



Registered Office :
404, Abhay Steel House, Baroda Street,
Mumbai - 400 009, India
Tel : 91 (22) 6145 4545 / 2348 7348
Fax : 91 (22) 2348 7349
E-mail : shahi@bom3.vsnl.net.in
Website : www.shahilogistics.com

8th October, 2018

To,
Corporate Relationship Manager,
BSE Limited
PhirozeJeejeebhoy Tower,
Dalal Street, Mumbai - 400 001

Dear Sir,

Sub: 28th Annual Report of Shahi Shipping Limited (the Company)

Ref: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please find enclosed herewith the Annual Report of Shahi Shipping Limited for the Financial Year 2017-18 for your records.

You are kindly requested to take note of the same and oblige.

For Shahi Shipping Limited


Nutankumar Duragkar
Deputy Compliance Officer



Corporate Office :

Shahi Marine House, Plot No. 11 & 11/1, Sector 26, Near Dana Bazar, Vashi, Navi Mumbai - 400 703, India
Tel : 91 (22) 2784 3051 - 54 • Fax : 91 (22) 2784 3041 / 44

**28TH ANNUAL REPORT 2017 - 2018**
SHAHI SHIPPING LIMITED**Board of Directors**

Sarvesh Kumar Shahi	-	Chairman & Managing Director
Hema Kiran Thakur	-	Independent Director
V. I. Shivaraman	-	Independent Director
Chandresh Kumar Mishra	-	Independent Director

Company Secretary /Compliance Officer

Nungavaram Vaidyanathan Agandeswaran

Chief Financial Officer

Balamurugan Muthukumaraswamy

Statutory AuditorsM/s. B P Shah & Co.
Chartered Accountants**Registered Office**404, Abhay Steel House,
Baroda Street,
Mumbai - 400 009
Tel.: 91 (22) 61454545 / 23487340/41/42
Fax: 91 (22) 23487349 / 50
Website: www.shahilogistics.com
E-mail: admin@shahilogistics.com**CORPORATE OFFICE**Shahi Marine House
Plot No. 11 & 11/1, Sector-26
Near Grain Market, Vashi,
Navi Mumbai - 400 703
Tel.: 2784 3047-49 / 2784 3051-53
Fax: 91 (22) 2784 3041 & 2784 3044**Registrar & Share Transfer Agent****Link Intime India Private Limited**C 101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai - 400083**CONTENTS**

Sr. No	Particulars	Page
1	Notice	
2	Directors' Report	
3	Management Discussion and Analysis Report	
4	Corporate Governance Report	
5	Independent Auditors Report	
6	Balance Sheet	
7	Statement of Profit and Loss	
8	Cash Flow Statement	
9	Notes to Financial Statements	
10	Attendance Slip & Proxy Form	



NOTICE

Notice is hereby given that the **28th (Twenty Eighth) Annual General Meeting** of the Members of Shahi Shipping Limited will be held at the registered office of the Company at 404, Abhay Steel House, Baroda Street, Mumbai – 400 009 on Thursday, 27th September, 2018 at 11.00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2018 and statement of Profit and Loss for the year ended on that date together with the Reports of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. S. K. Shahi, Chairman and Managing Director of the Company (DIN: 00184680) who retires by rotation and being eligible, offers himself for re-appointment.

Place: Mumbai
Date: August 14, 2018

By order of the Board of Directors
of **Shahi Shipping Limited**

N. V. Agandeswaran
Company Secretary
ACS No. 7966

Registered Office:

404, Abhay Steel House,
Baroda Street,
Mumbai – 400 009

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Transfer Books of the Company will be closed from Friday, 21st September, 2018 to Thursday, 27th September, 2018, both days inclusive.
3. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar.
4. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar for assistance in this regard.
5. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
6. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.



7. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents.
8. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
9. The Annual Report 2017-2018, the Notice of the 28thAGM and instructions for e-voting, along with attendance slip and proxy form, are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. Members may also note that the Notice of the 28th AGM and the Annual Report 2017-18 will be available on the Company's website, <http://www.shahilogistics.com>.
11. Transfer of Unclaimed / Unpaid Dividend to the Investor Education and Protection Fund (IEPF):

In terms of the provisions of Section 124 of the Companies Act, 2013 the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the company's unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per section 124 of the Companies Act, 2013 and the applicable rules thereunder.

Unclaimed dividend for the year(s) 2010-11, 2011-12 are held in separate bank accounts and members who have not encashed their dividend warrants in respect of the above period are requested to make their claim(s) by surrendering the unencashed warrants immediately to the Company.
12. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Registrar / Depositories.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.
14. CS Sanjay P. Parab, Partner –SPRS & Co, Practicing Company Secretaries (Membership No. F6613) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
15. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
16. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
17. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
18. The instructions for e-voting are as under:
 1. The procedure and instructions for the voting through electronic means is, as follows:
 - i. Log on to the e-voting website www.evotingindia.com during the voting period.
 - ii. Click on "Shareholders" tab.
 - iii. Now, select the "Shahi Shipping Ltd" from the drop down menu and click on "SUBMIT"
 - iv. Now, enter your User ID



- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant < Shahi Shipping Ltd> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the password then enter the user ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



xviii. Note for Institutional Shareholders & Custodians:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

2. The voting rights of shareholders shall be in proportion to their shareholding in the paid up equity share capital of the Company.
3. E-voting period will commence from Monday, 24th September, 2018 at 9:00 a.m. and will end on Wednesday, 26th September, 2018 at 5.00 p.m.
4. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in presence of at least two witness not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of the Company.

The Results shall be declared on or after the date of General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.shahilogistics.com> and on the website of CDSL immediately after the result is declared by the Chairman.

The cut-off date for the purpose of E-voting is on Thursday, 20th September, 2018. The Voting rights of members shall be in proportion to their equity shareholding in the paid up equity share capital of the company as on cut-off date.

By order of the Board of Directors
of **Shahi Shipping Limited**

N. V. Agandeswaran
Company Secretary
ACS No. 7966

Place: Mumbai
Date: August 14, 2018.

Registered Office:
404, Abhay Steel House,
Baroda Street,
Mumbai – 400 009

**Annexure to Notice**

INFORMATION AS REQUIRED AS PER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING RE-APPOINTED

Name of the Director	Mr. Sarvesh Kumar shahi
Director Identification Number	00359535
Date of Birth	07.03.1957
Date of Appointment	26.10.1990
Qualification	Done executive Management Course at Massachusetts Institute of technology (MIT) Boston, USA
Expertise in specific functional area	Mr. S. K. Shahi has a career spanning more than 38 years of rich and varied experience in shipping industry
Directorships held in other public companies (excluding foreign companies and section 8 companies)	1. Royal Logistics (Ship) Limited 2. SKS Waterways Limited 3. Shahi Gasol Limited 4. India First Logistics Limited
Chairman/Member of the Committees of the Board of Directors of other Companies in which he is a director (excluding foreign companies)	None
Relationship with other Director(s)	None
Shareholding of Non Executive Director	Not Applicable

By order of the Board of Directors
of **Shahi Shipping Limited**

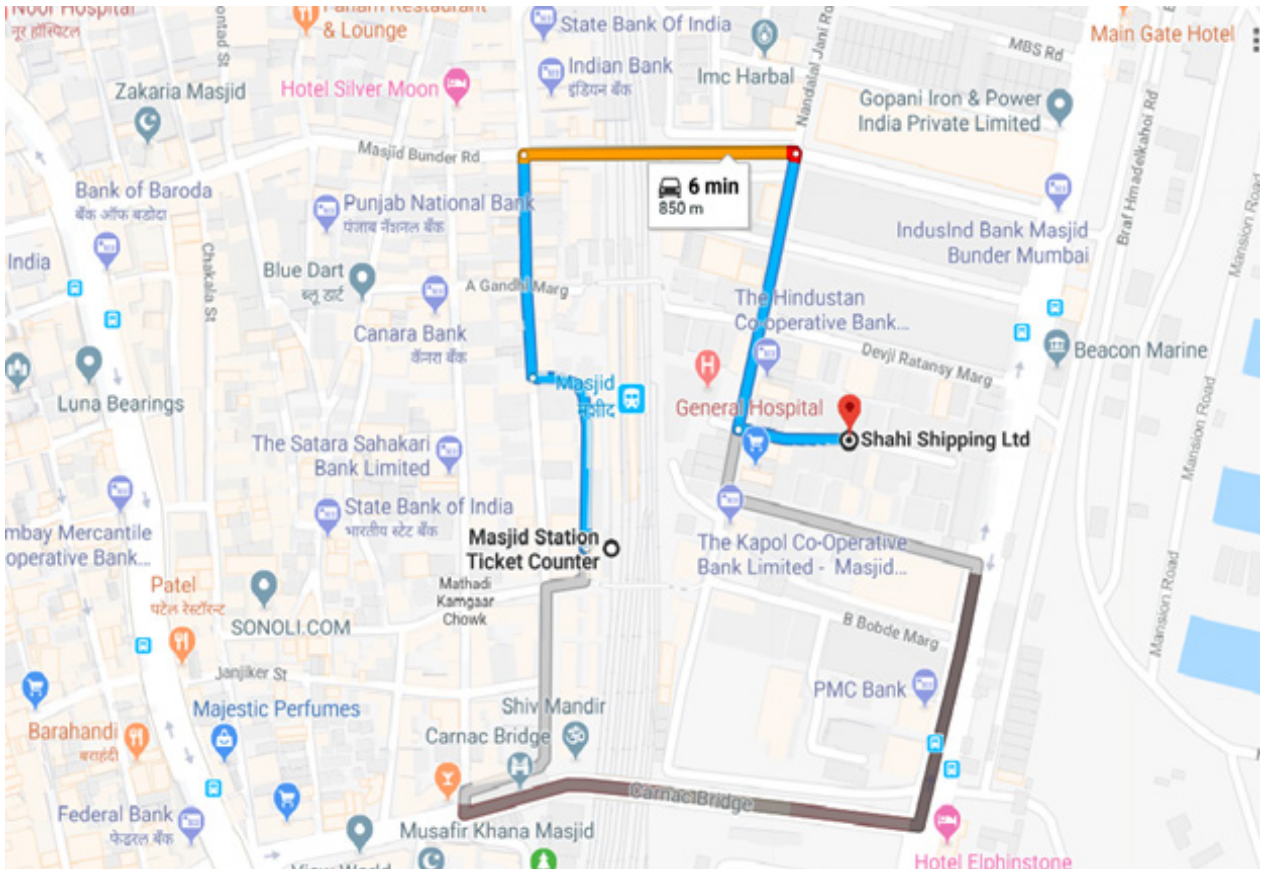
N. V. Agandeswaran
Company Secretary
ACS No. 7966

Place: Mumbai
Date: August 14, 2018.

Registered Office:
404, Abhay Steel House,
Baroda Street,
Mumbai – 400 009



ROUTE MAP TO THE VENUE OF THE AGM



**DIRECTORS' REPORT**

To,

The Members,

Shahi Shipping Limited

Your Directors are pleased to present herewith the 28th Annual Report of Shahi Shipping Limited (the “Company”) along with the Audited Financial Statements for the financial year ended March 31, 2018.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

The financial highlights of the Company are given below:

(Rs. In Lacs)

Particulars	2017-18	2016-17
Total Income	1799.72	1922.17
Total Expenditure (excluding Depreciation)	1589.98	1711.31
Profit for the year before providing for Depreciation	209.74	210.86
Less: Depreciation	182.53	209.55
Profit before Tax	27.21	1.31
Less: Provision for Taxation		
Current Year	11.31	0.21
MAT Credit Entitlement	-0.56	-0.69
Deferred Tax	-93.09	56.74
Profit After Tax	109.56	-54.94

Notes:

The above financial results have been prepared in accordance with Indian Accounting Standards (“IND-AS”) as specified under Section 133 of Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015.

The Company has adopted Ind-AS from 1st April, 2017 with transition date from 1st April, 2016. Accordingly the results for the year ended 31st March, 2018 have been prepared in accordance with IND-AS. Consequently results for the year ended 31st March, 2017 have been restated to make them comparable.

2. RESULTS OF OPERATIONS :

The Highlights of the Company’s performance (Standalone) for the year ended March 31, 2018 are as under:

- Value of sales and services decreased by 13.04 % to Rs. 1662.03 lakhs.
- PBDIT decreased by 5.45 % to Rs. 314.22 lakhs.
- Profit Before Tax increased by 1976.48% to Rs. 27.21 lakhs.
- Net Profit increased by 299.41% to Rs. 109.56 lakhs.

3. SHARE CAPITAL:

The paid up share capital of the Company as on 31st March, 2018 is Rs. 14,49,48,740 comprising of 1,44,94,874 equity shares of Rs. 10/- each. During the year under review, the Company has not issued any Equity Shares.

4. DIVIDEND:

The Board of Directors have not recommended any dividend for the Financial Year 2017-18.

5. AMOUNT TRANSFERRED TO RESERVE:

In view of Profits incurred during the year under review, your Directors have transferred a Surplus of Rs. 1,09,55,719/- to the reserves during the financial year under review.

**6. MATERIAL CHANGES AFFECTING THE COMPANY:**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

7. HUMAN RESOURCE DEVELOPMENT:

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

8. SUBSIDIARY COMPANIES:

The Company has two subsidiaries, namely SKS waterways Ltd.& Royal Logistics (Ship) Ltd., which have not commenced their operations. Hence, the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS waterways Ltd, Royal Logistics (Ship) Ltd has not been prepared.

9. SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1, SS-2 and SS-3 relating to ‘Meetings of the Board of Directors’, ‘General Meetings’ and ‘Dividend’, respectively have been duly followed by the Company.

