

**Quarterly Compliance Report on Corporate Governance (Clause 49)****Name of the Company:** Shreyas Shipping & Logistics Limited**Quarter ending on** : 31<sup>st</sup> December, 2013

<b>Particulars</b>	<b>Clause of Listing Agreement</b>	<b>Compliance Status (Y/N)</b>	<b>Company Remarks</b>
<b>I. Board of Directors</b>	<b>49(I)</b>		
(A) Composition of Board	49 (IA)	Yes	Annexure 1
(B) Non Executive Directors Compensation & Disclosures	49 (IB)	Yes	Annexure 2
(C) Other Provisions as to Board and Committees	49 (IC)	Yes	Annexure 3
(D) Code of Conduct	49 (ID)	yes	Annexure 4
<b>II. Audit Committee</b>	<b>49 (II)</b>		
(A) Qualified and Independent Audit Committee	49 (IIA)	Yes	Annexure 5
(B) Meeting of Audit Committee	49 (IIB)	Yes	Annexure 6
(C) Powers of Audit Committee	49 (IIC)	Yes	Annexure 7
(D) Roles of Audit Committee	49 (IID)	Yes	Annexure 8
(E) Review of Information by Audit Committee	49 (IIE)	Yes	Annexure 9
<b>III. Subsidiary Companies</b>	<b>49 (III)</b>	<b>Yes</b>	<b>Annexure 10</b>
<b>IV. Disclosures</b>	<b>49 (IV)</b>		
(A) Basis of Related Party Transactions	49 (IVA)	Yes	Annexure 11
(B) Disclosure of Accounting Treatment	49(IVB)	N.A.	--
(C) Board Disclosures- Risk Management	49 (IVC)	Yes	Annexure 12
(D) Proceeds from Public Issues, Right Issues, Preferential Issues etc.	49 (IVD)	N.A.	--
(E) Remuneration of Directors	49 (IVE)	Yes	Annexure 13
(F) Management	49 (IVF)	Yes	Annexure 14
(G) Shareholders	49 (IVG)	Yes	Annexure 15
<b>V. CEO/CFO Certification</b>	<b>49 (V)</b>	<b>Yes</b>	<b>Annexure 16</b>
<b>VI. Report on Corporate Governance</b>	<b>49 (VI)</b>	<b>Yes</b>	<b>Annexure 17</b>
<b>VII. Compliance</b>	<b>49 (VII)</b>	<b>Yes</b>	<b>Annexure 18</b>

## **Annexure 1**

### **Composition of Board**

As on 31<sup>st</sup> December, 2013 the Company has total 9 Directors out of which 7 Directors are Non-Executive Directors and 2 are Executive Directors. The Company has an Executive Chairman and the Board comprises 4 Independent Directors i.e. Mr. Amitabha Ghosh, Mr. S. Ragothaman, Mr. D. T. Joseph and Mr. Mannil Venugopalan.

## **Annexure 2**

### **Non-Executive Directors' compensation and disclosures**

Presently, the Directors of the Company who are not in whole time employment of the Company are compensated only by way of sitting fees for attending the meetings of the Board and its Committees.

The Company does not have a scheme of Stock Options for its Directors.

## **Annexure 3**

### **Other provisions as to the Boards and Committees**

During the quarter under review only one Board Meeting was held on 8<sup>th</sup> November, 2013. During the year 2013-14 it will be ensured that the gap between any two Board Meetings will not exceed four months as required by the said laws. The information as specified in Annexure IA to the Clause 49, is made available to the Board whenever applicable and materially significant.

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

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

#### **Annexure 4**

##### **Code of Conduct**

The Board of Directors has laid down a Code of Business Conduct and Ethics (the “Code”) for all Board members and senior management personnel. The Code is posted on the website of the Company i.e. [www.transworld.co/shreyas](http://www.transworld.co/shreyas).

The Annual Report of the Company for the year ended 31<sup>st</sup> March, 2013 contains a declaration signed by the Chief Executive Officer (CEO) to the effect that the Board members and the senior management personnel have complied with the Code.

#### **Annexure 5**

##### **Qualified and Independent Audit Committee**

The Board has constituted an Audit Committee. The composition of the Audit Committee as on 31<sup>st</sup> December, 2013 is as follows:

<b>Name of Member</b>	<b>Position held</b>	<b>Category</b>	<b>Financial literacy/ Expertise</b>
Mr. Amitabha Ghosh	Chairman	Non-Executive and Independent Director	Financial literate Possesses accounting and financial management expertise
Mr. S. Ragothaman	Member	Non-Executive and Independent Director	Financial literate Possesses accounting and financial management expertise
Mr. D. T. Joseph	Member	Non-Executive and Independent Director	Financial literate Possesses accounting and financial management expertise
Mr. Mannil Venugopalan	Member	Non-Executive and Independent Director	Financial literate Possesses accounting and financial management expertise
Mr. Ritesh S. Ramakrishnan	Member	Non-Executive and Non-Independent Director	Financially literate
Ms. Namrata Malushte	Secretary	Company Secretary	N.A.

