000
- DEFERRED TAX		(8,487,000)	3,712,582
- FRINGE BENEFIT TAX		455,000	545,000
- PRIOR YEAR		365,990	-
PROFIT/(LOSS) AFTER TAX Carried to Schedule 2		(78,030,005)	(4,097,330)
NOTES TO THE ACCOUNTS	17		
Face value of Shares Rs.10/- each			
Earnings per Share (Basic & Diluted) Ref Note No. 4 In Schedule No.17		(33.82)	(1.64)

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered AccountantsS.Ramakrishnan
Partner
Membership No. 18967Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
ChairmanV. Ramnarayan
Executive DirectorSameer Chavan
Company Secretary

SCHEDULES TO BALANCE SHEET

(AMOUNT IN RUPEES)

SCHEDULE 1 : SHARE CAPITAL

AUTHORISED

30,00,000	Equity Shares of Rs 10/- each
1,00,000	11% Non-Convertible, Cumulative, Redeemable Preference Shares of Rs 100/- each.

ISSUED, SUBSCRIBED AND PAID-UP

25,00,000	Equity Shares of Rs 10/- each fully Paid up
1,00,000	11% Non-Convertible, Cumulative, Redeemable Preference Shares of Rs 100/- each fully paid up Date of allotment 27 th September, 2008 To be redeemed at par in four equal tranches at the end of 12 th , 24 th , 36 th , 48 th month from the date of allotment. All the shares are held by Shreyas Shipping & Logistics Ltd, the Holding Company and/or its nominees.

TOTAL

SCHEDULE 2 : RESERVES AND SURPLUS

SURPLUS:

As per last Balance Sheet	20,754,310	25,454,800
Less : Opening adjustment for Gratuity & Compensated Absence (Accounting Standard-15)	-	603,160
Add : Opening adjustment towards capitalisation of changes in foreign exchange rates in line with Notification dated 31 st March, 2009 with regard to Accounting Standard - 11 (Refer no.1 in Schedule No.17)	228,000	-
Add : Profit/(Loss) after tax transferred from Profit and Loss Account	(78,030,005)	(4,097,330)
	(57,047,695)	20,754,310
Less : Deficit transferred to Schedule No.16 Profit and Loss Account- Deficit	(57,047,695)	-
TOTAL	-	20,754,310

SCHEDULE 3 : SECURED LOANS

From Banks

Standard Chartered Bank (Term Loan) Secured by Hypothecation of specific Containers, Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius, the Ultimate Holding Company. (Due within 12 Months Rs 58,133,333)	66,266,667	74,400,000
Standard Chartered Bank (Short Term Working Capital Loan) Secured by first pari passu charge over the books debts of the Company, Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius, the Ultimate Holding Company.	-	92,500,000
State Bank of India (FCNR Term Loan including interest due) Secured by Hypothecation of specific Containers and Corporate guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company. (Due within 12 Months Rs. 15,285,000)	30,749,004	24,394,203
Standard Chartered Bank (Working Capital Overdraft) Secured by first pari passu charge over the books debts of the Company, Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius, the Ultimate Holding Company.	77,193,528	8,748,341
TOTAL	174,209,199	200,042,544

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN RUPEES)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2008	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2009	AS AT 01.04.2008	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
CONTAINER EQUIPMENTS	154,666,215	13,025,666	-	167,691,881	11,800,961	7,660,940	-	19,461,901	148,229,980	142,865,254
FURNITURE & FIXTURES	7,652,864	590,309	6,819,533	1,423,640	460,782	1,096,282	793,236	763,828	659,812	7,192,082
COMPUTERS	1,349,972	606,651	226,196	1,730,427	281,705	283,735	67,978	497,462	1,232,965	1,068,267
OFFICE EQUIPMENTS	1,154,655	121,234	370,368	905,521	88,068	67,599	32,696	122,971	782,550	1,066,587
TRAILOR (VEHICLE)	2,332,268	-	-	2,332,268	310,823	675,000	-	985,823	1,346,445	2,021,445
TOTAL AS ON 31.03.2009	167,155,974	14,343,860	7,416,097	174,083,737	12,942,339	9,783,556	893,910	21,831,985	152,251,752	154,213,635
TOTAL AS ON 31.03.2008	108,532,656	59,404,769	781,451	167,155,974	6,295,884	6,745,238	98,783	12,942,339	154,213,635	

Note :

Current year addition under Container Equipments include Rs.6,570,000/- towards adjustment for exchange differences arising on foreign currency loans related to acquisition of Container Equipments. (Refer Note 1 in Schedule 17 Notes to the Accounts)

SCHEDULE 5 : SUNDRY DEBTORS

(Unsecured, considered good, unless otherwise stated)

Debts outstanding for a period exceeding six months

 Considered Good

 Considered doubtful

Others

 Considered Good

 Considered doubtful

Less: Provision for doubtful debts

TOTAL

AS AT 31.03.2009	AS AT 31.03.2008
7,219,798	7,526,041
5,994,822	692,041
81,551,601	159,100,611
5,071,582	3,925
99,837,803	167,322,618
11,066,404	695,966
88,771,399	166,626,652

SCHEDULE 6 : CASH AND BANK BALANCES

Cash on Hand

With Scheduled Banks

 in Current Accounts

 in Margin Money Deposit*

(*Pledged with Bank as Margin for Guarantees issued)

TOTAL

17,137	29,053
8,999,192	10,843,788
630,000	500,000
9,646,329	11,372,841

(AMOUNT IN RUPEES)

SCHEDULE 7 : OTHER CURRENT ASSETS

	AS AT 31.03.2009	AS AT 31.03.2008
Income accrued	-	1,950,000
Interest income accrued but not due	40,475	30,938
Unfinished Voyage Expenses	13,196,380	12,429,556
Claims Receivable	317,321	840,006
TOTAL	13,554,176	15,250,500

**SCHEDULE 8 : LOANS AND ADVANCES
(Unsecured, considered good)**

Advance for Capital Expenditure	-	6,127,589
Advances recoverable in cash or in kind or for value to be received	25,494,446	46,087,519
Advance Income Tax Less Provisions (includes Fringe Benefits Tax)	31,907,959	23,708,137
Deposits	705,623	1,791,185
TOTAL	58,108,028	77,714,430

SCHEDULE 9 : CURRENT LIABILITIES

Sundry Creditors for Trade		
Due to Micro and Small Enterprises	-	-
Due to Others	48,608,311	153,149,042
Creditors for Expenses	4,737,190	9,200,386
Unfinished voyage income	21,097,123	1,320,200
Other Liabilities	2,752,593	4,025,767
TOTAL	77,195,217	167,695,395

SCHEDULE 10 : PROVISION

Provision for Compensated Absence	2,457,887	2,420,963
Provision for Gratuity	517,076	983,462
TOTAL	2,974,963	3,404,425

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

	Year ended 31.03.2009	Year ended 31.03.2008
SCHEDULE 11 : OPERATING EARNINGS		
Domestic Freight income	1,073,412,557	1,110,556,541
Liner Income	182,032,560	329,720,634
Express Cargo Income	-	573,149
Trailer Income	4,070,600	2,915,000
TOTAL	1,259,515,717	1,443,765,324
SCHEDULE 12: OTHER INCOME		
Interest on bank deposit (Gross)	75,128	51,682
(TDS Rs. 10,989/- Previous Year Rs. 11,711/-)		
Interest on Income Tax Refund	578,184	-
Other Income	905,217	1,950,315
(includes profit share on Operational Arrangement CY Rs. 536,364 PY Rs.1,950,000)		
Gains on exchange Rate Variation (Net)	1,350,611	6,949,602
TOTAL	2,909,140	8,951,599
SCHEDULE 13 : OPERATING EXPENSES		
Terminal Handling Charges Domestic	214,446,582	204,125,648
Transportation Expenses	320,870,354	319,111,665
Other Domestic Expenses	34,769,015	31,677,862
Terminal Handling Charges Liner	51,573,551	92,504,418
Other Liner Expenses	16,354,397	4,505,559
Godown Rent	3,583,302	2,737,340
Trailer Expenses	3,533,438	2,568,714
Container/Cargo Insurance	4,000,743	2,347,784
Container Lease Rent	60,841,601	54,038,291
Other Operating Expenses	1,267,451	2,080,531
Express Cargo Expenses	-	854,304
Agency Fees	8,738,955	15,812,741
Brokerage / Commission	9,549,021	5,471,975
Ocean Freight Charges	524,958,582	649,703,013
TOTAL	1,254,486,992	1,387,539,845