10. DIRECTORS’ RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2017-2018 and of the profit of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis;
- v. The Directors have laid down internal controls to be followed by the Company and such internal controls are adequate and operating effectively; and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board and its Committees have most appropriate composition, pursuant to the provisions of Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors as on March 31, 2018 comprised of the following directors

Name of Director	Director Identification Number	Designation
Sarvesh Kumar Shahi	00359535	Chairman & Managing Director
HemaKiran Thakur	01363454	Independent Director
VenkatasubramanianIyer Shivaraman	07165080	Independent Director
Chandresh Kumar Mishra	07645967	Independent Director

During the period, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

**12. BOARD EVALUATION:**

The Nomination and Remuneration Committee has defined evaluation criteria for the performance evaluation of the Board, its Committees and individual director(s).

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, advisory role and contribution in the decision making etc.

At the separate meeting of independent directors held on 27th March, 2018, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated objectively, taking into account the views of executive directors and non-executive directors.

13. INDEPENDENT DIRECTOR:**(i) Declaration from Independent Directors**

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Criteria for Performance Evaluation

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors.

(iii) Details of familiarization Programme

The details of programme for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the www.shahilogistics.com.

14. MEETINGS:

During the Financial year 2017-2018, Six (06) Meetings of Board of Directors and Six (06) Meetings of Audit Committee of the Board were convened and held. The details of meetings held are given in the Corporate Governance Report. The gap between the said meetings did not exceed the limit of 120 days, as prescribed under the relevant provisions of the Companies Act, 2013 and the relevant Rules made thereunder.

15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed and adopted the policy for selection and appointment of Directors, Key Managerial Personnel, senior management and their remuneration. The policy lays down criteria for selection of directors, key managerial personnel and senior management like, qualification, requisite expertise, relevant experience and integrity of the directors, etc. The remuneration policy lays down the entitlements of remuneration to non-executive directors such as sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013.

Remuneration to Whole-Time Director(s) consists of monthly salary, allowances, perquisites, bonus, commission and other allowable retirement benefits. As per the Policy, the remuneration/compensation to Managing Director /Whole Time Director/Key Managerial Personnel shall be recommended by the Nomination and Remuneration Committee to the Board for its approval.

In respect of key managerial personnel and senior management, the remuneration will consist of fixed pay and incentive pay. The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time and the incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Policy is available on the Company's [website www.shahilogistics.com](http://www.shahilogistics.com).

**16. INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY:**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self- assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

17. EXTRACT OF ANNUAL RETURN:

As provided under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of annual return is given in **Annexure I** in the prescribed Form MGT-9, which forms part of this report.

18. DETAILS OF COMMITTEES OF THE BOARD:

At present, the Board has three committees, namely the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The Composition of various committees is as per the applicable provisions of the Companies Act, 2013 along with the Rules and Securities Exchange Board of India (Listing obligations & Disclosure Requirements) Regulations, 2015. The brief details of various committees, terms of reference is provided separately in the Corporate Governance report.

19. AUDIT COMMITTEE:

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Regulation 18 of the Listing Regulations, 2015. The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company.

20. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has been constituted as per section 178 (5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations, 2015. The Stakeholders Relationship Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of dividend etc. The details pertaining to composition of Stakeholders Relationship committee are included in the Corporate Governance Report, which forms part of this report.

21. NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee of the Board has been constituted as per Section 178 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Regulation 19 of the Listing Regulations, 2015. The details pertaining to composition of Nomination and Remuneration Committee, terms of reference and other particulars are included in the Corporate Governance Report, which forms part of this report.

22. AUDITORS:**a) Statutory Auditors:**

M/s. B. P. Shah & Co, Chartered Accountants, Mumbai, (Firm Registration No.109517W) were appointed as Auditors of the Company, for a term of five years, at the Annual General Meeting held on 12th August, 2018. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

b) Secretarial Auditor

In terms of Section 204 of the Act and Rules made there under, M/s. Neville Daroga & Associates, Practicing Company Secretary had been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure II** to this report.

For the Financial Year 2017-18, the said M/s. Neville Daroga & Associates, Practicing Company Secretary have conveyed their inability to continue to act as the Secretarial Auditor of the Company. The Company in due course will consider the appointment of Secretarial Auditor for the Financial Year 2018-19.



c) **Internal Auditor:**

The Company has appointed M/s. Wandrekar & Co., Chartered Accountants, as an Internal Auditor of the Company, for three financial years, starting from FY 2018-2019 to 2020-2021, to look after all the internal Audit matters and report to Audit Committee and Statutory Auditor on the relevant matters from time to time.

There are no adverse comment(s) or observation in the Internal Audit Report.

23. **AUDITORS' REPORT:**

Notes to Accounts and Auditors remarks in their report are self-explanatory.

The Statutory Auditors' Report do contains disclaimer in matter of adequacy of internal financial controls with reference to the financial statement. Your board have taken due note of such observation, and would be taking steps towards strengthening of control riders, desirable to your company and its business. Your board would like to roll out on effective financial control system to facilitate smooth and efficient functioning of the activities of business paving way for compliance of internal control norms stated in the guidance note on Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India.

The Secretarial Audit Report contains qualification, reservation, adverse remark or disclaimer with respect to the following:

1. Promoter's and Promoter group's shareholding of the Company is not held 100% in DEMAT form. (Management's Reply: The Company had sent several letter(s) to the promoters who are holding shares of the Company in physical mode for conversion of their respective shares in dematerialized format).
2. During the year under review, related party transactions were undertaken but no disclosures regarding the same have been done. (Management's Reply: There were few transactions between the Company and its related party viz. Shahi Gasol Limited and India First Logistics Limited, for payment of loan, payment received for sales and payment made for purchase respectively, amounting to Rs. 19,45,000. The same were inadvertently not taken on records at the Board Meeting. The Company at its meeting held on 29th May, 2018 duly noted the above mentioned transactions).

24. **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:**

There was no loan given or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

25. **PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:**

The company, during the year, has entered into transactions, as specified under section 188 (1) of the Companies Act, 2013, with related parties. Accordingly, the disclosure of Related Party Transactions is provided under section 134 (3) (h) of the Companies Act, 2013, in Form AOC-2 forming part of Board Report as **Annexure III**. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Weblink: www.shahilogistics.com.

26. **PARTICULARS OF EMPLOYEES:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and a statement showing the names and other particulars of the top ten employees of the Company in terms of remuneration drawn pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure-III** to this Report.

In terms of the provision of Section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the every employee drawing remuneration in excess of the Limits set out in the said rules are not applicable to the Company as no Employees were employed during the year, drawing Rs. 1,02,00,000/- per annum, or Rs. 8,50,000/- per month, the ceiling limits prescribed under the said rule.

27. **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the financial year ended 31st March, 2018 forms part of the Annual Report.

29. CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best governance practices.

The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

30. VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES:

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Vigil Mechanism" for employees including directors of the Company for reporting the genuine concerns or grievances or cases of actual or suspected, fraud or violation of the Company's code of conduct and ethics policy. The Vigil Mechanism/Whistle Blower Policy is available on the Company's website www.shahilogistics.com.

31. DEPOSITS FROM PUBLIC:

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

32. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year, the committee has not received any complaint of harassment.

33. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

In terms of the provisions of Section 123 of the Companies Act, 2013 the amount of dividend not en-cashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per section 124 of the Companies Act, 2013 and the applicable rules thereunder. The Members advised to get their dividend encashed their dividend warrant for the period 2010-2011 and 2011-2012.

34. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Pursuant to the notification No GSR 1029 dated 31-12-1988; companies are required to furnish prescribed information regarding conservation of energy and technology absorption. However this does not apply to your company as the shipping industry is not included in the schedule to the relevant rules. The details, however, as regards Foreign exchange earnings and out go are given below.

(a) Foreign Exchange earned	Rs. 285,547/-
(b) Foreign Exchange outgo	Rs. 10,01,425/-

35. LISTING WITH STOCK EXCHANGES:

Your Company confirms that, it has paid the Annual Listing Fees for the year 2017-2018 to BSE Limited, the stock exchange where the Company's shares are listed.



36. **DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

37. **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

During the year pursuant to the provisions of section 135 read with Schedule VII of the Companies Act, 2013 the company does not fall under the criteria of CSR Policy. Hence the company has not contributed towards CSR Activity.

38. **ACKNOWLEDGEMENT**

Your Directors express their sincere thanks to all customers, vendors, investors, shareholders, shipping agents, bankers, insurance companies, consultants, advisors, Central and State Government(s) for their consistent support and encouragement to the Company.

Your Directors also sincerely acknowledge the significant contributions made by all the employees through their dedicated services to the Company.

For and on behalf of the Board of Directors

Sarvesh Kumar Shahi
Chairman & Managing Director
DIN: 00359535

V. I. Shivaraman
Director
DIN: 07165080

Date: August 14, 2018
Place: Mumbai



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L61100MH1990PLC058680
ii	Registration Date	26th October, 1990
iii	Name of the Company	Shahi Shipping Limited
iv	Category/Sub-category of the Company	Company Limited By Shares Indian-Non Government Company
v	Address of the Registered office & contact details	404 Abhay Steel House, 4th Floor, Baroda Street, Mumbai- 400 009
vi	Whether listed company	Listed
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400 083 Tel: 022-4918 6270/60/00 Fax: 022-4918 6060 Email Id: rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Sea and coastal freight water transport	50120	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	SKS Waterways Limited Karnani Estate, 209, A.J.C.Bose Road, 1st Floor, Room No.-22b, Kolkata- 700 017	U63012WB2008PLC125911	Subsidiary	70	2 (87)
2	Royal Logistics (Ship) Limited Karnani Estate, 209, A.J.C.Bose Road, 1st Floor, Room No.-22b, Kolkata- 700 017	U61100WB2007PLC117112	Subsidiary	70	2(87)



IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									% change during the year
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	19,05,419	34,07,444	53,12,863	36.65	19,05,419	34,07,444	53,12,863	36.65	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	50,54,721	2,29,200	52,83,921	36.45	50,54,721	2,29,200	52,83,921	36.45	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other (Persons Acting in Concert)	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	69,60,140	36,36,644	1,05,96,784	73.11	69,60,140	36,36,644	1,05,96,784	73.11	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	69,60,140	36,36,644	1,05,96,784	73.11	69,60,140	36,36,644	1,05,96,784	73.11	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	200	200	0.00	-	200	200	0.00	-
b) Banks/FI	200	-	200	0.00	200	-	200	0.00	-
C) Cenntal govt	50	-	50	0.00	50	-	50	0.00	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	250	200	450	0.00	250	200	450	0.00	-
(2) Non Institutions									
a) Bodies corporates	2,89,843	2,000	2,91,843	2.01	2,70,468	2,000	2,72,468	1.88	(0.13)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	18,44,147	5,85,299	24,29,446	16.76	16,33,113	4,04,549	20,37,662	14.06	(2.70)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	4,21,843	6,01,500	10,23,343	7.06	6,28,194	7,80,250	14,08,444	9.72	2.66
c) Others (specify)									
Clearing Members	26,655	-	26,655	0.18	18,515	-	18,515	0.13	(0.06)
HUF	1,12,377	-	1,12,377	0.78	1,47,995	-	1,47,995	1.02	0.25
Non Resident Indians	13,976	-	13,976	0.10	12,556	-	12,556	0.09	(0.01)
SUB TOTAL (B)(2):	27,08,841	11,88,799	38,97,640	26.89	27,10,841	11,86,799	38,97,640	26.89	-



IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									% change during the year
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)= (B)(1)+(B)(2)	27,09,091	11,88,999	38,98,090	26.89	27,11,091	11,86,999	38,98,090	26.89	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	96,69,231	4825643	1,44,94,874	100.00	96,71,231	48,23,643	1,44,94,874	100.00	-

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Anjana Shahi	502	0	-	502	0.00	-	0
2	Dolicie F. Koli	1,90,000	1.31	-	1,90,000	1.31	-	0
3	Francis Budhaji Koli	4,000	0.03	-	4,000	0.03	-	0
4	Koli Finance Pvt Ltd	2,29,000	1.58	-	2,29,000	1.58	-	0
5	Ranjana Francis Koli	1,40,200	0.97	-	1,40,200	0.97	-	0.02
6	Sarvesh Kumar Shahi	20,28,165	13.99	-	20,28,165	13.99	-	0
7	Shahi Finance P.Ltd	200	0.00	-	200	0.00	-	0
8	Shahi Gasol Ltd	50,54,721	34.87	-	50,54,721	34.87	-	0
9	Trupti F. Koli	1,90,000	1.31	-	1,90,000	1.31	-	0
10	Veena Joseph Koli	1,10,000	0.76	-	1,10,000	0.76	-	0
11	Vikas F Koli	26,49,996	18.28	-	26,49,996	18.28	-	0
	Total	1,05,96,784	73.11	-	1,05,96,784	73.11	-	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE) - NO CHANGE

SI. No.		Share holding at the beginning of the Year(As on 1st April 2017)		Cumulative Share holding during the year (From 1st April 2017 to 31st March 2018)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Shares transferred on	-	-	-	-
	At the End of the year	-	-	-	-

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SI. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end the year	
		No.of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	kashmir Manvel Zelka	1,80,000	1.24	1,80,000	1.24
2	vishesh Polyimpex Pvt Ltd	1,46,100	1.00	1,55,100	1.07
3	Samiresh Kumar	1,17,105	0.80	1,17,105	0.80
4	Shah Pulin Hashmukh	54,990	0.3794	1,00,372	0.6925
5	Rupina Joseph Koli	90,000	0.6209	90,000	0.6209
	Rupesh Joseph Koli	61,600	0.425	61,600	0.425
6	Wilson Anthony Embrose	60,000	0.41	60,000	0.41
8	Ragina Josepk Koli	50,400	0.34	50,400	0.34
9	Noble Josepk Koli	48,000	0.33	48,000	0.33
10	Thomas Joseph Koli	47,500	0.33	47,500	0.33

Note: Change in the shareholding is due to market transactions (purchase / sale in shares) made by the shareholders during the year.