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

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 22<sup>nd</sup> July, 2013.

The General Manager (Accounts & Finance) of the Company, representatives of the Statutory Auditors and representatives of the Internal Auditors are permanent invitees to the Audit Committee meetings.

The Company Secretary of the Company acts as the Secretary to the Committee.

#### **Annexure 6**

##### **Meetings of the Audit Committee**

The last meeting of the Audit Committee was held on 7<sup>th</sup> November, 2013 with proper quorum.

It will be ensured that the gap between any two Audit Committee meetings will not exceed four months during the year 2013-14 and minimum 4 meetings of the Audit Committee will be held.

#### **Annexure 7**

##### **Powers of the Audit Committee**

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

#### **Annexure 8**

##### **Roles of the Audit Committee**

The roles of the Audit Committee are as mentioned in the Clause 49 (IID) of the Listing Agreement and the Section 292A of the Companies Act, 1956.

#### **Annexure 9**

##### **Review of Information by Audit Committee**

The Audit Committee reviews, beside other items, the Management Discussion and Analysis Report, Report on significant Related party transactions, letters of Internal Controls issued by the statutory Auditors, Internal Audit Reports and the Appointment and terms of the remuneration of the Internal Auditors as required by the Clause 49(IIE) of the Listing Agreement. It is vested with necessary powers as defined in its Charter, to achieve its objectives.

## **Annexure 10**

### **Subsidiary Companies**

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

Mr. Amitabha Ghosh, an Independent Director of the Company has been appointed as a nominee Director of the Company on the Board of the wholly owned subsidiary Shreyas Relay System Limited.

## **Annexure 11**

### **Basis of Related Party Transactions**

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

## **Annexure 12**

### **Board disclosures – Risk Management**

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

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

### **Annexure 13**

#### **Remuneration of Directors**

All the pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company, if any, are disclosed in the Annual Report for the year ended 31<sup>st</sup> March, 2013.

Detailed disclosure on the remuneration of the Directors, remuneration policy of the Company and shareholding of the Non-Executive Directors in the Company is made available in the section on Corporate Governance forming part of the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2013.

Details of shareholding of Non-Executive Directors/Non-Independent Directors being appointed are disclosed in the Notice of the General meeting called for the appointment of such Director.

### **Annexure 14**

#### **Management**

A detailed review of the operations, performance and future outlook of the Company and its business has been included in the Management Discussion and Analysis Report forming part of the Annual Report for the year ended 31<sup>st</sup> March, 2013.

During the quarter under review there were no financial and commercial transactions in which Senior Management personnel had personal interest that may have a potential conflict with the interest of the Company at large.

### **Annexure 15**

#### **Shareholders**

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

The financial results of the Company are being published in leading newspapers such as The Free Press Journal and Navashkti to provide easier accessibility to the shareholders and also displayed on the Company's website [www.transworld.co/shreyas](http://www.transworld.co/shreyas).

Official press releases and presentations as and when made to the media and analysts are made available on the Company's website [www.transworld.co/shreyas](http://www.transworld.co/shreyas).

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

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

**Annexure 16**  
**CEO/CFO certification**

Requisite certificate shall forms part of the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2013

**Annexure 17**  
**Report on Corporate Governance**

Report on Corporate Governance containing details as required by Annexure- 1C to Clause 49 forms part of the Annual Report of the Company for the year ended on 31<sup>st</sup> March, 2013.

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

**Annexure 18**  
**Compliance**

Certificate from the Statutory Auditors regarding Compliance of conditions of the Corporate Governance as stipulated by the Clause 49 forms part of the Annual Report of the Company for the year ended on 31<sup>st</sup> March, 2013 has been sent to the Stock Exchanges.

Disclosures on compliance/non-compliance with the mandatory requirements of the Clause 49 and adoption/non-adoption of the non-mandatory requirements contained therein forms part of the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2013

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Ref No. nm/2014

Date: 7<sup>th</sup> January, 2014

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

**Kind Attn: Ms. Neha Gada; DCS – CRD**

Dear Madam,

**Subject: Quarterly Compliance Report on Corporate Governance : Clause 49.**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, we are enclosing herewith the Quarterly Compliance Report on Corporate Governance for the quarter ended as on 31<sup>st</sup> December, 2013.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,  
For **Shreyas Shipping & Logistics Limited**

**Namrata Malushte**  
**Company Secretary**

Encl: a/a

**C.c: National Stock Exchange of India Limited**