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

SCHEDULE 14 : ADMINISTRATION & OTHER EXPENSES

Salaries and Other Allowances

Salaries and Bonus

27,296,980

22,413,654

Contribution to Provident Fund and Gratuity

1,577,827

1,586,657

Staff Welfare

2,619,511

1,515,721

TOTAL

31,494,318

25,516,032

Bad debts

695,966

-

Less: Provision for earlier year no longer required written back

695,966

-

TOTAL

-

-

Provision for Doubtful Debts

11,066,404

695,966

Postage, Telephone and Fax

1,974,821

1,724,802

Travelling and Conveyance

1,633,766

2,190,226

Professional & Consultancy Fees

1,461,623

3,689,455

Insurance Expenses

309,723

200,657

Gifts & Presents

42,290

11,597

Rent

5,666,473

5,515,920

Loss on Sale / Discard of Assets

6,102,368

378,699

Director Sitting Fees

160,000

85,000

Rates and Taxes

800,000

100,000

Repairs and Maintenance

1,760,291

1,345,500

Donation

200

400,000

Miscellaneous Expenses

5,588,595

7,267,204

TOTAL

68,060,872

49,121,058

SCHEDULE 15 : INTEREST

On Loans for Fixed Periods

8,527,607

7,182,981

On Working Capital Loan & Overdraft

7,261,845

1,946,549

TOTAL

15,789,452

9,129,530

SCHEDULE 16 : PROFIT AND LOSS ACCOUNT - DEFICIT

Deficit transferred from Reserve and Surplus (Refer Schedule No. 2)

57,047,695

-

TOTAL

57,047,695

-

SCHEDULE 17 : NOTES TO THE ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES****(i) Accounting basis and convention**

The Financial Statements are prepared under the historical cost convention on accrual and going concern basis and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

When assets are retired or otherwise disposed off, the cost of such assets and related accumulated depreciation are removed from the accounts. Any profit or loss on retirement or other disposal is reflected in Profit and Loss Account.

(iii) Depreciation

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of second hand Trailors, the depreciation rate is based on balance useful life derived from the rate specified in Schedule XIV to the Companies Act, 1956.

Depreciation on leasehold improvements is provided on the basis that the leases would be renewed consistent with past practice.

Where the cost of depreciable asset has undergone change due to increase/decrease in

- Long term liability on account of exchange fluctuation.
- Additions and major improvements forming an integral part of an asset, depreciation on such changes has been provided prospectively.

(iv) Foreign Exchange Transactions

- Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.
- The exchange differences on repayment/translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to / deleted from cost of the relevant fixed assets in terms

of Schedule VI to the Companies Act 1956 upto 31st March 2007.

- The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset with effect from 1st April 2007 in terms of Ministry of Corporate affairs Notification dated 31st March 2009 relating to Accounting Standard - 11.
- Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognized in the Profit and Loss Account.

(v) Revenue Recognition

- All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills which is accounted on receipt basis.
- Operating Income represents freight earnings. Freight income is recognized once the ship calls on the port of delivery in case of domestic voyages. In case of liner operations, income is recognized once the ship sails from the port of loading.
- Income and Expenses relating to unfinished legs of voyages as at the date of Balance Sheet are carried forward and included under Current Liabilities and Current Assets respectively in case of domestic voyages.

(vi) Employee Benefits

The Company has a defined Contribution plan for Employees for Provident Fund and contributions made to the relevant authorities under this scheme are charged to the Profit and Loss Account. Company has no other obligation except the monthly contributions.

Company has defined benefit plans namely gratuity and leave encashment and compensated absence, the liability for which is provided based on actuarial valuation determined under Projected Unit Credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India (LIC) in accordance with the terms of the policy taken under their Group Gratuity Scheme.

Actuarial gains / losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognized immediately in Profit and Loss Account as Income / Expense.

Any other termination benefits are recognized as expenses immediately on the basis of actual expenses.

(vii) Taxation

Provision for tax is made as per Income Tax Act, 1961. Deferred tax resulting from difference between book and tax profit is accounted for at the current rate of tax, to the extent the timing differences are expected to crystallize. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness

of their respective carrying value at each Balance Sheet date. When there are unabsorbed depreciation and carry forward losses as per Income Tax act, deferred tax assets are recognized only if there exists virtual certainty of their realization.

(viii) Asset Impairment

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which impairment takes places.

(ix) Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation cannot be measured or where a realistic estimate of the obligation cannot be made, contingent liabilities are recognized.

Contingent liabilities are also recognized when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more certain future events not wholly within the control of the Company.

NOTES ON ACCOUNTS

- The following change in accounting policies has been made during the year.

The Company has exercised the option provided by the Notification dated 31st March, 2009 issued by Ministry of Corporate Affairs under para 46 of Accounting Standard 11 "The effect of changes in foreign exchange rates" to capitalize / adjust the foreign exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets. The option has been exercised in respect of foreign currency loans pertaining to container equipments which were in operation as at 31st March, 2009. Depreciation will be provided on these adjustments over the balance period of the assets.

Exchange loss of Rs. 228,000/- which had been debited to Profit and Loss Account of the previous year ended 31st March, 2008 has now been included in the cost of the respective capital assets and credited to Profit & Loss Surplus there being no reserves. However there is no depreciation impact, as the exchange loss was accounted on the last day for the year ended 31st March, 2008.

Had this option not been exercised, the loss for the year would have been higher to the extent of Rs. 6,342,000/- and additions to fixed assets would have been lower by Rs. 6,570,000/-.

- The disclosure requirements under Revised AS 15 are given hereunder:

(A) Gratuity Benefits

- Description of the Gratuity Plan:

The Company provides for gratuity a defined benefit

retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees.

- Amount recognized in the Balance Sheet and movements in net liability:

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008
Present Value of Funded Obligations	16.06	15.16
Fair Value of Plan Assets	(10.89)	(5.33)
Net Liability recognized in the Balance Sheet.	5.17	9.83

** The fair value of the plan assets does not include the Company's own financial instruments.

- Expenses recognized in the Statement of Profit & Loss Account:

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008
Current Service Cost	2.82	1.40
Interest on Defined Benefit Obligation	1.36	0.70
Expected Return on Plan Assets	(0.55)	(0.21)
Net Actuarial Losses/ (Gains) Recognized in the year	(1.92)	5.39
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Total	1.71	7.28

*The Actual Return on Plan Assets is Rs. 0.72 Lakhs (Previous Year Rs. 0.30 Lakhs).

- Reconciliation of Benefit Obligation & Plan assets for the period.

Change in Defined Benefit obligation

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008
Opening Defined Benefit Obligation	15.16	7.77
Current Service Cost	2.82	1.40
Interest Cost	1.36	0.70
Actuarial Losses / (Gain)	(1.75)	5.48
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / (Settled on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(1.53)	(0.19)
Closing Defined Benefit Obligation	16.06	15.16

Change in Fair Value of Assets

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008
Opening Fair Value of Plan Assets	5.33	1.08
Expected Return on Plan Assets	0.54	0.21
Actuarial Gain / (Losses)	0.17	0.09
Assets Distributed on Settlements	-	-
Contributions by Employer	6.38	4.14
Assets Acquired on Acquisition (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(1.53)	(0.19)
Closing Fair Value of Plan Assets	10.89	5.33
Expected Employer's Contribution Next Year	8.00	

(e) Actuarial Assumptions at the Valuation date

Particulars	2008-2009	2007-2008
Discount Rate	7.25% p.a.	7.80% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	10% for the first 3 yrs & 7% thereafter	10% for the first 4 yrs & 7% thereafter

*This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(f) Descriptions of the Plan Assets

Category of Assets	2008-2009	2007-2008
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008	2006-2007
Defined Benefit Obligations	16.06	15.16	7.77
Plan Assets	10.89	5.33	1.08
Surplus / (Deficit)	(5.17)	(9.83)	(6.69)
Exp. Adj. on Plan Liabilities	(2.29)	5.54	-
Exp. Adj. on Plan Assets	0.17	0.09	-

(B) Privileged Leave Encashment (Compensated Absences for Employees)

- The Company permits encashment of privileged leave accumulated by their employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

(a) Actuarial Assumptions at the Valuation date

Particulars	2008-2009	2007-2008
Discount Rate	7.25% p.a.	7.80% p.a.
Salary Escalation Rate	10% for the first 3 yrs & 7% thereafter	10% for the first 4 yrs & 7% thereafter

- Amount recognized in Balance Sheet & movements in net liability:

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	24.21	10.99
Closing balance of present value of Compensated Absences (Y)	24.58	24.21
Movement in Net Liability (X - Y)	(0.37)	(13.22)

- Payments made under defined contribution scheme

(Rs. in Lakhs)

Particulars	2008-2009	2007-2008
Contribution to Provident Fund	14.06	9.61

- Information pursuant to para 4-D, clauses a,b,c and e of Part II of Schedule VI of the Companies Act, 1956 has not been given as an exemption has been granted by the Department of Company Affairs Vide Order No.46/18/2009-CL-III dated 31st March,2009.
- Foreign Currency exposures not hedged by derivative instrument.