(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Sarvesh Kumar Shahi				
	At the beginning of the year	20,28,165	13.99	20,28,165	13.99
	Shares sold transferred on 10th June, 2017		0.00	20,28,165	13.99
	At the End of the year			20,28,165	13.99
2	V I Shivaraman				
	At the beginning of the year	100	0.0007	100	0.0007
	Shares sold transferred on 10th June, 2017		0	100	0.0007
	At the End of the year			100	0.0007

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year					
i)	Principal Amount	6,29,59,221	6,88,19,995		13,17,79,216
ii)	Interest due but not paid	31,577	7,16,378		7,47,955
iii)	Interest accrued but not due				
	Total (i+ii+iii)	6,29,90,798	6,95,36,373	-	13,25,27,217
Change in Indebtedness during the financial year					
	Additions	12,34,729		-	12,34,729
	Reduction	71,52,229	2,70,82,373	-	3,42,34,602
	Net Change				(3,29,99,873)
Indebtedness at the end of the financial year					
i)	i) Principal Amount	5,70,41,721	4,17,37,622		9,87,79,343
ii)	ii) Interest due but not paid	17,753	3,52,267	-	3,70,020
iii)	iii) Interest accrued but not due	-		-	-
	Total (i+ii+iii)	5,70,59,474	4,20,89,889	-	9,91,49,363

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	MR. S K SHAHI, C&MD	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	60,00,000	60,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit		
	others (specify)		
5	Others, please specify	-	-
	Total (A)	60,00,000	60,00,000



B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
		I V Shivaraman	Hema Thakur	Chandresh Kumar Mishra	
1	Independent Directors				
	(a) Fee for attending board committee meetings	24,300	55,800	28,800	1,08,900
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	24,300	55,800	28,800	1,08,900
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)				
	Total (B)=(1+2)	24,300	55,800	28,800	1,08,900
	Total Managerial Remuneration				61,08,900

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Balamurugan Muthukumaraswamy, CFO	Mr. N. V. Agandeswaran, Company Secretary	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	360,000	120,000	480,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	360,000	120,000	480,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	N.A	N.A
Punishment	NIL	NIL	NIL	N.A	N.A
Compounding	NIL	NIL	NIL	N.A	N.A
B. DIRECTORS					
Penalty	NIL	NIL	NIL	N.A	N.A
Punishment	NIL	NIL	NIL	N.A	N.A
Compounding	NIL	NIL	NIL	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	N.A	N.A
Punishment	NIL	NIL	NIL	N.A	N.A
Compounding	NIL	NIL	NIL	N.A	N.A



ANNEXURE II
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Shahi Shipping Ltd.,
404, Abhay Steel House,
Baroda Street,
Mumbai - 400 009

We have conducted the Secretarial Audit for the compliance of applicable statutory provisions and adherence to good corporate Governance of your Company M/s. SHAHI SHIPPING LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided to me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the aforesaid period, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') namely:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is not applicable since the Company has not issued Capital during the year under review.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is not applicable since the Company has not issued securities under ESOP.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable since the Company has not issued Debt Securities during the year under review.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable.
- (vi) Merchant Shipping Act, 1958 and the other Acts as prescribed by the Directorate General of Shipping under Ministry of Shipping, Government of India.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observation:



QUALIFICATIONS

- 1) *As per SEBI Circular no CIR/ISD/3/2011 dated 17th June, 2011, 100% of promoter's and promoter group's shareholding should be dematerialized. However the Promoter's and Promoter's group's shareholding of the Company is **NOT** 100% held in Dematerialized Form. However we have been informed by the Company that the concerned promoters have been contacted to get their holding dematerialized & the copies of the letters been sent to the members during the earlier years were made available to us.*
- 2) *During the year under review related party transactions were undertaken but no disclosures regarding the same have been made.*

We further report that

The Board of Directors of the Company was duly constituted having one whole time Director and three independent Directors & there were no changes in the Board structure throughout the year.

Adequate notices were given to the Directors to schedule the Board Meetings and the agenda and detailed notes on agenda together with the notice were sent at least seven days in advance. The Company has a proper system in existence to enable the Directors to seek and obtain further information and clarifications on the agenda items before the meeting, as also for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company, except for those qualified above, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period the Company has not undertaken any specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For example:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Merger / Amalgamation / Reconstruction, etc.
- (iv) Foreign Technical Collaborations

NEVILLE .DAROGA & ASSOCIATES
Practicing Company Secretary

Neville K. Daroga
Proprietor
ACS No.8663
C.P No. 3823

Place: Mumbai

Date: 08th August, 2018

**ANNEXURE III**
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Name of the Related Party & nature of relationship	Nature of Contract / arrangement / transaction	Duration of the contracts or arrangements or transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board, if any.	Amount paid as advances, if any
NOT APPLICABLE					

2. Details of contracts or arrangements or transactions at Arm's length basis.

Name of the Related Party & nature of relationship	Nature of Contract / arrangement / transaction	Duration of the contracts or arrangements or transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board, if any.	Amount paid as advances, if any
Shahi Gasol Limited	Loan amount repaid	One time	Loan amount repaid against outstandings on 15 th May, 2017 of Rs.1 Lakh and 26 th December, 2017 of Rs. 1 Lakh to Shahi Gasol Limited	NA	NA
India First Logistics Limited	Payments made for Purchases	One time	Trade Payable of Rs.10,000 transferred to Deposits account on 30 th April, 2017 and it's a mere journal entry no payment transaction was done with India First Logistics Limited	NA	NA
Shahi Gasol Limited	Payments Received for Sales	One time	Sundry creditors of Rs.17.35 lakh adjusted against sundry debtors on 30 th April, 2017 by journal entry there was no actual movements of funds Shahi Gasol Limited	NA	NA

**Annexure IV**

Part-A: Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- 1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2017-18 as well as the percentage increase in remuneration of each Director, Chief Financial officer is as under:**

Sr. No.	Name of Director /KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration in the Financial Year 2017-18
1	Sarvesh Kumar Shahi	Chairman & Managing Director	38.26	42.86
2	Hema Kiran Thakur	Independent Director	0.26	11.60
3	V. I. Shivaraman	Independent Director	0.11	-0.03
4	Chandresh Kumar Mishra	Independent Director	0.13	N.A.*
5	Balamurugan Muthukumaraswamy	Chief Financial Officer	1.66	0.08

***Directorship/KMP is for part of the period, either in current year or in previous year. Hence, percentage increase in remuneration is not provided.**

- 2. The percentage increase in the median remuneration of employees in the financial year.**

The percentage increase in the median remuneration of employees in the financial year 2017-18 was 15.28%

- 3. Number of Permanent employees on the rolls of the company**

The Company had 51 permanent employees on the rolls of the Company as on March 31, 2018.

- 4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

Average percentile increase made in salaries of employees other than the managerial personnel in the last financial year i.e 2017-18 was 13.89% whereas the increase in the managerial remuneration for the same financial year was 18.18%.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

- 5. Key parameters for any variable component of remuneration availed by the directors.**

The key parameters for any variable component of remuneration availed by the Managing Director is approved by the shareholders. Independent Directors are paid sitting fees as determined by the Board of Directors and as per the Nomination Remuneration and Compensation Committee Policy/Charter.

- 6. Affirmation that the remuneration is as per the remuneration policy of the Company.**

It is hereby affirmed that the remuneration paid is as per the Nomination Remuneration and Compensation Committee Policy/Charter.

**Part-B: Information as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Employee Name	Designation	Age	Nature of Employment (Whether Contractual or otherwise)	Remuneration FY 2017-18	Qualification and Experience	Date of Commencement of employment	Last Employment held	Percentage of equity shares held by the employee
1	S. K. SHAHI	CMD	60	Permanent	6,000,000	Done Executive Mgt course from MIT BOSTON, USA	Since Inception	NA	13.99%
2	Haiderali Shaikh	General Manager	46	Permanent	9,60,825	12th	Since Inception	NA	NIL
3	Samiresh Kumar	Vice President	49	Permanent	9,16,413	B.com Graduate	Since Inception	NA	NIL
4	C.K Mondal	Dy. Manager	56	Permanent	6,09,562	B.E	02-07-07	NA	NIL
5	Rajendra Godinho	CTO	41	Permanent	6,00,000	B.com Graduate	Since last 2 Years	NA	0.80%
6	Nutuankumar Duragkar	DGM- LEGAL & ADMIN	62	Permanent	5,35,597	LLB	05-06-13	NA	NIL
7	Prabhat Singh	JT GM	56	Permanent	5,21,614	BA	Since Inception	NA	NIL
8	Ghanshyam Choudhary	Purchase VB	54	Permanent	4,32,000	MA	16-11-00	NA	NIL
9	Anjani Thakur	Manager	43	Permanent	3,81,660	12 th	Since 1993	NA	NIL
10	T.R.Jog	Deputy General Manager	58	Permanent	3,68,000	B.A	Since Inception	NA	NIL



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) **INDUSTRY STRUCTURE AND DEVELOPMENT**

About 90% of the global trade (in terms of volume) is carried via sea route, making the industry the lifeline of the world's economy. Due to the mobile nature of the asset class (ships), the freight rates ruling in any particular route is not significantly different from those of another. On account of this, the Indian Shipping Industry is highly intertwined with global shipping industry. Depending on the nature of cargo carried, shipping industry can broadly be classified into three segments: Dry Bulk, Wet Bulk (Tankers) and Containership segment. While Dry Bulk Carriers carry Iron Ore, Steel, Coal etc., tankers are used for transporting Crude Petroleum (Crude Carriers), downstream refined products (Product Tankers) and Chemicals (Specialized carriers e.g. LNG carriers).

The importance of Shipping in India has increased multiple times in the past few years. India lies in geographical proximity to important shipping routes which gives a natural advantage to the country's shipping. According to the Ministry of Shipping, around 95 per cent of India's trading by volume and 70 per cent by value is done through maritime transport. The Indian ports and shipping industry plays a vital role in sustaining growth in the country's trade and commerce. The Indian Government plays an important role in supporting the ports sector. It has allowed Foreign Direct Investment (FDI) of up to 100 per cent under the automatic route for port and harbour construction and maintenance projects. It has also facilitated a 10-year tax holiday to enterprises that develop, maintain and operate ports, inland waterways and inland ports. The Country's major ports saw cargo traffic rise by 4.77 per cent to 679.35 million tonnes (MT) during the Financial Year 2017-18, as per ports body IPA. These top ports under the Centre had handled 648.39 MT of cargo during 2016-17. Increased demand from various sectors including coal, containers, fertilisers and POL (petroleum, oil and lubricant) was the main reason behind the growth in traffic, as per Indian Ports Association (IPA) data. Volume of seaborne cargo is essentially in the nature of derived demand and is mainly shaped by the levels and changes in both the global and domestic activity. These figures indicate growth prospectus in near future for your company. Your Company have designed strategies to capture opportunities availed to the industry.

(b) **OUTLOOK ON OPPORTUNITIES**

The Ministry for Shipping, Road Transport and Highways, announced a massive investment in India's ports and roads sector, which is likely to help boost the country's economy. The Indian government plans to develop 10 coastal economic regions as part of plans to revive the country's Sagarmala (string of ports) project. Sagarmala is an ambitious national initiative aimed at bringing about a step change in India's logistics sector performance, by unlocking the full potential of India's coastline and waterways. The vision of Sagarmala is to reduce logistics cost for both domestic and EXIM cargo with optimized infrastructure investment. Sagarmala aspires to reduce logistics costs for EXIM and domestic cargo leading to overall cost savings of INR 35,000 to 40,000 cr. per annum. Some of this will be direct cost savings, while others are savings from inventory-handling costs resulting from time (and reduced variability) in transportation of goods, particularly containers. These cost savings apply to current industrial capacities as well as future coast proximate capacities for energy, material, marine and discrete industries that could come up through port-linked industrialization. In addition, Sagarmala aspires to reduce carbon emissions from transportation sector by 12.5 MT/annum.

The Union Cabinet is planning to propose amendments to the Multi Modal Transportation of Goods Act, 1993, with a view to increase transparency in the shipping and logistics sectors and to discourage container freight stations from overcharging both importers and exporters. The Government of India plans to amend the current Model Concession Agreement (MCA), by providing a better allocation of risks between the government and private firms, thereby encouraging investments in the sector. The Government of India plans to introduce a new framework on renegotiation of Public Private Partnership (PPP) contracts, which will allow renegotiations based on sector-specific issues, especially for national highways and ports, and provide greater flexibility to the parties involved.

(c) **THREATS, RISKS AND CONCERNS**

As 2018 dawns, it is apparent that the shipping industry will continue to face headwinds. The high maintenance and operating costs for vessels of the Company bring down the possibility of a level playing field with foreign competitors. Your Company has carried out a detailed exercise to identify the various risks faced by the Company, and has put in place mitigation, control and monitoring plans for each of the risks. The efficiency of these processes will be monitored on a regular basis. Shipping is a global business whose performance is closely linked to the state of the global economy. Since the Great Recession, the global shipping industry has been facing strong headwinds, which are not likely to go away soon, given uncertainty in trade policy and changing trade patterns among nations. Therefore, the earnings of your Company could be impacted negatively if the global economic situation does not improve over the longer term. Export orders and container shipping have been strong in the early months of 2017, but trade recovery could be undermined by policy shocks. Policy uncertainty is the main risk factor, including imposition of trade restrictive measures and monetary tightening. Over and above the economic risks the shipping industry is impacted by numerous short term and regional factors, like political fallouts, weather changes, etc. This



results in great amount of volatility in the freight market, which in turn impacts your Company's earnings. The global economy is in uncertain territory, with a new administration taking over in the United States, Europe still mired in weak growth, and economic activity in China not showing signs of picking up sharply.