(Amount in equivalent US Dollar)

Particulars	Year ended 31.03.2009	Year Ended 31.03.2008
a) Receivables	100,837	523,595
b) Payables	81,208	279,733
c) FCNR Loan taken from Bank	600,000	600,000

The Company does not have any derivative exposures as at 31st March, 2009.



4. Working for Earnings per share

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Weighted average number of Equity shares	2,500,000	2,500,000
Nominal value Per Share	Rs. 10/-	Rs. 10/-
Profit/(Loss) after Tax	(Rs.78,030,005)	(Rs.4,097,330)
Add: Preference dividend (including Dividend Distribution Tax)	6,522,872	-
Adjusted Balance for Calculation of EPS	(Rs.84,552,877)	(Rs.4,097,330)
Earnings Per Share (Basic & Diluted)	(Rs.33.82)	(Rs. 1.64)

5. Deferred Tax

(Amount in Rupees)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Deferred Tax Liabilities		
Timing Difference on Depreciation	-	9,611,000
Less:		
Deferred Tax Assets		
Timing differences on Leave encashment & Preliminary Expense	-	1,124,000
Net Deferred Tax Liability	-	8,487,000

The Net Deferred Tax Liability as on 31st March, 2008 has turned into a net deferred tax asset as at 31st March, 2009 on account of substantial business loss during the year. However, no deferred tax asset has been recognized in the accounts in the absence of evidence of virtual certainty of its realization in the near future. Under the circumstances, reversal of liability has been restricted to the amount previously recognized as liability.

6. Sundry Debtors, Loans & advances include the following dues from companies under the same management.

(Amount in Rupees)

Name of the Company	Year ended on 31.3.2009	Year ended on 31.3.2008	Maximum amount due at any one time during the year
Relay Shipping Agency Limited			
- Under Debtors	33,359,586	-	33,891,770
- Under Loans & Advances	20,133,299	35,336,266	157,665,058

7. AUDITORS' REMUNERATION (included in Administration & Other expenses – Schedule 14)

(Amount in Rupees)

Name of the Company	Year ended 31.3.2009	Year ended 31.3.2008
i) As Auditors (including Service Tax)	496,350	337,080
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	99,270	95,476
b) Fees for Certification	168,540	36,214
c) Travel Expenses	11,013	13,849
iii) Out of Pocket Expenses	1,953	13,833

8. CONTINGENT LIABILITIES

	As at 31.03.2009	As at 31.03.2008
a) Bank Guarantees issued to Customers/vendors.	2,430,000	3,300,000
b) Estimated amount of contracts on Capital Account not provided for.	NIL	NIL
c) Dividend for the year 2008-09 on 11 %, Non convertible, Cumulative Preference Shares (including Dividend Distribution Tax)	6,522,872	NIL
d) Claims against the Company not Acknowledged as Debts	709,031	NIL

9. Segment Reporting

- The Company's business is only in one segment namely Logistics.
- Geographical Segment (Based on Location of customers)

(Amount in Rupees)

PARTICULARS	Year ended 31.03.2009	Year ended 31.03.2008
In India	1,229,504,899	1,421,940,155
In Pakistan	20,107,596	9,264,860
Rest of World	12,812,362	21,511,908
TOTAL REVENUE	1,262,424,857	1,452,716,923

10. Accounting for Lease

- The Company has taken Containers on Cancelable Operating Lease and the lease rental of Rs. 60,841,601/- (P.Y Rs. 54,038,291/-) is charged to the Profit and Loss Account.
- The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of Rs. 997,604/- (P.Y. Rs. 1,629,319/-) is charged to the Profit and Loss Account.

11. The Company does not owe any moneys to Micro and Small enterprises as of 31st March, 09. This information required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	2008-2009	2007-2008
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil

Particulars	2008-2009	2007-2008
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	N.A	N.A

12. Income from operating arrangement with a Company for warehousing, Rs. 19.50 lakhs was accounted in the PY 2007-08 based on un-audited financial statements received from them. However as per audited financials, it was less to the tune of Rs. 9.41 lakhs and the same has been netted of in the income for the current year. The warehousing arrangement with the Company has since been discontinued during the year.
13. Related Party Transactions (Refer Annexure 1)
14. Previous years figures have been regrouped/recast wherever necessary to conform to the current year's classifications.

SIGNATURES TO SCHEDULES 1 TO 17

For PKF Sridhar & Santhanam

Chartered Accountants

S.Ramakrishnan

Partner

Membership No. 18967

Place : Mumbai

Date : 17th June, 2009

FOR AND ON BEHALF OF BOARD

S.Ramakrishnan

Chairman

V. Ramnarayan

Executive Director

Sameer Chavan

Company Secretary

12) RELATED PARTY TRANSACTIONS (as on 31.03.09)

(Rs.in 000)

TRANSACTION	Holding Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Service / freight / thc income received						
Haytrans (India) Ltd.	-	1,711	-	-	1,711	150
Relay Shipping Agency Ltd.	-	-	33,946	-	33,946	650
Albatross Shipping Ltd.	-	-	393	-	393	3,397
Clarion Solutions Ltd.	-	-	4,919	-	4,919	186
OEL Shipping Agency SDN Bhd-PKL	-	-	96	-	96	-
Agency Fees /commission & brokerage						
Relay Shipping Agency Ltd.	-	-	4,956	-	4,956	7,788
Crescent Shipping Agency (India) Ltd.	-	-	597	-	597	77
Clarion shipping agency Ltd. Colombo	-	-	274	-	274	396
Seabridge Shipping Co LLC	-	-	1,320	-	1,320	1,441
Haytrans (India) Ltd.	-	42	-	-	42	3
OEL Shipping Agency SDN Bhd-PKL	-	-	222	-	222	-
Meridian Shipping & Trdg LLC - Muscat	-	-	174	-	174	-
Transworld Logistics Ltd.	-	-	0.4	-	0.4	-
Donation Paid						
Sivaswamy Memorial Charitable Trust	-	-	-	-	-	400
Rent paid						
Sivaswamy Holdings Pvt. Ltd.	-	-	3,699	-	3,699	3,224
S. Ramakrishnan	-	-	-	442	442	398
Transworld Management Consultancy Pvt. Ltd.	-	-	154	-	154	-
Container charges paid						
Admec Logistics Ltd.	-	-	3,444	-	3,444	2,457
Sale of Asset						
Crescent Shipping Agency (India) Ltd.	-	-	16	-	16	-
Shreyas Shipping & Logistics Ltd.	68	-	-	-	68	-
Relay Shipping Agency Ltd.	-	-	320	-	320	-
Transporation charges paid						
Admec Logistics Ltd.	-	-	7,076	-	7,076	749
Trailor Income						
Admec Logistics Ltd.	-	-	4,071	-	4,071	2,915

SHREYAS RELAY SYSTEMS LTD

TRANSACTION	Holding Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2009	Total as at 31.03.2008
Trailor Expenses						
Admec Logistics Ltd.	-	-	3,517	-	3,517	112
Ocean Sea Freight Charges Paid						
Orient Express Lines Ltd., Mauritius	-	-	42,765	-	42,765	24,887
Shreyas Shipping & Logistics Ltd.	479,088	-	-	-	479,088	615,874
Orient Express Lines Ltd., Singapore	-	-	1,392	-	1,392	18
Relay Shipping Agency Ltd.	-	-	-	-	-	18
Purchase of Containers						
Transworld Logistics Ltd.	-	-	122	-	122	34,484
Purchase of Vehicles						
Admec Logistics Ltd.	-	-	-	-	-	2,332
Loan Taken						
Shreyas Shipping & Logistics Ltd.	-	-	-	-	-	55,000
Repayment of Loan						
Shreyas Shipping & Logistics Ltd.	-	-	-	-	-	63,800
Redemable Preference Share						
Shreyas Shipping & Logistics Ltd.	100,000	-	-	-	100,000	-

Outstanding balances pertaining to related parties as at 31st March, 2009 (In Rs.'000)

Nature of balance	Holding company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	TOTAL AS AT 31.03.09	TOTAL AS AT 31.03.08
Debit balance due to company	-	306	59,070	-	59,376	36,196
Credit balance due to company	23,234	-	1,787	-	25,021	88,216

- Note:** 1) Figure have been adjusted for exchange rate variations.
2) Reimbursement of expenses incurred by/to Group Companies is not included here.

* Names of related parties

Nature of relationship	Name of the related party
Holding Company	Shreyas Shipping & Logistics Ltd.
Fellow Subsidiary	Haytrans (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan
	Mr. V. Ramnarayan
	Mr. Anil Devli



Nature of relationship	Name of the related party
Other related parties	ADMEC Logistics Ltd.
	Albatross CFS Pvt. Ltd.
	Albatross Logistics Centre (I) Pvt. Ltd.
	Albatross Shipping Ltd.
	Clarion Shipping Ltd., Colombo
	Clarion Solutions Ltd.
	Crescent Shipping Agency (India) Ltd.
	Crescent Take Global Supply Chain Pvt. Ltd.
	Meridian Shipping & Trdg LLC - Muscat
	Meridian Shipping Agency Pvt Ltd.
	NLS Agency Pvt. Ltd.
	Orient Express Lines Ltd. - Mauritius
	Orient Express Ship Management Ltd.
	Relay Shipping Agency Ltd.
	Sea Bridge Shipping L.L.C
	Sivaswamy Holdings Pvt. Ltd.
	Sivaswamy Memorial Charitable Trust
	Tejas Oil Pvt. Ltd.
	TLPL Logistics Pvt. Ltd.
	TLPL Shipping Pvt. Ltd.
	Transcorp Finance Ltd.
	Transcorp Securities Ltd.
	Transworld Cultural & Sports Foundation
	Transworld Logistics Ltd.
	Transworld Oil Pvt. Ltd.
	Transworld Shipping & Logistics Ltd.
	Tranworld Management Consultancy Pvt. Ltd.
	Trident Terminals Pvt. Ltd.
	Trident Trading Pvt. Ltd.

Additional information under Part IV of Schedule VI to the Companies Act, 1956 Balance Sheet Abstract and Company's General Business Profile.

I	Registration details		
	Registration No.		77152
	State Code		11
	Balance Sheet Date		31/03/2009
II	Capital raised during the year	Amount (Rs. in '000)	
	Public Issue		NIL
	Rights Issue		NIL
	Private Placement		NIL
	11% Non-Convertible, Cumulative, Redeemable Preference Shares of Rs 100 each, fully paid up		100000
III	Position of Mobilization and Deployment of Funds	Amount (Rs. in '000)	
	Total Liabilities		299209
	Total Assets		299209
	Source of Funds		
	Share Capital		125000
	Reserves & Surplus		NIL
	Secured Loans		174209
	Unsecured Loans		NIL
	Deferred Tax Liability		NIL
	Application of Funds		
	Net Fixed Assets		152252
	Investments		NIL
	Net Current Assets		89910
	Misc. Expenditure		NIL
	Accumulated losses		57047
IV	Performance of the Company		
	Turnover (Including other income)		1262425
	Total Expenditure		1348121
	Profit/(Loss) before Tax		(85696)
	Profit/(Loss) after Tax and prior period item		(78030)
	Profit/(Loss) after Exceptional Items		(78030)
	Balance available to Equity Shareholders		(78030)
	Earning per share including Exceptional Items (Rs.)		(33.82)
	Earning per share excluding Exceptional items (Rs.)		(33.82)
	Interim Equity Dividend Rate %		NIL
	Final Equity Dividend rate%		NIL
V	Generic Names of three Principal products/Services of the Company		
	Item Code No. (ITC Code)		NIL
	Product description		NIL

FOR AND ON BEHALF OF THE BOARD

S.Ramakrishnan
Chairman

V. Ramnarayan
Executive Director

Sameer Chavan
Company Secretary

Place : Mumbai.
Date : 17th June, 2009.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
A Cashflow from operating activities		
Net profit/ (Loss) Before tax	(85,696,015)	181,252
Adjusted for:		
Depreciation	9,783,556	6,745,238
Loss on Sale of Fixed Asset	6,102,368	378,699
Provision for Gratuity & Leave Encashment adjusted against Opening Reserve (Gross).	-	(913,742)
Interest Expenses	15,789,452	9,129,530
Interest income	(653,312)	(51,682)
Exchange Loss / (Gain) on Current Assets & Liabilities	(1,350,611)	(6,949,602)
Operating Profit Before Working Capital changes (a)	(56,024,562)	8,519,693
Adjustments for Increase/Decrease in Working Capital		
Increase/(Decrease) in Current Assets		
Sundry Debtors	(77,855,253)	83,279,882
Margin money deposits	130,000	(1,000,000)
Other Current assets	(1,696,324)	13,785,107
Loans & Advances	(21,678,635)	37,643,182
	(101,100,212)	133,708,171
Less: Increase/(Decrease) in Current Liabilities	(90,929,640)	48,967,282
Net Increase/(Decrease) in working Capital (b)	(10,170,572)	84,740,889
Cash Generated from Operations (a) - (b)= (c)	(45,853,990)	(76,221,196)
Less: Taxation	9,020,812	17,603,363
NET CASH FROM OPERATING ACTIVITIES (A)	(54,874,802)	(93,824,559)
B Cash flow from investing activities		
(Addition) to Fixed Assets including capital advances	(7,782,655)	(62,117,630)
Sale of Asset	419,819	303,969
Interest income	653,312	51,682
NET CASH FROM INVESTING ACTIVITIES (B)	(6,709,524)	(61,761,979)
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(25,833,345)	141,242,544
Issue of Preference Share	100,000,000	-
Interest Expenses	(15,789,452)	(9,129,530)
Exchange Gain/(Loss) on current Assets & Liabilities	1,350,611	6,949,602
NET CASH FROM FINANCING ACTIVITIES (C)	59,727,814	139,062,616
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	(1,856,512)	(16,523,922)
CASH & CASH EQUIVALENTS - OPENING BALANCE	10,872,841	27,396,763
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(1,856,512)	(16,523,922)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	9,016,329	10,872,841
CLOSING CASH & CASH EQUIVALENTS CONSISTS OF (Refer Schedule 7)		
CASH ON HAND	17,137	29,053
BALANCE WITH SCHEDULED BANK IN CURRENT ACCOUNT	8,999,192	10,843,788
TOTAL	9,016,329	10,872,841

Notes: 1) The above statement has been prepared by indirect method
2) Cash and Cash equivalents include cash and bank balances except Margin money Deposits.

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam
Chartered Accountants

S. Ramakrishnan
Partner
Membership No. 18967

S. Ramakrishnan
Chairman

Place : Mumbai
Date : 17th June, 2009

Place : Mumbai
Date : 17th June, 2009

Directors' Report

Your Directors are pleased to present the 29th Annual Report and the Audited Accounts of the Company for the financial year ended 31st March, 2009.

FINANCIAL PERFORMANCE

(Amount in Rs.)

	Current year ended 31.03.2009	Previous year ended 31.03.2008
Income	69,669,688	72,827,409
Expenditure	85,448,616	81,024,396
Profit Before Tax	(15,778,928)	(8,196,987)
Less: Earlier year Expenses/Exceptional Item	(8,750)	1,872,891
Less: Provision for Taxation	1,664,820	1,685,538
Profit After Tax	(17,434,998)	(11,755,416)
Add: Balance B/F	(8,332,791)	291,674
Amount available for appropriation	(24,361,826)	(11,463,742)

DIVIDEND

Your Directors do not recommend any Dividend for the financial year 2008-09.

REVIEW OF OPERATIONS

With the onset of the global recession, the global freight rates have dropped drastically. This had a major impact on the sea freight forwarding business. The operating margins were under pressure as the branches all over India faced losses and your Company was constantly faced with the risk of recoveries. In view of this business risk, your Company decided to close down its sea freight forwarding division during the current financial year. The air freight forwarding division however continues to operate profitably.

FIXED DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review.

HOLDING COMPANY

Your Company continues to be subsidiary of Shreyas Shipping and Logistics Limited as defined under Section 4(1)(b) of the Companies Act, 1956.

SUBSIDIARY COMPANY

The Company has no subsidiary company during the year under review.

COMPLIANCE CERTIFICATE

Your Directors wish to state that pursuant to Section 383A of the Companies Act, 1956, the Company has obtained requisite Certificate from a Company Secretary in whole time practice.