(d) SEGMENT WISE PERFORMANCE

The Company operates in only one segment i.e. shipping, and therefore, has no separate reportable segments. Your company continued to provide services in the areas of Container Liquid Cargo lighter age operations of Petroleum & Chemical Products, lighter age operations of Bulk Cargo, Tug services for port related activities, supply of bunkers to vessels and Container Feeder Service on Indian Coasts through its fleet of vessels. The business development period provides an opportunity to create value and lean period provide to undertake major repairs and maintenance of vessels. The fleet utilization during the period under review was efficient.

(e) OUTLOOK

The shipping industry is poised for growth in the coming years. Your company with some inherent advantages such as low operation cost, committed professional manpower and proper upkeep of vessels is expected to cash on the opportunities provided.

Your Company has since last few years taken initiatives to broaden its fleet base to minimize the risks and maximize the gains.

(f) PROJECT

Your Company has carried out a market survey on Indian costal business opportunities and based on its finding proposing to acquire suitable petroleum and allied carrying vessels, which if commenced, will significantly grow the profitability of the Company.

(g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Much of the success of your company is attributed to the quality of its people, their dedication and contribution. The dedicated team of shore and floating staff provides continuous support to the operations of the company, which is reflected in the operational efficiency. Voyage operations are managed professionally, ensuring high productivity levels, thus increasing the revenues. Your Company employs skilled personnel to monitor and maintain its oil-spill and other emergency response plans.

(h) QUALITY & SAFETY

Your company continues to focus on the safety, training and development of the employees. The company also conducts frequent training sessions including onboard drills to enhance the effectiveness of the safety of the staff. Your company firmly believes that pursuit of excellence is one of the critical components for competitive success in the global market. Your Directors take pleasure in informing you that your company has upgraded ISO to latest gradation standards. The Company has also obtained Trade mark certificate from Trade mark Registry Certification to safeguard the interest of the Company and is on continuous journey towards continual improvement to make its Quality Management System more effective.

(i) HUMAN RESOURCES

The Company considers its employees as partners in growth. They have played a significant role and enabled the Company to deliver superior performance year after year.

(j) ADEQUACY OF INTERNAL CONTROLS

Your company believes in formulating adequate and effective internal control systems and implementing the same strictly to ensure that assets and interests of the company are adequately safeguarded. The Company has adopted the all reasonable processes and procedures that management puts in place to help and makesure that its assets are protected and that company activities are conducted in accordance with the organization's policies and procedures. As observed by auditors, the company, going forward, would deploy news tools and technique to strengthen its Internal Financial Controls and to facilitate smooth and efficient functioning of the activities of business paving way for compliance of internal control norms stated in the guidance note on 'Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India.

(k) CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's strategies on business, projections and estimates are forward looking statements within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The actual results may vary from those expressed or implied, depending upon economic conditions, Government policies, regulations, tax laws and other incidental factors.



CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Shahi Shipping Limited (SSL) is committed to good corporate governance in order to enhance the shareholders' value and promote national interest.

In order to achieve the objectives of good corporate governance, SSL follows the principles of transparency, disclosure, fairness, independent supervision, healthy competition, compliance with all the relevant laws, regulations, improvement in quality of life and meeting social responsibility.

The Company complies with the requirements as laid down as per regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India. The detailed report on implementation of Corporate Governance Code is set out herein below.

It is expected that good corporate governance by SSL would protect and enhance the trust of shareholders, customers, suppliers, financiers, employees, government agencies and the society at large.

2. BOARD OF DIRECTORS

The company has 4(four) directors which includes Chairman & Managing Director & 3(Three) independent Directors drawn from diverse fields.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies is given in separate tables below.

Name of Directors	Category	No. of Directorships in other companies @	No. of other Committee Directorship	
			Chairman	Member
Mr. S. K. Shahi (DIN No.00359535)	Promoter, Executive Chairman & Managing Director	07	-	-
Mr Venkatasubramanian Iyer Shivaraman (DIN No. 07165080)	Non Promoter, Non Executive Independent Director	-	-	-
Ms. Hema Thakur (DIN No.01363454)	Non Promoter, Non Executive, Independent Director	02	-	-
Mr. Chandresh Kumar Mishra (DIN No. 07645967)	Non Promoter, Non Executive, Independent Director	-	-	-

@This includes directorships in private limited companies but excludes directorships held in Foreign Companies and Companies formed under section 8 of the Companies Act, 2013.

It is to be noted that the Mr. Venkatasubramanian Iyer Shivaraman (DIN: 07165080) non-executive Independent Directors of the company hold 100 Shares in the company.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

A total of Six meetings of the Board of Directors were held during the year under review on 30th May 2017, 10th July 2017, 05th September 2017, 13th September 2017, 12th December 2017 and 14th February 2018.

The maximum time gap between two board meetings was less than 120 days.



Attendance of each director at the Board meetings and the last Annual General Meeting (AGM) is as under.

Name of Directors	Meetings held during the tenure of the said Director	Meetings attended	Attendance during the General Body Meeting
Mr. S. K. Shahi	06	06	YES
Mrs.Hema Thakur	06	06	YES
Mr.Venkatasubramanian Iyer Shivaraman	06	05	YES
Mr. Chandresh Kumar Mishra	06	06	YES

3 INDEPENDENT DIRECTORS MEETING

A separate meeting of the Independent Directors of the Company was held on 27thMarch, 2018 without the attendance of Non-Independent Directors and Members of the management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Board taking into account the views of the Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonable perform their duties and have expressed satisfaction.

4. AUDIT COMMITTEE

The Audit Committee of the Company inter alia performs all the functions specified under the Companies Act, 2013 & Listing Regulations, 2015. The committee comprises three directors. The primary objective of the Audit Committee is to monitor and effectively supervise the company's financial reporting process with a view to providing accurate, timely and proper disclosures and integrity and quality of the financial reporting. The terms of reference of the Audit Committee are in accordance with the listing Agreement and inter alia cover the following:

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee/records of the company.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- v. Overseeing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- vi. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval of payment for any other services.
- vii. Reviewing with management quarterly/half yearly/annual financial statements before submission to the Board.
- viii. Reviewing the adequacy of internal audit function including discussions with internal auditor any significant findings and follow up thereon.
- ix. Discussion with external auditors before the commencement of audit, the nature and scope of audit and also to discuss the areas of concern on basis of audit findings.
- x. Reviewing the company's financial and risk management policies including any other item referred to it by the Board of directors.

COMPOSITION

Composition, name of members and Chairman and attendance details of the Audit Committee are as under:

Name of Director	Designation	Status	No. of meeting held	No. of meeting attended
Ms. Hema Thakur	Chairperson	Non Executive, Independent Director	06	06
Mr. Venkatasubramanian Iyer Shivaraman	Member	Non Executive, Independent Director	06	05
Mr. Chandresh Kumar Mishra	Member	Non Executive, Independent Director	06	06



During the year 2017-18 six meetings of the Audit Committee were held on the following dates 30th May 2017, 10th July 2017, 05th September 2017, 13th September 2017, 12th December 2017 and 14th February 2018.

5. NOMINATION AND REMUNARATION COMMITTEE

The Nomination and Remuneration Committee of the Company in line with the provisions of Regulation 19 of SEBI Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

TERMS OF REFERENCE

The terms of reference of the Nomination and Remuneration Committee are:

- (1) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- (2) Formulate criteria for evaluation of Independent Directors and the Board.
- (3) Identify person who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- (4) To carry out evaluation of every Directors performance.
- (5) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (6) To recommend to the Board policy relating to remuneration for Directors, Key Management Personnel and Senior Management.
- (7) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (8) To devise a policy on Board diversity.
- (9) To carry out any other function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.

COMPOSITION, MEETINGS AND ATTENDANCE

The Nomination and Remuneration committee comprises of 3 directors, all three are Independent Non-Executive Directors. The Chairman of the committee is an Independent Non Executive Director nominated by the Board.

The Composition of the Nomination & Remuneration Committee is as follows.

Name of Director	Designation	Status
Mr. Chandresh Kumar Mishra	Chairperson	Independent, Non-Executive
Mr. Venkatasubramanian Iyer Shivaraman	Member	Independent, Non-Executive
Mrs. Hema Thakur	Member	Independent, Non-Executive

During the year 2017-2018, one meeting of the committee was held on 5th September 2017.

DIRECTORS' REMUNERATION

(A) REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTORS

The Non Executive / Independent Directors were paid sitting fees for attending the meeting of the Board or Committee thereof and the amount paid for sitting fees were not exceed the maximum amount as provided in the Companies Act 2013.

The compensation of Non-Executive Directors is approved unanimously by the Board None of the Non-Executive Directors has any material pecuniary relationship or transactions with the company.



Details of Remuneration paid to all Directors:

Name of Directors	Category/Status	Sitting Fees (Rs.)	Salary (Rs.)	Bonus/Commission (Rs.)	Service Contract
Mr. S. K. Shahi	Promoter, Executive Chairman and Managing Director	-	6000000/*	-	3 years w.e.f 1 st April 2017
MsHema Thakur	Non Executive Independent Director	55800/-	-	-	No service contract
Mr Venkatasubramanian Iyer Shivaraman	Non Executive Independent Director	24300/-	-	-	No service contract
Mr. Chandresh Kumar Mishra	Non Executive Independent Director	28800/-	-	-	No service contract

*In Addition to this sum of Rs 180000/- as a Contribution to Provident Fund

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations, 2015 read with section 178 of the Companies Act, 2013.

TERMS OF REFERENCE

- To consider and resolve the grievances of security holders of the Company including complaints related to:-
 - Transfer of Shares
 - Non-receipt of Balance Sheet
 - Non-receipt of declaration dividend and
 - Any other investors grievance raised by any security holders
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- To approve request received for transfer, transmission, demat etc. of securities of the Company

The Stakeholder Relationship Committee consists of the following:

Name of Directors	Designation	Status
Mr. Venkatasubramanian Iyer Shivaraman	Chairman	Independent, Non-Executive
Mrs. Hema Thakur	Member	Independent, Non-Executive
Mr. Chandresh Kumar Mishra	Member	Independent, Non-Executive

During the year 2017-18, No meeting of the Stakeholder Relationship committee was held.

During the year 2017-18, no complaint were received from the investors.

NAME & ADDRESS OF COMPLIANCE OFFICER

Mr. N. V. Agandeswaran
404, Abhay Steel House, Baroda Street,
Mumbai – 400 009.
E-mail: admin@shahilogistics.com

CEO AND CFO CERTIFICATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the CEO and CFO certification is provided in this Annual Report.

RISK MANAGEMENT

The Company has set in motion a system for management of risks associated with the orderly functioning of the Company. The audit committee has been mandated the accountability for integration of risk management practices into day to day activities.

**7. GENERAL BODY MEETINGS**

A) The venue and time where last three Annual General Meetings were held is given below.

Financial Year	Meeting	Date	Time	Location
2014-2015	AGM	29.09.2015	10.00 A.M.	404, Abhay Steel House, Baroda Street , Masjid, Mumbai
2015-2016	AGM	29.09.2016	11.00 A.M.	404, Abhay Steel House, Baroda Street , Masjid, Mumbai
2016-2017	AGM	12.08.2017	11.00 A.M.	404, Abhay Steel House, Baroda Street , Masjid, Mumbai

B) Information about special resolutions passed in previous three Annual General Meeting:

Year	Date of AGM	Time	Special Resolution Passed
2014-15	29.09.2015	10.00A.M.	No Special Resolution were passed in the Meeting
2015-16	29.09.2016	11.00A.M.	No Special Resolution were passed in the Meeting
2016-17	12.08.2017	11.00A.M.	No Special Resolution were passed in the Meeting

8. SUBSIDIARIES

The Company has two subsidiaries Company namely SKS waterways Ltd & Royal Logistics (Ship) Ltd which have not yet started their operations. Hence the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS waterways Ltd Royal Logistics (Ship) Ltd has not been prepared.

9. DISCLOSURES**I. Related Party Transaction**

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interest of the Company at large.

The details of the related party transaction entered during the year and disclosures as required by the Accounting Standard (AS 18) were made in Note No 22 XVI of notes forming part of the financial statements.

II. Whistle Blower Policy

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern. The policy broadly cover instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct, alteration of documents, fraudulent reporting, misappropriation / misuse of Company's assets, manipulation of Company's data, pilferage of proprietary information, abuse of authority etc. The Policy provides adequate safeguard against victimization of directors, Employees who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism.

III. Any Non- compliance, Penalties or Strictures Imposed

During the last three years, no penalty or strictures have been imposed on the Company by the Stock Exchange/SEBI/Statutory Authorities on matters related to capital markets.

10. CODE OF CONDUCT

The Board of Directors has adopted a Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the directors and Senior Management. The code is also uploaded on the company's website www.shahilogistics.com.

11. MEANS OF COMMUNICATION

The approved financial results are forthwith sent to the Listed Stock Exchange and are published in the leading national newspapers namely Free Press Journal and Navshakti (Marathi) within forty-eight hours of approval thereof. These results and other official releases are also available at the company's website www.shahilogistics.com and of the Bombay Stock Exchange Ltd, Mumbai at www.bseindia.com

**12. COMPLIANCE CERTIFICATE OF THE AUDITORS**

The statutory auditors have certified that the company has complied with the conditions of Corporate Governance as stipulated as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the same is annexed to the Directors Report.

The certificate from the auditors will be sent to the stock exchange where company's shares are listed.

13. GENERAL SHAREHOLDER INFORMATION**(a) ANNUAL GENERAL MEETING:**

Date and time : 27th September, 2018 at 11.00 A.M.
Venue : 404, Abhay Steel House, Baroda Street,
Masjid (East), Mumbai - 400009

(b) DATE OF BOOK CLOSURE : 21st September, 2018 to 27th September, 2018 (both days inclusive)

(c) Listing of Equity shares : BSE Limited

The equity shares of the company are listed on Bombay Stock Exchange Limited (BSE). Annual listing fees have been paid to the Bombay Stock Exchange Limited as and when it fall due for payment.