DIRECTORS

In accordance with the Articles of Association of the Company and the relevant provisions of the Companies Act, 1956, Mr. S. Mahesh, Director, retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

Capt. P.P. Radhakrishnan has been appointed as a Nominee Director of Shreyas Shipping and Logistics Limited with effect from 30th October, 2007.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors confirm, to the best of the knowledge and belief, that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures has been made for the same;
- b) appropriate accounting policies have been selected and applied consistently, and such judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on 31st March, 2009;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Annual Accounts have been prepared on a 'going concern' basis'.

AUDITORS

M/s. K. L. Murty & Co., Chartered Accountants, retires at the conclusion of the 29th Annual General Meeting and offers themselves for re-appointment. A certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Under Notification Number GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company. With regard to foreign exchange earnings and outgo, the position is as under:

(In Rs. Lakhs) (2008-09)		
(i)	Foreign exchange earnings (on accrual basis)	176.74
(ii)	Foreign exchange outgo including operating and other expenditure, purchase of containers in foreign currency (on accrual basis)	1018.59

PERSONNEL

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 which required to form part of this Report has been sent to the shareholders separately.

ACKNOWLEDGMENTS

Your Directors take this opportunity to express their gratitude for the excellent assistance and co-operation received from the Company's clients, vendors, business associates and bankers, employees and look forward for their continued support.

For and on behalf of the Board of Directors
For Haytrans (India) Limited

Place: Mumbai
Date: 17th June, 2009

S. Ramakrishnan
Chairman

Auditors' Report

To

The Members of HAYTRANS (INDIA) LIMITED

1. We have audited the attached Balance Sheet of Haytrans (India) Limited as at 31st March 2009, and the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board, in terms of sub-section 4A of Section 227 of the Companies Act, 1956 (Order) we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to in paragraph-3 above and subject to, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the Directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, and subject to notes 1(f)(1) and 1(f)(3) of Schedule J 'Notes to Accounts' relating to non provision for gratuity and leave salary respectively, the said accounts give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009; and
 - b) in the case of the Profit and Loss account, of the Loss for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor

Place : Mumbai
Date : 17th June, 2009

Membership Number: 016634

Annexure to the Auditors' Report

- | | |
|---|--|
| <p>i. (a) Based our scrutiny of the company's books of accounts and other records and according to the information and explanation given to us, we are of the opinion that company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) Fixed assets are physically verified by management at year end. As informed to us, there is no material discrepancies were noticed on such verification.</p> <p>(c) During the year, company has disposed of Fixed Assets having written down value of Rs. 36,83,607/- disposed were substantial, but on the basis of information and explanation given to us, we are of the opinion that such disposal does not affect the going concern.</p> <p>ii. (a) As the company is engaged in Freight Forwarding business, clause (a), (b) and (c) to para 4(ii) are not applicable.</p> <p>iii. (a) According to the information an explanation given to us, the Company has not granted any loans secured or unsecured to the parties covered in the register maintained Under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (a), 4(iii) (b) and 4 (iii) (c) of the Order are not applicable.</p> <p>(b) According to the information an explanation given to us, during the year, Company has taken unsecured loan of Rs.50,00,000/- (Rupees Fifty Lac Only) from Shreyas Shipping & Logistics Limited, holding company. The maximum balance involved during the year was Rs.50,00,000/- (Rupees Fifty Lac Only) and the year end balance was Nil.</p> <p>(c) In our opinion, the rate of interest and other terms and conditions on which loan have been taken from holding company is not, prima facie, prejudicial to the interest of company.</p> <p>iv. In our opinion and according, to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of fixed assets, and with regard to the services rendered. During the course of our audit, no major weakness has been noticed in the internal controls.</p> <p>v. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been properly entered.</p> <p>vi. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.</p> | <p>vii. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.</p> <p>viii. In respect of this company, maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.</p> <p>ix. (a) According to the records of the company and information and explanations given to us, the company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year.</p> <p>(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income tax, Sales Tax, Service-tax, Wealth Tax, Customs Duty, Excise Duty and Cess which were in arrears as at March 31, 2009 for a period of more than six months from the date on which they become payable.</p> <p>(c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.</p> <p>x. The company has accumulated losses are than 50% of net worth of the company at end of the year. The Company has incurred cash loss during the financial year covered by audit and also during the immediately preceding financial year.</p> <p>xi. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.</p> <p>xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.</p> <p>xiii. In our opinion, the Company is not a Chit fund or a Nidhi/ Mutual Benefit fund/ Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.</p> <p>xiv. On the basis of our examination of the Company's records, company has not entered any transactions in respect of trading in securities, debentures and other investments.</p> <p>xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.</p> <p>xvi. According to the information and explanations given to us, no term loans were availed by the Company during the year.</p> <p>xvii. According to the information and explanations given to us and on an overall examination of Balance Sheet basis, funds raised on short term basis, prima facie, have not been used during the year for long term investment.</p> |
|---|--|

HAYTRANS (INDIA) LIMITED

- xviii. The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956, during the year.
- xix. According to the information and explanations given to us and the records examined by us, no debentures were issued by the Company.
- xx. The Company has not raised any money through public issue during the year.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For K. L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor

Place : Mumbai
Date : 17th June, 2009

Membership Number: 016634

BALANCE SHEET AS AT 31ST MARCH, 2009

(AMOUNTS IN RUPEES)

	Schedule	AS AT 31.03.2009	AS AT 31.03.2008
I SOURCES OF FUNDS:			
1) SHAREHOLDERS FUNDS:			
a) Share Capital	A	2,045,000	2,045,000
b) Reserves & Surplus	B	(23,422,987)	(7,393,952)
c) Secured Loans	C	40,111,508	36,126,451
TOTAL		18,733,521	30,777,499
II APPLICATION OF FUNDS:			
1) FIXED ASSETS:	D		
a) Gross Block		3,523,706	12,500,065
b) Less: Depreciation		2,341,971	6,933,650
c) Net Block		1,181,735	5,566,415
2) INVESTMENTS	E	178,461	1,166,673
3) CURRENT ASSETS, LOANS & ADVANCES	F		
a) Sundry Debtors		42,115,189	56,484,676
b) Cash and Bank Balance		1,281,030	1,289,666
c) Loans & Advances		25,129,927	27,080,857
		68,526,145	84,855,199
LESS: CURRENT LIABILITIES & PROVISIONS	G		
a) Sundry Creditors and other liability		41,944,253	47,178,080
b) Provisions		9,208,567	14,581,998
		51,152,820	61,760,078
NET CURRENT ASSETS		17,373,325	23,095,120
DEFERRED TAX ASSETS		-	949,291
TOTAL		18,733,521	30,777,499
NOTES TO ACCOUNTS	J		

AS PER OUR REPORT ATTACHED

For K.L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor
Membership Number: 016634

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 17th June, 2009

HAYTRANS (INDIA) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2009

(AMOUNT IN RUPEES)

	Schedule	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
I Freight Forwarding Income :	H		
Gross Revenue		602,363,984	580,467,763
Less: Operating Expenses		533,523,512	514,747,492
Gross Profit		68,840,472	65,720,271
Other Income	H	829,216	7,107,137
TOTAL INCOME		69,669,688	72,827,409
II EXPENDITURE			
A) Admin. & Other Charges	I	79,537,043	76,141,074
B) Finance Charges		4,637,705	3,456,892
C) Depreciation		1,273,867	1,426,430
TOTAL EXPENDITURE		85,448,616	81,024,396
III PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL ITEMS AND TAXATION		(15,778,928)	(8,196,988)
Less : Exceptional Items (Old Bal W/off)		(8,750)	1,872,891
IV PROFIT AFTER EXCEPTIONAL ITEMS AND PRIOR YEAR ITEMS AND BEFORE TAXATION		(15,770,178)	(10,069,879)
V Less : Provision for Taxation			
: -> Current		-	1,160,000
: -> Deffered		949,291	(240,462)
: -> FBT		715,529	766,000
		1,664,820	1,685,538
VI PROFIT AFTER EXCEPTIONAL ITEMS AND PRIOR YEAR ITEMS AND TAXATION		(17,434,998)	(11,755,417)
Add: Excess Provision for Taxes Earlier years		1,405,963	-
		(16,029,035)	(11,755,417)
VII Add: Balance C/F from previous year		(8,332,791)	291,674
VIII AMOUNT AVAILABLE FOR APPROPRIATION		(24,361,826)	(11,463,743)
IX APPROPRIATION			
Interim Dividend paid on Equity shares		-	-
Tax on Interim Dividend		-	-
Tax on Interim Dividend Earlier years		-	77,250
Transfer from General Reserve		-	(3,208,202)
Balance Transferred to Balance Sheet		(24,361,826)	(8,332,791)
		(24,361,826)	(11,463,743)
NOTES TO ACCOUNTS	J		

AS PER OUR REPORT ATTACHED

For K.L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor
Membership Number: 016634

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 17th June, 2009

SCHEDULES TO BALANCE SHEET

(AMOUNT IN RUPEES)

		AS AT 31.03.2009	AS AT 31.03.2008
SCHEDULE - A			
SHARE CAPITAL			
1 AUTHORISED :			
25000 Equity shares of Rs.100/- each		2,500,000	2,500,000
2 ISSUED, SUBSCRIBED & PAID UP :			
20,450 Equity shares of Rs.100/- each		2,045,000	2,045,000
Fully Paid-up in Cash			
TOTAL		2,045,000	2,045,000
SCHEDULE - B			
RESERVES AND SURPLUS			
a) GENERAL RESERVE		-	3,487,952
Less : Provision for Gratuity (Earlier Years)		-	(279,750)
Less : Transferred to P & L A/c		-	(3,208,202)
		-	-
b) PROFIT & LOSS A/C BALANCE		(24,361,826)	(8,332,791)
c) SHARE PREMIUM		938,840	938,840
TOTAL		(23,422,987)	(7,393,952)
SCHEDULE - C			
SECURED LOANS			
Standard Chartered Bank - Cash Credit		40,111,508	36,126,451
		40,111,508	36,126,451

SCHEDULE-D

FIXED ASSETS

DESCRIPTION	LAND	PREMISES	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	VEHICLES	BICYCLES	TOTAL
COSTS AS ON 1/4/2008	-	-	3,290,866	8,137,282	1,058,724	13,193	12,500,065
ADDITIONS	-	-	46,466	526,328	-	-	572,794
TOTAL	-	-	3,337,332	8,663,610	1,058,724	13,193	13,072,859
DEDUCTIONS	-	-	2,931,061	5,574,844	1,036,238	7,010	9,549,153
TOTAL AS ON 31/03/2009	-	-	406,271	3,088,766	22,487	6,183	3,523,706
ACCU. DEPRECIATION AS ON 1/4/2008	-	-	1,215,141	4,989,917	715,700	12,891	6,933,650
DEPRECIATION FOR THE YEAR	-	-	331,140	880,931	61,754	42	1,273,867
DEPRECIATION DEDUCTION	-	-	1,325,000	3,778,561	755,235	6,750	5,865,546
ACCU. DEPRECIATION AS ON 31/03/2009	-	-	221,281	2,092,287	22,220	6,183	2,341,971
NET BLOCK AS ON 31/03/2009	-	-	184,990	996,479	267	-	1,181,735
NET BLOCK AS ON 31/03/2008	-	-	2,075,724	3,147,364	343,024	302	5,566,414

HAYTRANS (INDIA) LIMITED

(AMOUNT IN RUPEES)

SCHEDULE E : INVESTMENTS

Unquote Shares :

Transcorp Finance Limited

(1,00,000 Equity Shares of Rs. 10/- each)

Less: Provision for Dimunation in value of investment

Investment in Mutual Fund - Kotak Liquid Fund

TOTAL

AS AT 31.03.2009	AS AT 31.03.2008
1,000,000	1,000,000
1,000,000	-
-	1,000,000
178,461	166,673
178,461	1,166,673

SCHEDULE - F

CURRENT ASSETS LOANS & ADVANCES

A) CURRENT ASSETS

1. Sundry Debtors (Unsecured - considered Good)

- Not exceeding six months

- Exceeding six months

Less : Prov for Doubtful Debts

2. CASH AND BANK BALANCES

a) Cash on hand

b) Balance in Current Accounts with Banks

A

B) LOANS AND ADVANCES

1. (Advances recoverable in cash
or in kind or for value to be received)

a) Deposits

b) Loans and advances

2. Taxes Paid (Advance Tax + TDS Receivables)

B

TOTAL (A+B)

41,675,601	53,745,045
12,191,300	5,743,854
53,866,901	59,488,899
11,751,713	3,004,223
42,115,189	56,484,676
102,569	127,059
1,178,461	1,162,607
43,396,218	57,774,342
1,807,577	2,691,590
243,501	4,003,214
23,078,849	20,386,053
25,129,927	27,080,857
68,526,145	84,855,199

SCHEDULE - G

CURRENT LIABILITIES & PROVISIONS

A) CURRENT LIABILITIES :

1. Sundry Creditors

2. Creditors for Expenses

A

B) PROVISIONS :

1. For Taxation

2. For Leave Salary & Gratuity Prov.

3. For FBT

4. For Interim Dividend 06-07

5. For Dividend Distribution Tax 06-07

B

TOTAL (A + B)

34,075,071	40,737,909
7,869,183	6,440,172
41,944,254	47,178,080
5,560,000	8,210,000
1,410,038	4,121,498
2,238,529	2,250,500
-	-
-	-
9,208,567	14,581,998
51,152,820	61,760,078

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

SCHEDULE H : INCOME

FREIGHT FORWARDING INCOME:

	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
Gross Revenue	602,363,984	580,467,763
Less: Operating Expenses	533,523,512	514,747,492
Gross Profit	68,840,472	65,720,271
Other / Miscellaneous Income		
- Profit on Sale of Assets	3,489	5,814,304
- Rent Income	488,880	488,880
- Dividend Income	40,463	16,673
- Interest Income	127,440	145,225
- Misc. Income	168,944	188,406
- Foreign Exchange Gain	-	453,649
	829,216	7,107,137
TOTAL	69,669,688	72,827,409

SCHEDULE I : OPERATING AND OTHER EXPENSES

1. Salaries, Bonus & Other Benefits		
a) Salaries	34,809,219	35,782,499
b) Staff Welfare Expenses	1,038,767	798,447
c) Contribution to ESIC	50,258	119,193
d) Group Gratuity	-	1,169,645
e) Leave Salary	-	2,476,409
f) Contribution to Provident Fund	1,458,005	2,053,123
	37,356,249	42,399,315
2. Rent , Rates and Taxes	5,633,530	5,292,398
3. Electricity Charges	1,444,538	1,237,118
4. Printing and Stationery	642,549	1,028,921
5. Vehicle Fuel & Maintenance	2,141,896	3,053,378
6. Insurance Charges	648,350	221,121
7. Postage, Telegram, Telephone & Telex	2,857,121	3,622,888
8. Travelling & Conveyance	2,897,360	5,903,705
9. Legal & Professional Fees	1,316,506	1,072,145
10. Business Promotion Expenses	293,680	428,140
11. Auditors' Remuneration	142,914	142,240
12. Repairs & Maintenance	833,036	1,212,210
13. Office Expenses	1,230,637	1,254,723
14. Software Developments Charges	661,045	576,087
15. Personnel Delegation Expenses	2,520,000	4,320,000
16. Profit /Loss on sale of Assets	3,159,680	25,718
17. General Expenses	2,184,019	693,927
18. Membership & Subscription	165,802	215,889
19. Exchange Rate - Loss	1,559,537	-
20. Bad & D/Debts w/off	1,592,002	1,070,664
21. Provision for Bad & D/Debts	9,256,592	2,370,489
22. Provision for Diminution in value of share	1,000,000	-
TOTAL	79,537,043	76,141,074

HAYTRANS (INDIA) LIMITED

SCHEDULE - J :

1. THE SIGNIFICANT ACCOUNTING POLICIES SUMMARISED BELOW :-

a) BASIC OF ACCOUNTING

The financial statement are prepared under the historical cost convention on an actual basis.

b) FIXED ASSETS AND DEPRECIATION

1. All Fixed Assets are stated at cost less depreciation. Cost of acquisition includes inward freight duties and Taxes and incidental expenses related to acquisition and installation.

2. I) Depreciation on all assets has been provided by the Written Down Value method at the rates specified in Schedule XIV of the Companies Act, 1956.

II) Depreciation on assets acquired during the year is provided on pro-rata basis.

c) SUNDRY DEBTORS

Sundry Debtors are stated after making adequate provision for doubtful debts, if any.

d) LOANS & ADVANCES

Loans and advances are stated at realizable values.

e) RECOGNITION OF INCOME & EXPENDITURE

Items of Income and Expenditure are recognized on accrual basis.

f) EMPLOYEES BENEFITS

1. The Company contributes to an approved Gratuity fund with Life Insurance Corporation of India (LIC). Considering the sufficient provision for gratuity, Company has not made any additional provision for Gratuity during the year.