(d) Scrip code: 526508 SHAHI SHIPPING LIMITED

(e) Demat ISIN No : INE825D01016

(f) Stock market data:

The month-wise movement (High & Low) of the equity shares of the Company at the Bombay Stock Exchange Limited, Mumbai, and Performance of share price of the company in comparison to the BSE Sensex during each month for the year ended 31st March 2018 is as under:

Month	SSL	SSL	BSE	BSE
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2017	13.68	10.91	30184.22	29241.48
May 2017	13.03	10.67	31255.28	29804.12
June 2017	12.60	9.55	31522.87	30680.66
July 2017	12.19	9.05	32672.66	31017.11
August 2017	10.00	7.85	32686.48	31128.02
September 2017	11.75	9.35	32254.11	31081.83
October 2017	10.50	8.59	33340.17	31440.48
November 2017	10.44	8.15	33865.95	32683.59
December 2017	9.94	7.75	34137.97	32565.16
January 2018	11.63	8.15	36443.98	33703.37
February 2018	8.41	7.61	36256.83	33482.81
March 2018	9.35	7.52	34278.63	32483.84

(h) Registrar and Share Transfer Agent:

Link Intime India Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai - 400083

Telephone: 49186000

Fax: 49186060, E-mail: mumbai@linkintime.co.in

Website: www.linkintime.co.in

**(i) Distribution of shareholding as on 31st March 2018:**

Shareholding	No of Share holders	% to no of Share holders	No. of Shares	% to paid up Capital
Up to 5000	4600	84.6678	8580630	5.9198
5001 – 10000	431	7.933	3553340	2.4514
10001 – 20000	186	3.4235	2903140	2.0029
20001 – 30000	52	0.9571	1318050	0.9093
30001 – 40000	38	0.6994	1376090	0.9494
40001 – 50000	26	0.4786	1222460	0.8434
50001 – 100000	45	0.8283	3322080	2.2919
100001 and above	55	1.0123	122672950	84.6320
Total	5433	100	144948740	100

(j) Distribution of shareholding as on 31st March 2018:

Category	No. of Shares	Percentage
Corporate Bodies (Promoter Co)	5283921	36.4537
Central Government	50	0.0003
Clearing Members	18515	0.1277
Other BodiesCorporate	272468	1.8798
Directors	2034365	14.0351
Hindu Undivided Family	147995	1.021
Nationalized Banks	200	0.0014
Non Resident Indians	10046	0.0693
Non Resident (Non Repatriable)	2510	0.0173
Public	3446106	23.7747
Relatives of Director	3278498	22.6183
Foreign Mutual Fund	200	0.0014
Total	14494874	100.00

(k) Dematerialization of shares

The Company's shares are compulsorily traded in dematerialized form. As on 31st March 2018 96,71,231 shares were in dematerialization form with the NSDL & CDSL. This work out to 66.72% of the total number of shares.

(l) Share Transfer System

Share transfer in physical form are processed and returned to the shareholders within stipulated time. Half yearly Transfer Audit and Quarterly Secretarial Audits are carried out by a Practicing Company Secretary.

(m) Plant Locations

The Company does not have any plant since it is engaged in the business of Shipping.

(n) Investors Correspondence

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083
E-mail: mumbai@linkintime.co.in

S. K. SHAHI
CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 14th August, 2018



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Shahi Shipping Ltd.
Mumbai.

We have examined the compliance of the conditions of Corporate Governance by Shahi Shipping Ltd. (the Company) for the year ended 31st March 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with BSE Limited.

The compliance of the 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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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 Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company. Restrictions on use This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For B. P. Shah & Co.
Firm Registration No. 109517W
Chartered Accountants

Pathik B Shah
Partner
Place: Mumbai
Membership No. 138847
Date: 29th May, 2018



CERTIFICATE OF COMPLIANCE TO BE GIVEN BY THE CEO/CFO OF THE COMPANY

We, Sarvesh Kumar Shahi, Chairman and Managing Director [Chief Executive Officer] and Balamurugan Muthukumaraswamy, Chief Financial Officer of Shahi Shipping Limited [the Company] do hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the listed entity during the year which is fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we 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 the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) That there were no instances of fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sarvesh Kumar Shahi
Chairman & Managing Director/CEO

Balamurugan Muthukumaraswamy
Chief Financial Officer

Place: Mumbai
Date: 14/08/2018



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2018.

For Shahi Shipping Limited

Sarvesh Kumar Shahi
Managing Director

Date: 14/08/2018

Place: Mumbai



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

SHAHI SHIPPING LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying Standalone financial statements of SHAHI SHIPPING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements")

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
Refer note 26 to the standalone Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For B. P. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109517W

Pathik Shah

Partner

Membership No. 138847

Mumbai: May 29th, 2018

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shahi Shipping Limited on the standalone financial statements for the year ended March 31, 2018.

- (i) The Company has maintaining records showing particulars including quantitative details & situation of fixed assets.
- (a) Some fixed assets have been physically verified by the management during the year in accordance with phased program of verification adopted by the company. No material discrepancies between the book records and physical inventory were noticed in respect of assets physically verified during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except for the following:

(Rs. In Lakhs)

Particulars (Office Premises)	Amount
Gross Block as at 31 March, 2018	2.34
Net Block as at 31 March, 2018	0.74

- (ii) The Company is in Shipping business, therefore Clause of the above mentioned order regarding inventory and its physical verification, etc., do not apply in its case. The Company does purchase stores and spare parts for its ships & barges which are directly treated as consumed as and when supplied to its ships & barges. Thus paragraph 2 (i), (ii) and (iii) of the order is not applicable.
- (iii) The Company has not granted loans, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189(2) of the act and hence sub clause (a) (b) (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provision of section 73 to 76 of the Act and Rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the company.
- (vii) a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed material statutory dues in respect of provident fund, employees state insurance, sales-tax, income-tax, service tax, customs duty, excise duty, value Added Tax, cess and other material statutory dues as applicable, have been generally regularly deposited by the Company during the year with the appropriate authorities except due is respect of Income Tax. The extent of the arrears of statutory dues outstanding as at 31/03/2018 for a period of more than six months from the date became payable in respect of Income Tax pertaining to financial years 2011-2012 Rs.0.85 Lakhs.
- b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty or Value Added Tax outstanding on account of any dispute.
- (viii) 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, banks, governments or debenture holders. The company did not have any outstanding dues to debenture holders during the year.
- (ix) The Company has not applied for any Term Loan and has not raised money by way of Initial public offer / further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) Based upon the audit procedures performed and as per the information and explanations given to us, we have neither come across any instance of fraud on or by the company, its officers or employees, noticed or reported during the period, nor have we been informed of such case by the management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.



- (xii) In our opinion, company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the order are not applicable to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.
- (xv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions during the period with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanation given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B. P. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109517W

Pathik Shah

Partner

Membership No. 138847

Mumbai: May 29th, 2018



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shahi Shipping Limited on the standalone financial statements for the year ended March 31, 2018.

We have audited the internal financial controls over financial reporting of Shahi Shipping Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company ;and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For B. P. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109517W

Pathik Shah
Partner
Membership No. 138847
Mumbai: May 29, 2018

**Balance Sheet as at 31st March, 2018**

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	4	135,704,958	154,445,073	173,152,491
(b) Financial assets				
(i) Investments	5	1,094,086	1,094,086	1,065,417
(ii) Loans	6(a)	204,279	199,901	129,458
(iii) Other Financial Assets	7	79,763,791	78,155,370	78,437,310
(c) Other non-current assets				
	8(a)	4,699,347	8,303,702	9,550,130
Total non-current assets		221,466,460	242,198,131	262,334,806
(2) Current assets				
(a) Financial assets				
(i) Trade receivables	9	154,717,888	169,871,193	175,356,252
(ii) Cash and cash equivalents	10	8,284,188	8,041,558	2,711,292
(iii) Loans	6(b)	43,000	33,686	34,100
(b) Other current assets				
	8(b)	5,971,976	2,982,302	3,178,085
Total Current Assets		169,017,051	180,928,739	181,279,729
Total assets		390,483,512	423,126,870	443,614,534
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	11	144,948,740	144,948,740	144,948,740
(b) Other Equity	12	73,368,373	62,412,654	67,906,831
Total Equity		218,317,113	207,361,394	212,855,571
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13(a)	48,094,702	79,294,687	95,711,929
(ii) Other Financial Liabilities	14(a)	1,450,000	1,450,000	1,450,000
(b) Provisions	15	4,248,127	3,236,850	2,943,352
(c) Deferred Tax Liabilities	16	13,474,886	22,784,003	17,110,318
Total non-current liabilities		67,267,716	106,765,540	117,215,599
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13(b)	45,033,670	47,156,137	42,424,175
(ii) Trade payables	17	42,878,533	46,182,630	36,142,657
(ii) Other financial liabilities	14(b)	13,241,621	15,436,661	33,709,693
(b) Other current liabilities	18	3,744,860	224,508	1,266,839
Total current liabilities		104,898,683	108,999,936	113,543,364
Total Equity and Liabilities		390,483,512	423,126,870	443,614,534
See Accompanying notes to Financial Statements	1 to 32			

As per our report of even date attached
For B P Shah & Co.
Chartered Accountants
Firm Registration No. 109517W

For and on Behalf of The Board of Directors

Pathik B Shah
Partner
M No: 138847

S. K. Shahi
Chairman & Managing Director
(DIN: 00359535)

N.V. Agandeswaran
(Company Secretary)

Date : May 29th, 2018
Place : Mumbai

Mrs. Hema Thakur
(Director)
(DIN: 01363454)

Balamurugan M
(Chief Financial
Officer)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
A. Cash flow from operating activities		
Net Profit / Loss before tax from	2,721,196	131,048
Adjustments for		
Depreciation and amortization expense	18,253,115	20,955,397
Sundry Credit Balance Written back	(175,314)	(7,242)
Bad Debt Written Off	18,856,141	32,517,715
Profit / Loss on Sale of Assets (net)	1,242,635	(145,191)
Dividend Income	(4,200)	(2,700)
Interest Income	(804,247)	(898,135)
Finance Cost	10,447,525	12,147,653
Change in fair value of investments through Profit and Loss	-	(28,669)
Notional Interest on Loan to Employees	(16,514)	(3,350)
Amortization expense of Loan to Employees	12,635	9,586
Operating profit before working Capital Changes	50,532,972	64,676,112
Change in operating assets and liabilities		
(Increase)/Decrease in Trade Receivables	(3,702,836)	(27,032,656)
(Increase)/Decrease in Other Current assets	(2,989,674)	195,783
(Increase)/Decrease in Other Non Current Assets	37,563	1,294,888
(Increase)/Decrease in Other Non Current Financial Assets	(1,390,204)	268,817
(Increase)/Decrease in Interest Free Loans Advanced to Employees	(9,813)	(76,265)
Increase/(Decrease) in provision	1,011,277	293,498
Increase/(Decrease) in Trade payables	(3,128,783)	10,047,215
Increase/(Decrease) in Deferred Tax Liabilities		
Increase/(Decrease) in Other current financial liabilities	(2,139,582)	3,174,814
Increase/(Decrease) in Current Liabilities & Payables	3,520,352	(1,042,331)
Increase/(Decrease) in Other financial Non Current Liabilities	-	-
Cash generated from operations	41,741,272	51,799,875
Income taxes paid	2,492,190	2,046,930
Net cash outflow from operating activities	44,233,462	53,846,805
B. Cash flows from investing activities		
Payments for property, plant and equipment	(1,955,627)	(2,667,788)
Proceeds from sale of fixed assets	1,200,000	565,000
Divident Received	4,200	2,700
Interest Received	586,030	911,258
Net cash outflow from investing activities	(165,397)	(1,188,830)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
C. Cash flows from financing activities		
Net Proceeds from Long Term Borrowings	(30,877,508)	(16,180,125)
Net Proceeds from Short Term Borrowings	(2,122,467)	4,731,962
Interest Paid During the Year	(10,825,459)	(35,879,546)
Net cash inflow from financing activities	(43,825,434)	(47,327,709)
Net increase (decrease) in cash and cash equivalents	242,630	5,330,266
Cash and cash equivalents at the beginning of the financial year	8,041,558	2,711,292
Cash and cash equivalents at end of the year	8,284,188	8,041,558

1. Purchase of Fixed Assets are stated inclusive of capital work- in progress between beginning and end of the year and is treated as part of investing activities.
2. Proceeds from borrowings are shown as net of repayments.
3. Previous year comparatives have been reclassified to confirm with current year's presentation, wherever applicable
4. Figures in brackets indicates cash outflow.