2. Contribution of Provident Fund are made on monthly basis and charged to the revenue account in the respective Financial Year.

3. Leave Salary.

Considering the sufficient provision for Leave Salary, Company has not made any additional provision during the year.

g) TAXES ON INCOME

Current Income Tax and Fringe Benefit Tax is measured at the amount expected to be paid to income tax authorities in accordance with Income Tax Act.

Deferred tax for timing difference between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the date of Balance Sheet date. Deferred Tax assets are recognised to the extent there is reasonable certainty that these assets can be realised in future.

2. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of Current Assets, Loans & Advances in the ordinary course of business would not be less than the amount at which they stated in the Balance Sheet except to the extent considered doubtful and not provided for.

3. Confirmation of balances of Sundry Creditors, Sundry Debtors and Loans & Advances has not been received and hence balances are subject to reconciliation and adjustments if any.

4. Payment to auditors :-

(Amount in Rs.)

	2008-09	2007-08
i) Audit Fees	100,000.00	100,000.00
ii) Tax audit fees	25,000.00	25,000.00
iii) Out of pockets	5,039.00	1,790.00
iv) Service Tax	12,875.00	15,450.00
Total	142,914.00	142,240.00

5. Information pursuant to Paras 3 & 4 of schedule VI to the Companies Act 1956.

(In Rs. Lakhs)

(2008-09) (2008-07)

i) Earning in foreign currency	176.74	246.16
ii) Expenditure in Foreign Currency	1018.59	856.67

6. DEFERRED TAXES

	2008-09	2007-08
Deferred Tax Asset on Unabsorbed P & L	-	-
Deferred Tax Asset for Difference in WDV of Assets	-	35,336
Deferred Tax Asset on Leave Salary	-	913,955
	-	949,291

Considering the uncertainty of realisation of deferred tax asset in future, the deferred tax assets of previous year of Rs. 949,291 has been reversed and no deferred tax assets has been recognised during the current year.

7. Segment Reporting

a) Segmentwise Revenue & Results

Particulars	31.03.2009	31.03.2008
Revenue by Segment		
- Sea Division	499,002,477	516,960,058
- Air Division	103,361,506	63,507,706
	602,363,984	580,467,763
Segment Results :		
Gross Profit		
- Sea Division	53,545,979	54,426,105
- Air Division	15,294,493	11,294,166
	68,840,472	65,720,271
Add: Other Income	829,216	7,107,137
Less: Administrative Expns	79,537,043	76,141,074
Less: Finance Cost	4,637,705	3,456,892
Less: Depreciation	1,273,867	1,426,430
Profit Before Exceptional Item and Taxation	(15,778,928)	(8,196,988)

-
8. In terms of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, the outstanding to these enterprises are required to be registered under the Act. In absence of information about registration of enterprises under the above act, the required information could not be furnished.
9. Related Party Transactions - Refer Annexure - 1
10. Figures have been rounded off to nearest Rupee.
11. The figures in respect of previous years have been regrouped wherever necessary.
12. Schedules A to J form an integral part of accounts and have been duly authenticated.

SIGNATURES TO SCHEDULES A TO J

For K.L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor
Membership Number: 016634

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayanan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 17th June, 2009

HAYTRANS (INDIA) LIMITED

Annexure 1

RELATED PARTY TRANSACTIONS AS ON 31/03/2009

Amt Rs. in, 000

Particulars	2008-09	2007-08
Forwarding Income :		
United Arab Shipping Agency Co. (I) Pvt. Ltd.	871	1,686
Crescent Shipping Agency (I) Ltd.	166	367
Meridian Shipping Agency (I) Ltd.	3	32
NLS Agency (I) Ltd.	787	57
Transworld Logistics Ltd.	2	23
TLPL Logistics Pvt. Ltd.	478	2,147
Albatross Shipping Pvt. Ltd.	69	1,179
Relay Shipping Agency Ltd.	14	4
Merdian Shipping Trading LLC	33	36
Sea Bridge Shipping	-	12
TLSS - USA	78	88
Shreyas Shipping & Logistics Ltd.	251	-
Shreyas Relay Systems Ltd.	-	3
Forwarding Expenses :		
United Arab Shipping Agency Co. (I) Pvt. Ltd.	42,648	92,836
Crescent Shipping Agency (I) Ltd.	17,364	19,538
Meridian Shipping Agency (I) Ltd.	6,772	5,271
NLS Agency (I) Ltd.	2,861	7,225
Transworld Logistics Ltd.	278	1,171
TLPL Shipping Pvt. Ltd.	-	132
TLPL Logistics Pvt. Ltd.	7,114	554
Albatross Shipping Pvt. Ltd.	3,261	3,444
Admec Logistics Ltd.	242	394
Relay Shipping Agency Ltd.	2,411	253
Merdian Shipping Trading LLC	1	455
Sea Bridge Shipping	349	322
TLSS - USA	255	941
Shreyas Relay Systems Ltd.	-	150
Rent Paid		
Sivaswamy Holdings Pvt. Ltd.	2,941	3,628
Agency Fees Paid		
Shreays Relay Systems Ltd.	42	-
Freight Expenses		
Shreays Relay Systems Ltd.	1,711	-
Personnel Delegation		
Transworld Management Private Ltd.	2,540	4,320
Interest Expenses on Loan Taken		
Shreyas Shipping & Logistics Ltd.	81	-

Particulars	2008-09	2007-08
Allotment of Equity Shares along with Premium		
Shreyas Shipping & Logistics Ltd.	-	436
Loan Taken		
Shreyas Shipping & Logistics Ltd.	5,000	-
Sale of Assets		
Shreyas Shipping & Logistics Ltd.	124	-
Repayment of Loan Taken		
Shreyas Shipping & Logistics Ltd.	5,000	-
Debit Bal Due To Company	298	1,323
Credit Balance Due From Company	3,483	6,944

Names of the Related Parties

Nature of Relationship	Name of the Related Parties
Holding Company	Shreyas Shipping & Logistics Ltd.
Fellow Subsidiary	Shreyas Relay Systems Ltd.
Other Related Parties	United Arab Shipping Agency Co. (I) Pvt. Ltd. Crescent Shipping Agency I Ltd. Meridian Shipping Agency I Ltd. NLS Agency I Ltd. Transworld Logistics Ltd. TLPL Logistics Pvt Ltd. Albatross Shipping Pvt. Ltd. Relay Shipping Agency Ltd. Meridian Shipping Trading LLC Sea Bridge Shipping TLSS - USA

Schedule VI - Part IV
Balance Sheet Abstract and General Business Profile
(Inserted by Notification No. GSR 388 (E), dated 15.5.1995)

1. Registration Details		
Registration No.		22476 of 2002
State Code		11
Balance Sheet Date		31.03.2009
2. Capital Raised during the period		Rs.
Public issue		Nil
Right issue		Nil
Bonus issue		Nil
Private placement		Nil
3. Position of Mobilisation and Deployment of funds		Rs.
Total Liabilities		18,733,521
Total Assets		18,733,521
Sources of Funds		
Paid up Capital		2,045,000
Reserves & Surplus		(23,422,987)
Secured Loans		40,111,508
Unsecured Loans		Nil
Application of Funds		Rs.
Net Fixed Assets		1,181,735
Investments		178,461
Net Current Assets		17,373,325
Misc. Expenditure		-
Deferred Tax Asset		-
Accumulated Losses		Nil
4. Performance of Company		Rs.
Turnover		603,193,200
Total Expenditure		618,963,378
Profit Before Tax		(15,770,178)
Profit After Tax		(17,434,998)
Earning per share in		(852.57)
Dividend @% per share		-
5. Generic Names of Three Principal		
Products/Services of Company		
(as per monetary terms)		
Item Code No. (ITC Code)	This is a C & F Agency Company	
Product Description		

AS PER OUR REPORT ATTACHED

For K.L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor
Membership Number : 016634