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

	31st March 2018	31st March 2017
Cash in hand	173,136	17,696
Balance with schedule banks	8,111,052	8,023,862
Balances as per statement of cash flows	8,284,188	8,041,558

As per our report of even date attached
For B P Shah & Co.
Chartered Accountants
Firm Registration No. 109517W

For and on Behalf of The Board of Directors

Pathik B Shah
Partner
M No: 138847

S. K. Shahi
Chairman & Managing Director
(DIN: 00359535)

N.V. Agandeswaran
(Company Secretary)

Date : May 29th, 2018
Place : Mumbai

Mrs. Hema Thakur
(Director)
(DIN: 01363454)

Balamurugan M
(Chief Financial
Officer)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018****A. Equity Share Capital**

As at April 1, 2016	Changes in equity share capital during 2016-17	As at March 31,2017	Changes in equity share capital during 2017-18	As at March 31,2018
144,948,740	-	144,948,740	-	144,948,740

B. Other Equity

Particulars	Note	Reserves & Surplus		
		Retained Earnings	General Reserve	Total Equity
Balance as at April 1, 2016	12	(41,534,440)	109,441,271	67,906,831
Profit / (loss) for the period		(5,494,177)	-	(5,494,177)
Other Comprehensive Income		-	-	-
Total Comprehensive Income		(5,494,177)	-	(5,494,177)
Balance as at March 31,2017	12	(47,028,617)	109,441,271	62,412,654
Profit / (loss) for the period		10,955,719	-	10,955,719
Other Comprehensive Income		-	-	-
Total Comprehensive Income		10,955,719	-	10,955,719
Balance as at March 31,2018	12	(36,072,898)	109,441,271	73,368,373

As per our report of even date attached
For B P Shah & Co.
Chartered Accountants
Firm Registration No. 109517W

For and on Behalf of The Board of Directors

Pathik B Shah
Partner
M No: 138847

S. K. Shahi
Chairman & Managing Director
(DIN: 00359535)

N.V. Agandeswaran
(Company Secretary)

Date : May 29th, 2018
Place : Mumbai

Mrs. Hema Thakur
(Director)
(DIN: 01363454)

Balamurugan M
(Chief Financial
Officer)

**Notes to Financial Statements for the year ended 31st March, 2018****Note 1: Corporate Information**

Shahi Shipping Ltd. is public limited company incorporated and domiciled in India and has registered office at 404, Abhay Steel House, Baroda Street, Mumbai - 400008. It is incorporated under Indian Companies Act, 1956 and its shares are listed at the Bombay Stock Exchange Limited. The Company is involved in transportation of bulk cargo and containers. In fact, **Shahi Shipping Ltd.** is a pioneer of transshipment in India.

Note 2: Significant Accounting Policies**2.1 Basis of preparation, measurement and significant accounting policies**

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Compliance with Indian Accounting Standards

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") to the extent applicable and current practices prevailing within the Shipping Industries in India. These are the Company's first Ind AS Financial Statements and Ind AS 101, 'First-time Adoption of Indian Accounting Standards' has been applied. The policies set out below have been consistently applied during the years presented.

For all periods up to and including the year ended 31 March 2017, the Company has prepared its Financial Statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These Financial Statements for the year ended 31 March 2018 are the first Financial Statements the Company has prepared in accordance with Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in Note 3.

2.3 Use of Estimates and Judgment

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013

2.4 Property, plant and equipment

Items of property, plant and equipment acquired or constructed are stated at historical cost net of recoverable taxes, less accumulated depreciation and impairment of loss, if any. The cost of tangible assets comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, wherever applicable including any cost directly attributable till completion of maiden voyage.

Transition to Ind AS:

On transition to Ind AS, all items of Property, Plant and Equipment have been valued at the carrying amounts as per the previous GAAP in accordance with the exemption provided in IND AS 101.

Depreciation:

Depreciation on all tangible assets is charged on "Written Down Value Method" less residual value. The Company has adopted useful life of all vessels as mentioned in Schedule II to the Companies Act, 2013.

Assets costing individually Rs. 5000/- and below are fully depreciated in the year of acquisition.



2.5 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment as at 31st March every year or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

2.6 Revenue Recognition

The Company recognises revenue in Statement of Profit & Loss when

- The income can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the Company,
- The stage of completion of the transaction at the balance sheet date can be measured reliably, and
- Costs relating to the transaction can be measured reliably.

The Statement of Profit & Loss reflects,

- i. Income from operation of vessel hire charges on time charter and spot charter are booked on accrual basis.
- ii. Administrative expenses which comprises of administrative staff cost, management cost, office expenses and other expenses relating to administration are recognized on accrual basis.

2.7 Investments and other financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For the purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

Equity Instruments

a) Subsidiary and Joint Ventures

Investments in equity instruments of subsidiary and joint ventures are carried at cost less impairment, if any.

b) Others

The Company subsequently measures all equity instruments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

iii. Derecognition

A financial asset is derecognised only when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.

2.8 Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service rendered by employees are charged off to the Statement of Profit and Loss. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.

Company's contribution to Employees Provident Fund and Employees State Insurance are being charged to the Profit & Loss Account. Liability for gratuity in case of shore staff is determined on accrual basis and is provided in the books of accounts. In case of crew members, gratuity is accounted on cash basis.



2.9 Foreign currency translation & transaction

a. Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in 'Indian Rupees' (INR), which is the Company's functional and the Company's presentation currency.

b. Transaction

The difference in translation of all other monetary assets and liabilities and realized gains and losses on other foreign currency transactions are recognized in the Profit and Loss Account.

2.10 Income tax

Tax expense for the period, comprising Current Tax and Deferred Tax are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

2.11 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is treated as contingent liability.

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.12 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits with banks, other short-term highly liquid investments with original maturities of three months or less from date of acquisition.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.14 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.



2.15 Financial Liabilities

i. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Trade and other payable: These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

iii. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.16 Treatment of Major Repairs

Major repairs including survey expenses carried out on vessels are written off to revenue in the year the expenses are incurred.

2.17 Stores and Spares

Stores & Spares purchased are directly issued to the Vessels and the values of such purchases are charged to the Revenue and are included in Repairs and Maintenance Account

2.18 Earnings per Share

Basic EPS is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Note 3 : First-time adoption of Ind AS

Transition to Ind AS

These are the company's first financial statement prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These Financial Statements for the year ended 31st March, 2018 are the first Financial Statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017, the Company prepared its Financial Statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind



AS Financial Statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Financial Statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2016, the date of transition to Ind AS.

In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exceptions and Exemptions availed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its previous GAAP Financial Statements, including the Balance Sheet as at 1st April, 2016 and the Financial Statements as at and for the year ended 31st March, 2017.

Set out below are the Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS:

(i) Ind AS optional exemptions:

Deemed cost

Ind AS 101 permits the first-time adopter to elect to continue with the carrying value for all of its property, plant and equipments as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as on the date of transition after making necessary adjustment for de-commissioning liabilities, if any.

Accordingly, the Company has elected to measure all its property, plant and equipment at their previous GAAP values.

(ii) Ind AS mandatory exceptions:

1. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date in conformity with the previous GAAP:

- i) Investment in mutual funds carried at FVTPL;
- ii) Impairment of Trade Receivables based on expected credit loss model

2. Classification and measurement of Financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (other than equity instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances exist at the transition date.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived based on the audited Financial Statements of the Company for the year ended 31 March 2016 and 31 March 2017.



(1) Reconciliation of equity as at date of transition April 1, 2016 and 31st March, 2017

Particulars	Notes to first time adoption	Previous GAAP (1st April, 2016)	Adjustments	Ind AS (1st April, 2016)	Previous GAAP (31st March, 2017)	Adjustments	Ind AS (31st March, 2017)
ASSETS							
(1)Non-Current Assets							
(a)Property,Plant and Equipment	1, 2	173,152,491	-	173,152,491	154,445,073	-	154,445,073
(b)Financial assets							
(i)Investments	7	719,930	345,487	1,065,417	719,930	374,156	1,094,086
(ii)Loans	5	129,458	-	129,458	206,136	(6,235)	199,901
(iii)Other Financial Assets		78,437,310	-	78,437,310	78,155,370	-	78,155,370
(c)Other non-current assets		9,550,130	-	9,550,130	8303702	-	8,303,702
(2)Current assets							
(a)Financial assets							
(i)Trade Receivables	4	175,356,253	-	175,356,253	169871193	-	169,871,193
(ii)Cash and cash equivalents		2,711,290	-	2,711,290	8041558	-	8,041,558
(iii)Loans		34,100	-	34,100	33686	-	33,686
(b)Other current assets		3,178,085	-	3,178,085	2,982,302	-	2,982,302
Total assets		443,269,047	345,487	443,614,534	422,758,950	367,921	423,126,871
EQUITY AND LIABILITIES							
EQUITY							
(a)Equity share capital		144,948,740	-	144,948,740	144,948,740	-	144,948,740
(b)Other equity	7, 8, 9	67,668,099	238,732	67,906,831	62,158,421	254,233	62,412,654
Total Equity		212,616,839	238,732	212,855,571	207,107,161	254,233	207,361,394
LIABILITIES							
(1)Non-current liabilities							
(a)Financial liabilities							
(i)Borrowings	2	95,711,929	-	95,711,929	79,294,687	-	79,294,687
(ii)Other Financial Liabilities		1,450,000	-	1,450,000	1,450,000	-	1,450,000
(b)Provisions		2,943,352	-	2,943,352	3,236,850	-	3,236,850
(c)Deferred Tax Liabilities (net)	8	17,003,563	106,755	17,110,318	22,670,316	113,688	22,784,004
(2)Current liabilities							
(a)Financial liabilities							
(i)Borrowings		42,424,175	-	42,424,175	47,156,137	-	47,156,137
(ii)Trade Payables		36,142,657	-	36,142,657	46,182,630	-	46,182,630
(iii)Other Financial Liabilities		33,709,693	-	33,709,693	15,436,661	-	15,436,661
(b)Other current liabilities		1,266,839	-	1,266,839	224,508	-	224,508
Total equity and liabilities		443,269,047	345,487	443,614,534	422,758,950	367,921	423,126,871

(2) Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Notes to first time adoption	Previous GAAP	Adjustments	Ind AS
Continuing operations				
Revenue from operations	3	191,132,000	-	191,132,000
Other income		1,053,767	32,020	1,085,787
Total income		192,185,767	32,020	192,217,787
Expenses				
Employee benefit expense	5, 6	19,799,122	9,586	19,808,708
Finance costs	2	12,147,653	-	12,147,653
Depreciation and amortization expense	1, 2	20,955,397	-	20,955,397
Other Expenses	3	139,174,981	-	139,174,981
Total expenses		192,077,153	9,586	192,086,739



Profit before exceptional items and tax		108,614	22,434	131,048
Exceptional items				
Profit before tax from continuing operations				
Income tax expense				
- Current Tax		20,700	-	20,700
- Taxation of earlier years		(69,160)	-	(69,160)
- Deferred Tax	8	5,666,753	6,932	5,673,685
Total Tax expense		5,618,293	6,932	5,625,225
Profit for the year		(5,509,679)	15,502	(5,494,177)
Other comprehensive income	10	-	-	-
Total comprehensive income		(5,509,679)	15,502	(5,494,177)

(3) Reconciliation of total equity as at March 31, 2017 and April 1, 2016

Particulars	Notes to first time adoption	As at March 31, 2017	As at April 1, 2016
Total Equity (shareholder's funds) as per previous GAAP	7, 8, 9	207,107,161	212,616,839
Adjustments			
Fair Valuation of employee loans	5	(6,235)	-
Fair Valuation of Investments	7	374,156	345,487
Deferred Tax	8	(113,688)	(106,755)
Total Adjustments		254,233	238,732
Total Equity as per Ind AS		207,361,394	212,855,571

Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Notes to first time adoption	31st March, 2017
Profit / (Loss) after tax as per previous GAAP		(5,509,679)
Adjustments:		
Fair Valuation of Employee Loan	5	(6,235)
Fair Valuation of Investments	7	28,669
Deferred Tax	8	(6,932)
Total Adjustments		15,502
Profit after tax as per Ind AS		(5,494,177)
Other Comprehensive Income	10	-
Total Comprehensive Income as per Ind AS		(5,494,177)

Impact of Ind AS adoption on the statement of cash flow for the year ended March 31, 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	53,846,808	-	53,846,808
Net cash flow from investing activities	(1,188,831)	-	(1,188,831)
Net cash flow from financing activities	(47,327,709)	-	(47,327,709)
Net increase/(decrease) in cash and cash equivalents	5,330,268	-	5,330,268
Cash and cash equivalents as at 1st April, 2016	2,711,290	-	2,711,290
Cash and cash equivalents as at 31st March, 2017	8,041,558	-	8,041,558

Figures of previous year have been regrouped wherever necessary, to confirm to current year's presentation.



Note 4: Fixed Assets Details For The Year Ended 2017-18

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	As at 31st March 2017	Addition during the year	Deduction during the year	As at 31st March 2017	Depreciation / Amortization for the year	Adjustment in respect of Assets Sold	As at 31st March 2018	As at 31st March 2017
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a								
Tangible Assets								
Freehold Land	845,316	-	-	845,316	-	-	845,316	845,316
Leasehold Land	4,709,760	-	-	4,709,760	190,038	-	2,977,266	3,167,304
Buildings *	17,966,036	-	-	17,966,036	406,923	-	8,348,195	8,755,119
Plant and Machinery	12,085,756	-	-	12,085,756	344,262	-	1,184,839	1,529,094
Furniture and Fixtures	11,110,998	-	-	11,110,998	162,484	-	946,101	1,108,585
Vehicles	43,286,466	1,909,891	4,112,906	41,083,451	2,804,081	3,559,194	8,252,033	9,699,935
Office Equipments	13,358,505	45,736	-	13,404,241	206,185	-	658,022	818,471
Electrical Instalments	2,049,005	-	-	2,049,005	50,197	-	147,197	197,394
Tankers	1,615,728	-	-	1,615,728	-	-	24,660	24,660
Fleets	465,871,848	-	5,256,767	460,615,081	14,088,944	3,367,845	91,274,215	107,252,081
Total (a)	572,899,418	1,955,627	9,369,673	565,485,372	18,253,115	6,927,039	114,657,844	133,397,959
b								
Capital Work-in-Progress	21,047,114	-	-	21,047,114	-	-	21,047,114	21,047,114
Total (b)	593,946,532	1,955,627	9,369,673	586,532,486	18,253,115	6,927,039	135,704,958	154,445,073
Previous Year Figures	596,359,631	2,667,789	5,080,891	593,946,529	20,955,397	4,661,082	154,445,073	

* The Building includes Ps. 1750/- (Previous Year 1750/-) being the value of shares held in Co-operative Societies.



Note 4: Fixed Assets Details For The Year Ended 2016-17

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION					NET BLOCK	
	As at 31st March 2016	Addition during the year	Deduction during the year	As at 31st March 2017	As at 31st March 2016	Depreciation / Amortization for the year	Adjustment in respect of Assets Sold	As at 31st March 2017	As at 31st March 2017	As at 31st March 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets										
Freehold Land	845,316	-	-	845,316	-	-	-	-	845,316	845,316
Leasehold Land	4,709,760	-	-	4,709,760	1,494,357	48,099	-	1,542,456	3,167,304	3,215,403
Buildings *	17,966,036	-	-	17,966,036	8,774,834	436,084	-	9,210,918	8,755,118	9,191,202
Plant and Machinery	12,085,756	-	-	12,085,756	10,092,077	464,578	-	10,556,655	1,529,101	1,993,679
Furniture and Fixtures	11,075,132	35,866	-	11,110,998	9,756,054	246,359	-	10,002,413	1,108,585	1,319,078
Vehicles	46,268,998	2,098,369	5,080,891	43,286,476	35,434,580	2,813,031	4,661,082	33,586,529	9,699,947	10,834,418
Office Equipments	13,037,852	320,640	-	13,358,492	12,363,230	176,805	-	12,540,035	818,457	674,622
Electrical Instalments	2,049,005	-	-	2,049,005	1,783,971	67,640	-	1,851,611	197,394	265,034
Tankers	1,615,728	-	-	1,615,728	1,591,069	-	-	1,591,069	24,659	24,659
Fleets	465,871,848	-	-	465,871,848	341,916,968	16,702,801	-	358,619,769	107,252,079	123,954,880
Capital Work-in-Progress	20,834,200	212,914	-	21,047,114	-	-	-	-	21,047,114	20,834,200
Total	596,359,631	2,667,789	5,080,891	593,946,529	423,207,140	20,955,397	4,661,082	439,501,455	154,445,073	173,152,491
Previous Year	737,284,466	1,395,083	142,319,918	596,359,631	486,912,976	29,448,761	93,154,597	423,207,140	173,152,491	

* The Building includes Rs. 1750/- (Previous Year 1750/-) being the value of shares held in Co-operative Societies.

**Note 5 : Financial Investments**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Unquoted Shares at Fair Value Through Profit and Loss			
1000 equity shares of Saraswat Co-operative Bank Ltd. (Previous Year: 1000) Face Value: Rs. 10 per share	221,300	221,300	217553
400 Equity Shares of Shamrao Vithal Co-operative Bank Ltd. (Previous Year: 400) Face Value: Rs. 10 per share	172,906	172,906	147984
Total	394,206	394,206	365,537
Investment in Subsidiaries at Cost			
34,994 equity shares of SKS Waterways Pvt. Ltd. (Previous Year: 34994) Face Value: Rs. 10 per share *	349,940	349,940	349,940
34,994 equity shares of Royal Logistics Pvt. Ltd. (Previous year: 34994) Face Value: Rs. 10 per share	349,940	349,940	349,940
Total	699,880	699,880	699,880
Total non current investments			
(a) Aggregate amount of quoted investments and market value thereof	-	-	-
(b) Aggregate amount of unquoted investments	394,206	394,206	365,537
(c) Aggregate amount of investments in subsidiaries	699,880	699,880	699,880
(d) Aggregate amount of impairment in value of investments	-	-	-
Total	1,094,086	1,094,086	1,065,417

* Shares are held in the name of a Director with beneficial ownership with the company.

Note: All the above Investments are intended to be held on a long term basis and have been classified accordingly.

Note 6(a): Non Current Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Loan to Related Parties*	129,458	129,458	129,458
Loan to Employees	74,821	70,443	-
Total Loans	204,279	199,901	129,458

* Loan has been advanced for business purpose to the subsidiary company Royal Logistics Pvt. Ltd.

Note 6(b): Current Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Loan to employees	43,000	33,686	34,100
Total Loans	43,000	33,686	34,100

**Note 7 : Other Non Current financial asset**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Deposits, considered good</u>			
Electricity Deposits	57,166	57,166	57166
Telephone Authorities	82,650	82,650	82650
Other Deposits	14,717,774	13,327,570	13,596,387
<u>Interest Receivable</u>			
Interest on FDR Receivable	383,056	164,839	177,962
Interest on Subsidy Receivable (Refer Note 28)	64,523,145	64,523,145	64,523,145
Total	79,763,791	78,155,370	78,437,310

Note 8(a) : Other Non-Current Assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Statutory Dues Receivable</u>			
Income Tax Refund of Previous Years	2,796,479	7,678,051	8,924,479
Income Tax Refund A.Y. 2018-19 (Net of Provision Rs. 11,30,828)	1,277,217	-	-
Service Tax Claimable	625,651	625,651	625,651
Total	4,699,347	8,303,702	9,550,130

Note 8(b) : Other Current Assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance to Creditors	5,624,359	1,596,094	1,957,141
Prepaid Expenses	347,617	1,386,208	1,220,944
Total	5,971,976	2,982,302	3,178,085

Note 9: Trade Receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good)			
Trade Receivables	156,984,182	168,135,733	173,620,792
Trade Receivables from related parties	-	1,735,460	1,735,460
Total	156,984,182	169,871,193	175,356,252
Less: Allowance for doubtful debts	2,266,294	-	-
Total	154,717,888	169,871,193	175,356,252

Note 10 : Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with Banks			
(i) In Current accounts	3,320,180	2,482,990	218,402
(ii) In Earmarked accounts			
In Unclaimed Dividend Accounts	280,872	280,872	280,872
Margin Money Deposit	4,510,000	5,260,000	1,935,346
Cash on hand	173,136	17,696	276,672
Total (A+B)	8,284,188	8,041,558	2,711,292



Note: 11 Equity share capital

Particulars

	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Authorised equity share capital		
3,00,00,000 Equity Shares of Rs. 10 Each	300,000,000	300,000,000
Total	300,000,000	300,000,000
Issued, Subscribed & Paid Up		
1,44,94,874 Equity Shares of Rs. 10 each, fully paid	144,948,740	144,948,740
Total	144,948,740	144,948,740

Terms & conditions

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share.

(i) Reconciliation of number of shares

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning/end of the year	14,494,874	144,948,740	14,494,874	144,948,740	14,494,874	144,948,740

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Sarvesh Kumar Shahi	5,054,721	34.87%	5,054,721	34.87%	5,054,721	34.87%
Shahi Gasol Pvt. Ltd.	2,028,219	13.99%	2,028,219	13.99%	2,028,219	13.99%
Vikas Koli	2,461,996	16.99%	2,461,996	16.99%	2,461,996	16.99%

Note 12 Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
a. Retained earnings			
Opening balance	(47,028,617)	(41,534,440)	(41,534,440)
Total comprehensive income/ (loss) for the period	10,955,719	(5,494,177)	-
Closing Balance of Retained Earnings	(36,072,898)	(47,028,617)	(41,534,440)
b. General Reserve			
Opening Balance	109,441,271	109,441,271	109,441,271
Transferred to/from Retained Earnings	-	-	-
Closing Balance of General Reserves	109,441,271	109,441,271	109,441,271
Total Other Reserves	73,368,373	62,412,654	67,906,831

Note : 13(a) Non Current Financial Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured Term Loans			
From banks (Dena Bank)	7,371,576	8,804,258	6,450,227
Vehicle Loan from Others	4,636,373	6,998,826	9,225,392
Unsecured Loan			
From Related Parties	36,637,622	48,519,995	61,827,585
From Others	5,100,000	20,300,000	23,300,000
Total Borrowings:	53,745,571	84,623,079	100,803,204
Less: Current Maturities:			

**Note : 13(a) Non Current Financial Borrowings**

Particulars	As at March 31,2018	As at March 31, 2017	As at April 1, 2016
Secured Loan from banks (Refer Note 14(b))	2,904,024	2,904,024	2,904,024
Secured Loan from other companies (Refer Note 14(b))	2,746,845	2,424,368	2,187,251
Total Current Maturities	5,650,869	5,328,392	5,091,275
Total	48,094,702	79,294,687	95,711,929

Term loan from Bank:

- a) *Includes outstanding & unpaid interest of sum of Rs. 63,03,511/- funded by the Bank during the year and merged with the Principal loan amount. The company have not been provided with any revised arrangement from the Bank. In absence of any such arrangement, the company has been repaying the installment based on the terms and condition as mentioned in the original loan sanction letter dated: 14/09/2012 as issued by the Bank. Accordingly based on this the bifurcation of Current & Non Current has been done.
- b) Repayable in monthly 120 equal installments, Last Installment falling due on 31 Oct 2022, Interest Rate 15%.
Dena Bank Term loan is secured by hypothecation on Office Premises and personal guarantee of Chairman & Managing Director.

**Total
Outstanding as
at 31st March,
2018**

7,371,576.25

Term loan from others (Vehicles)

- a) Repayable in monthly 84 equal installments, Last Installment falling due 1st March 2019, Interest Rate 12.00% 685131
- b) Repayable in monthly 83 equal installments, Last Installment falling due 16th March 2019, Interest Rate 11.25% 1448698
- c) Repayable in monthly 84 equal installments, Last Installment falling due 30th September 2021, Interest Rate 11.85% 2502544

All the above loans are secured hypothecation of specific vehicles.

Loans from Related Parties and Other Unsecured Loans

41737622

Total**53,745,571****Note : 13(b) Current Financial Borrowings**

Particulars	As at March 31,2018	As at March 31, 2017	As at April 1, 2016
Secured Loans Repayable on Demand			
Working Capital Loans taken from Bank	45,033,670	47,156,137	42,424,175
Total	45,033,670	47,156,137	42,424,175

Note : 14(a) Other Non-Current Financial Liabilities

Particulars	As at March 31,2018	As at March 31, 2017	As at April 1, 2016
Trade Deposits	1,450,000	1,450,000	1,450,000
Total	1,450,000	1,450,000	1,450,000

Note : 14(b) Other Current Financial Liabilities

Particulars	As at March 31,2018	As at March 31, 2017	As at April 1, 2016
a. Current Maturities of Long Term Debt from Banks	2,904,024	2,904,024	2,904,024
b. Current Maturities of Long Term Debt from Companies	2,746,845	2,424,368	2,187,251
c. Accrued Interest on Loans	370,020	747,955	24,479,848
d. Unclaimed Dividend Payable*	280,872	280,872	280,872
<u>e. Other payables for:</u>			
(i) Payables for Expenses	4,644,625	9,079,442	3,857,698
(ii) Statutory Dues Payable	2,295,235	-	-
Total	13,241,621	15,436,661	33,709,693

* There is no amount required to be credited to Investor Education and Protection Fund

**Note: 15 Non-Current Provisions**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits:			
Provision for gratuity	4,248,127	3,236,850	2,943,352
Total	4,248,127	3,236,850	2,943,352

Note : 16 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening Deferred Tax Liabilities	22,784,003	17,110,318	17,110,318
Deferred Tax Expense for the year	(9,309,117)	5,673,685	-
Total	13,474,886	22,784,003	17,110,318

Note : 17 Trade Payables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	40,464,441	43,354,044	33,314,071
Trade payables to related parties	2,414,092	2,828,586	2,828,586
Total	42,878,533	46,182,630	36,142,657

Note : 18 Other Current Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Income Received	744,860	224,508	1,266,839
Advance Received Towards Sale of Barge	3,000,000	-	-
Total	3,744,860	224,508	1,266,839

Note 19 : Revenue from operation

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Shipping Operations	166,203,484	191,132,000
Total	166,203,484	191,132,000

Note 20 : Other Income

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1) Interest income		
(i) On Bank Deposits	274,898	321,565
(ii) On Income Tax Refund	529,349	576,570
2) Dividend Income from other than trade investments		
From Co-op Bank	4,200	2,700
3) Other Non Operating Income		
(i) Miscellaneous Income	10,163	500
(ii) Insurance Claim Received	12,152,157	-
(iii) Sundry Balance Written Back	175,314	7,242
(iv) Gain on Fair Valuation of Investments as per IND AS	-	28,669
(v) Notional Interest on loan to employees as per IND AS	16,514	3,350
(vi) Revenue Share Charges	59,785	-
(vii) Profit on Sale of Asset	546,288	145,191
Total	13,768,668	1,085,787

**Note 21 : Employee benefit expenses**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(i) Salaries, Bonus and Allowances	17,213,002	14,184,562
(ii) Contribution to Provident Fund and Other Funds	816,940	632,925
(iii) Directors Remuneration	6,000,000	4,200,000
(iv) Directors Sitting Fees	147,000	85,000
(v) Amortization of Staff Loan Expenses as per IND AS	12,635	9,586
(vi) Staff Welfare expenses	1,148,408	696,635
Total	25,337,985	19,808,708

Note : 22 Finance costs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on loan	10,047,088	10,187,688
Other Borrowing Costs	400,437	1,959,965
Total	10,447,525	12,147,653

Note : 23 Other expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Repairs and Maintenance - Barge	30,119,824	34,229,907
Repairs and Maintenance - Machinery	746,189	1,047,724
Repairs and Maintenance - Others	1,218,066	710,984
Rates & Taxes	847,108	1,437,405
Insurance	1,955,345	1,580,522
Legal and Professional Expenses	2,499,339	3,213,579
Bad debts	16,589,847	32,517,715
Provision for Bad Debts	2,266,294	-
Travelling Expenses	4,738,005	3,219,870
Barge operating expense	15,403,370	10,019,735
Fuel and Oil	13,616,882	5,495,538
Hire Transportation and water charges	11,259,551	11,199,936
Loss on sale of asset	1,788,923	-
Auditors Remuneration*	555,000	761,000
Port Related Expenses	18,606,796	14,981,838
Compensation to customer	-	11,260,609
Miscellaneous Expenses	1,001,792	7,498,619
Total	123,212,331	139,174,981