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 17th June, 2009

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2009

(AMOUNT IN RUPEES)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
A Cashflow from operating activities		
Net profit/ (Loss) Before Exceptional tax	(15,778,928)	(8,196,988)
Adjusted for:		
Depreciation	1,273,867	1,426,430
Amortisation of misc expenses	-	-
Profit on Sale of Assets	(3,489)	(5,817,304)
Loss on Sale of Fixed Asset	3,159,680	25,718
Interest Expenses	4,637,705	3,456,892
Interest income	(127,440)	(145,225)
Exchange Gain on Current Assets & Liabilities	1,559,537	(453,649)
Diminution in value of investments	1,000,000	-
Gratuity Provision for earlier years adjusted to General Reserve	-	(279,750)
Operating Profit Before Working Capital changes	(A)	(9,983,876)
Adjustments for in Working Capital		
increase / (Decrease) in Current Assets		
Sundry Debtors	(14,369,487)	(2,277,114)
Margin money deposits	-	-
Other Current assets	-	-
Loans & Advances	(3,356,893)	5,884,738
	(17,726,380)	3,607,624
Less: Increase/(Decrease) in Current Liabilities & Provisions	(10,607,258)	3,244,641
Net increase/(Decrease) in working Capital	(B)	(362,983)
Cash Generated from Operations	(A) - (B) = (C)	(10,346,859)
Less: Taxation	715,529	1,926,000
Less: Exceptional Items	(8,750)	1,872,891
Less: Dividend (Including DDT)	-	77,250
NET CASH FROM OPERATING ACTIVITIES	(A)	(14,223,001)
B Cash flow from investing activities		
Addition to Fixed Assets including capital advances	(572,794)	(2,732,746)
Sale of Asset	515,627	6,293,343
Purchase of Investment	-	(166,673)
Interest Income	127,440	145,225
NET CASH FROM INVESTING ACTIVITIES	(B)	3,539,149
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	3,985,057	7,591,238
Issue of Equity Share	-	435,548
Deferred Payment credit for purchase consideration	-	-
Interest Expenses	(4,637,705)	(3,456,892)
Exchange Gain/(Loss) on current Assets & Liabilities	(1,559,537)	453,649
NET CASH FROM FINANCING ACTIVITIES	(C)	5,023,544
NET CHANGES IN CASH & CASH EQUIVALENT	(A + B + C)	(5,660,308)
CASH & CASH EQUIVALENTS - OPENING BALANCE	1,289,666	6,949,974
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(8,637)	(5,660,308)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	1,281,029	1,289,666
CLOSING CASH & CASH EQUIVALENTS CONSIST; (Refer Schedule F)		
CASH ON HAND	102,569	127,059
BALANCE WITH SCHEDULE BANK IN CURRENT ACCOUNT	1,178,461	1,162,607
TOTAL	1,281,030	1,289,666

Notes: 1) The above statement has been prepared in indirect method.
2) Cash and Cash equivalents include cash and bank balance except Margin money Deposits.

AS PER OUR REPORT ATTACHED

For K.L. Murty & Co.
Chartered Accountants

K. Uma Murty
Proprietor
Membership Number : 016634

Place : Mumbai
Date : 17th June, 2009

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 17th June, 2009

21ST ANNUAL REPORT**SHREYAS**
SHIPPING & LOGISTICS LTD**ATTENDANCE SLIP**Registered office : 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai – 400 088.I/We hereby record my/our presence at the Twenty-first Annual General Meeting of the Company held at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R. C. Marg, Opp. Vijaya Bank, Chembur, Mumbai – 400 071 on Friday, 25th September, 2009 at 11:00 am.**NAME & ADDRESS OF THE SHARE HOLDER**
(IN BLOCK LETTERS)**L.F. NO.****NO. OF SHARES HELD*****D.P. Id No.*****Client Id No.****SIGNATURE/NAME OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING**

If Shareholder, please sign here	If Proxy, please sign here
Name	Name

Notes:

1. You are requested to sign and hand this over at the entrance.
2. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy form must be deposited at the Registered office of the Company at 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai – 400 088 not less than 48 hours before the time for holding the meeting.
3. If you are attending the meeting in person or by proxy, your copy of the Balance Sheet may please be brought by you/your proxy for reference at the meeting.

* In case of dematerialised shares.

**SHREYAS**
SHIPPING & LOGISTICS LTD**PROXY FORM**Registered office : 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai – 400 088.

I/We of of
 in the district of being a Member/Members of the above named Company, hereby
 appoint of
 in the district of or failing him
 of in the district of as my/our proxy to attend and vote for me/us and
 on my/our behalf at the Twenty-first Annual General Meeting of the Company to be held on Friday, 25th September, 2009 and at any
 adjournment thereof.

Signed this day of 2009

Signature _____

Please
Affix Re.1/-
Revenue
Stamp**Registered Folio:** _____**DP ID No.:** _____**Client ID No.:** _____**No. of Shares :** _____**Notes:**

1. The Proxy form must be deposited at the Registered Office of the Company 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (E), Mumbai – 400 088, not less than 48 hours before the time for holding the Meeting.
2. This form is to be used ^{* in favour} against the resolution. Unless otherwise directed, the Proxy will act as he thinks fit.

* strike out whichever is not applicable.



FINANCIAL HIGHLIGHTS

(Rs. in Lacs except where stated otherwise)

Particulars	1999-00#	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08**	2008-09
Operating Earnings	10,544.32	6,674.57	6,492.67	6,757.39	7,689.86	9,683.74	14,136.35	17,911.46	29,011.57	28730.67
Other Income	91.12	147.17	116.14	147.92	693.08	82.22	373.29	571.12	741.23	3,082.71
Total Income	10,635.44	6,821.74	6,608.81	6,905.31	8,382.94	9,765.96	14,509.64	18,482.58	29,752.80	31813.38
Operating Expenses	9,917.71	4,769.91	4,768.15	5,252.90	5,925.77	5,772.37	9,285.73	13,187.27	24,363.80	26,279.80
Administration & Other Expenses	297.56	486.43	305.76	371.09	493.03	462.22	527.06	838.16	1,766.84	2,234.65
PBIDT	420.17	1,565.40	1,534.90	1,281.32	1,964.14	3,567.37	4,696.85	4,457.15	3,621.99	3,298.93
Interest	681.14	679.16	569.10	273.91	174.65	85.44	193.12	485.81	1,335.53	1,028.60
PBDT	(260.97)	886.24	965.80	1,007.41	1,789.49	3,481.93	4,503.73	3,971.34	2,286.46	2,270.33
Depreciation	607.73	610.10	605.58	666.96	786.93	756.70	865.60	963.23	1,399.03	1,445.31
PBT	(868.70)	276.14	360.22	340.45	1,002.56	2,725.23	3,638.13	3,008.11	887.43	825.02
Tax	---	2.79	53.55	278.19	271.77	29.77	115.5	296.77	69.99	262.83
PAT (including prior year item)	(868.70)	273.35	306.67	106.53	730.79	3,573.68	3,522.63	3,119.15	645.52	558.61
Share Capital	1,982.42	1,982.42	1,982.42	3,282.42	3,282.42	3,282.42	3,495.75	3,495.75	3,495.75	3,105.75
Reserves & Surplus	2,226.36	2,390.48	2,623.64	2,303.86	2,632.94	5,503.25	11,563.46	12,864.30	11,806.04	12627.88
Net Worth	4,208.78	4,372.90	4,606.06	5,586.28	5,915.36	8,785.67	15,059.21	16,360.05	15,301.79	15733.63
Loan Funds	5,835.31	5,139.88	5,271.75	4,760.51	1,582.24	2,624.74	2,647.36	15,893.08	23,125.08	10202.01
Fixed Assets (Net) (including Capital work-in-progress)	9,262.00	8,668.44	9,392.09	10,209.73	7,945.95	10,121.12	11,343.24	26,866.11	37,068.49	21780.25
Investments	40.33	14.63	223.75	224.51	14.05	3.11	4,322.41	2,097.14	444.32	1889.99
Net Current Assets	(263.49)	205.43	106.97	84.47	152.46	1,286.18	2,062.66	3,340.73	989.45	2265.4
EPS (Annualised) (Rs.) (excluding exceptional items)	---	1.38	1.55	0.24	3.02	12.87	16.92	11.69	3.10	2.05
Debt Equity Ratio	1.39	1.17	1.14	0.85	0.27	0.30	0.18	0.97	1.51	3.28
Dividend Per Equity Share (Rs.)	---	0.50	0.60	-	1.20	2.00	2.20	2.20	2.00	0
Book Value per share (Rs.)	21.23	22.06	23.23	21.62	22.45	32.88	62.29	60.10	54.18	0

For 6 months

** Consolidated figures have been presented.

BOOK-POST

If undelivered, please return to:
Shreyas Shipping & Logistics Ltd.
2nd Floor, Sahyadris, Geetmala Complex,
Near Shah Industrial Estate,
Opp. Deonar Village Road,
Govandi (E), Mumbai - 400 088.