***Auditors Remuneration**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Payment to Auditors'		
Audit fee	355,000	275,000
Taxation Matters	200,000	427,500
Other service	-	58,500
Total	555,000	761,000

**Note : 24 Current Tax**

Particulars	As at March 31, 2018	As at March 31, 2017
Current Tax Provision	1,130,828	20,700

Note : 25 Related Party Disclosures

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

a) Related Party Disclosure:

Description of Relationship	Names of Related Parties
(a) Where Control Exists	Royal Logistics (Ship) Pvt. Ltd. SKS Waterways Pvt. Ltd. India First Logistics Pvt Ltd. Shahi Gasol Pvt. Ltd.
(b) Key Managerial Persons	Mr. Sarvesh Kumar Shahi (Chairman & Managing Director) Mr. Balamurugan M (Chief Financial Officer) Mr. N Agandeswaran (Company Secretary)

b) Transactions during the year with related parties

Type of Related Party	Nature Of Transaction (excluding Reimbursement)	As on 31st March, 2018	As on 31st March, 2017
		Rs. In Lakhs Amount	Rs. In Lakhs Amount
Where Control Exists	Loans Received	-	20.00
	Loans Repaid	2.00	45.00
	Payments made for Purchases	0.10	-
	Payments Received for Sales	17.35	-
Key Management Personnel	Remuneration paid to Key management Personnel	64.80	42.00
	Loans Taken	-	5.00
	Loans Repaid	116.82	138.08

* In Addition to this, sum of Rs. 1,80,000/- contribution made to Provident Fund

c) Balance outstanding of related parties

	As on 31st March, 2018	As on 31st March, 2017
	Rs. In Lakhs Amount	Rs. In Lakhs Amount
Trade Payables	3.19	41.60
Trade Receivable	-	17.35
Loan to Related Parties	1.29	1.29
Unsecured Loan Taken	327.55	329.55
Key Managerial Personnel		
Unsecured Loan Taken	38.82	155.65

Note : 26 Contingent Liabilities

- a) On account of guarantees executed by the company's bankers for Rs. 314.93 lakhs (2016-17 Rs. 312.64 lakhs & 2015-16 Rs. 178.83 lakhs), which is partly secured by the Margin Money amounting to Rs. 45.10 Lakhs (2016-17 Rs. 52.60 lakhs , 2015-16- Rs. 19.35 lakhs) retained by the Bank.
- b) Claim against the Company not acknowledged as debts Rs. 30.37 lakhs (2016-17 Rs. 30.37 lakhs & 2015-16 Rs. 30.37 lakhs)

**Note : 27 Earning per Share**

Particulars	As at March 31, 2018	As at March 31, 2017
Basic Earning Per Share		
Profit/(Loss) attributable to Equity shareholders	10,955,719	(5,494,177)
Weighted average number of equity shares	14,494,874	14,494,874
Face value per Share	10	10
Basic & Diluted Earnings Per Share	0.76	(0.38)

Note: 28: Other Notes

- I Debtors include Rs. 22.67 lacs (Previous year Rs. 22.67 lacs) in respect of cases which are under arbitration/ dispute. In the opinion of the management the said debts are considered recoverable.
- II The other current assets in Note No. 7 includes Rs. 645.23 lacs (Previous year Rs. 645.23 lacs) of interest subsidy receivable from Central Government Inland Waterways Authority. To recover the same the petition is pending before the Allahabad High Court. The amount outstanding is considered good by the management.
- III In the opinion of the Board, Current Assets, Loans, Advances and Deposit have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the balance sheet. ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet
- IV The company is engaged only in the business of shipping and as such there is no separate reportable segment as per Indian Accounting Standard 108.
- V The company has not identified amount payable to Micro, Small and Medium Enterprise, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes on account of principal amount together with the interest and accordingly no additional disclosures have been made.
The above information regarding Micro, Small and Medium Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- VI The company's two Subsidiary Company namely SKS Waterways Ltd and Royal Logistics (Ship) Ltd has not yet started operation hence the consolidated financial statement of the Shahi Shipping Limited and its subsidiaries SKS Waterways Ltd & Royal Logistics (Ship) Ltd has not been prepared.
- VII
- | | As at
March 31, 2018 | As at
March 31, 2017 |
|---|-------------------------|-------------------------|
| (a) Earnings in Foreign Currency: | | |
| Shipping Operation | 285,547 | 725,603 |
| (b) Expenditure in Foreign Currency: | | |
| Travelling | - | 348,745 |
| Insurance | 1,001,425 | 673,805 |
- VIII Miscellaneous Expenses includes Foreign Exchange Realisation difference of Rs. 2325. (Previous Year Rs. 17,587)
- IX Prior Period expenses debited during the year is Rs. 1.84 lakhs (previous year was Rs. 1.97 lakhs).

**Note : 29 Fair Value Measurement****i) Fair Value of Financial assets and Financial liabilities**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	31-Mar-18		31-Mar-17		01-Apr-16	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets designated as fair value through profit and loss						
Investments						
-In Equity Shares	20,050	394,206	20,050	394,206	20,050	365,537
Financial assets designated at amortised cost						
Staff Loan	120,178	117,821	110,364	104,129	34,100	34,100
	140,228	512,027	130,414	498,335	54,150	399,637

(ii) Valuation technique used to determine fair value

- a) Fair value for financial investments are valued using Net Assets Methods as per the latest available balance sheets of the investee companies.
- b) Fair value of interest free loan advanced to employees has been determined by amortizing the principal amount after discounting it by 12% per annum.

(iii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value-recurring fair value measurements	At March 31, 2018				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL					
Unlisted Equity Shares	5	-	-	394,206	394,206
Total financial assets		-	-	394,206	394,206

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	At March 31, 2018				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Loan at FVPL					
Interest Free Loan to Employees	6(a)	-	-	117,821	117,821
Total financial assets		-	-	117,821	117,821

Financial assets and liabilities measured at fair value-recurring fair value measurements	At March 31, 2017				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL					
Unlisted Equity Shares	5	-	-	394,206	394,206
Total financial assets		-	-	394,206	394,206



Assets and liabilities which are measured at amortised cost for which fair values are disclosed	At March 31, 2017				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Loan at FVPL					
Interest Free Loan to Employees	6(a)	-	-	104,129	104,129
Total financial liabilities		-	-	104,129	104,129

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	At April 1, 2016				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL					
Unlisted Equity Shares	5	-	-	365,537	365,537
Total financial assets		-	-	365,537	365,537

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument are included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

The Company's policy is to recognise transfers into and transfer out in fair value hierarchy levels at the end of the reporting period.

Note: 30 Financial Risk Management

Financial Risk Factors

The Company has exposure to the Credit risk, Liquidity risk and Market risk.

The Company's Board of Directors has overall responsibility for the establishment and supervision of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(A) Credit Risk

- (i) Credit risk is the risk of financial loss to the Company, if a customer to a financial instrument fails to meet its contractual obligations. Company's exposure to credit risk primarily arises on account of its Trade receivables. Trade receivables consist of a large number of customers spread across diverse geographical areas. A default on a trade receivable is considered when the customer fails to make contractual payments within the credit period. This credit period has been determined by considering the business environment in which the Company operates. The Company considers dealing with creditworthy customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit risk due to above is periodically monitored. Based on the periodical analyses, the credit risk.
- (ii) Provision for expected credit losses : The Company provides for expected credit loss on trade receivables. The model uses historical credit loss experience for trade receivables i.e. this model uses aging analysis of trade receivables as at the reporting date and is based on the number of days that a trade receivables is past due. The ageing has been done for bracket of last 3 years. Further, customers declaring bankruptcy or failing to engage in repayment plan with the Company, 100% provisioning is made i.e. such customers do not form part of this impairment exercise and provided for separately.

**(iii) Reconciliation of Trade receivables :**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Gross Carrying Amount	156,984,182	168,135,733	173,620,792
Less: Expected Carrying Losses:	2,266,294	-	-
Carrying amount of trade receivables after impairment	154,717,888	169,871,193	175,356,252

(B) Liquidity Risk

(i) Prudent liquidity risk management refers to the management of the Company's short term and long term funding and liquidity management requirements. The Company's treasury maintains flexibility in funding by maintaining availability of funds under committed credit lines. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The tables below analyse the Company's non-derivative financial liabilities into relevant maturity groupings based on their contractual maturities.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include principal cash flows.

Contractual maturities of financial liabilities 31 March 2018	Less than 1 Year	Between 1 and 5 Years	Total
Borrowings	50,684,539	48,094,702	98,779,241
Trade Payables	42,878,533	-	42,878,533
Deposits and other liabilities	7,590,752	1,450,000	9,040,752
Total Liabilities	101,153,823	49,544,702	150,698,525

Contractual maturities of financial liabilities 31 March 2017	Less than 1 Year	Between 1 and 5 Years	More than 5 Years	Total
Borrowings	52,484,529	77,600,673	1,694,014	131,779,216
Trade Payables	46,182,630	-	-	46,182,630
Deposits and other liabilities	10,108,269	1,450,000	-	11,558,269
Total Liabilities	108,775,428	79,050,673	1,694,014	189,520,115

Contractual maturities of financial liabilities 1 April 2016	Less than 1 Year	Between 1 and 5 Years	More than 5 Years	Total
Borrowings	47,515,450	91,113,891	4,598,038	143,227,379
Trade Payables	36,142,657	-	-	36,142,657
Deposits and other liabilities	28,618,418	1,450,000	-	30,068,418
Total Liabilities	112,276,525	92,563,891	4,598,038	209,438,454

(C) Market risk

Market risk is the risk that changes in market indicators such foreign exchange rates, interest rates and commodity prices will affect the Company's income or the value of its financial instruments. The Company's activities mainly expose it to risks arising from changes in freight/charter hire rates.

(i) Freight/Charter hire risk

Shipping industry is governed by various national and international economic and geopolitical developments. Local and international demand and supply determine freight and charter hire rates.

**Note 31 Capital management****(a) Risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the debt equity ratio. This ratio is calculated as debt divided by total equity. Debt is calculated as Long Term Borrowings (including current portion of Long Term borrowings as shown in the Balance Sheet).

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net Debt	98,779,241	131,779,216	143,227,379
Total Equity	218,317,113	207,361,394	212,855,571
Net Debt to Equity Ratio	0.45	0.64	0.67

Note 32: Previous Year Figures

The figures of previous year have been regrouped or rearranged wherever necessary to conform to current year's presentation as per Schedule III (Division II) to the Companies Act 2013.

As per our report of even date attached
For B P Shah & Co.
Chartered Accountants
Firm Registration No. 109517W

For and on Behalf of The Board of Directors

Pathik B Shah
Partner
M No: 138847

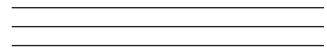
S. K. Shahi
Chairman & Managing Director
(DIN: 00359535)

N.V. Agandeswaran
(Company Secretary)

Date : May 29th, 2018
Place : Mumbai

Mrs. Hema Thakur
(Director)
(DIN: 01363454)

Balamurugan M
(Chief Financial Officer)



SHAHI SHIPPING LIMITED

CIN: L61100MH1990PLC058680

Registered Office: 404, Abhay Steel House, Baroda Street, Mumbai - 400 009.

Tel: +91-22-61454545 Fax: +91-22-23487350/51 Website: www.shahilogistics.com

ATTENDANCE SLIP

(To be presented at the entrance)

DP ID* _____ Client ID* _____ Folio No. _____ No. of Shares held _____

Name and Address of the Member(s) / Proxy: _____

I hereby record my presence at the Twenty Seventh Annual General Meeting of the Company, to be held on Saturday, the September 27, 2018 at 404, Abhay Steel House, Baroda Street, Mumbai – 400 009 at 11.00 a.m.

Signature of Member/Proxy#

Note(s):

1. *Applicable to shareholders holding shares in electronic form.
2. Please fill the attendance slip and hand it over at the entrance of the meeting hall.
3. Members are requested to bring their copy of the Annual Report to the Meeting.
4. #Please strike off whichever is not applicable.

~<----->~



SHAHI SHIPPING LIMITED

CIN: L61100MH1990PLC058680

Registered Office: 404, Abhay Steel House, Baroda Street, Mumbai - 400 009.

Tel: +91-22-61454545 Fax: +91-22-23487350/51 Website: www.shahilogistics.com

PROXY FORM

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): _____
Registered Address: _____
E-mail ID: _____
Folio No. / Client ID & DP ID: _____

I/We, being the member(s) _____ of shares of the above named Company, hereby appoint

1. Name: _____

Address: _____

E-mail ID: _____

Signature _____ or failing him/ her

2. Name: _____

Address: _____

E-mail ID: _____

Signature _____ or failing him/ her

3. Name: _____

Address: _____

E-mail ID: _____

Signature _____



✂----->✂

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company, to be held on Thursday, the at 404, Abhay Steel House, Baroda Street, Mumbai – 400 009 at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below

Sr. No.	Particular of Resolution(s)
Ordinary Business	
1	To receive, consider and adopt the Balance Sheet as at March 31, 2018 and statement of Profit and Loss for the year ended on that date together with the Reports of Board of Directors and Auditor's thereon.
2	To appoint a Director in place of Mr. S. K. Shahi, Chairman and Managing Director of the Company (DIN: 00184680) who retires by rotation and being eligible, offers himself for re-appointment.

Signed this _____ day of _____, 2018

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
Stamp
of ₹ 1/-**Notice**

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the ensuing Annual General Meeting.



Subject: - **Updating the necessary KYC details and intimation to dematerialise physical securities.** 14/08/2018

Dear Sir/Madam,

We refer to the SEBI Circulars No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 by which it has directed all the listed companies to record the **PAN** of all the shareholders and **Bank Account** details of registered shareholder. We would also like to register other KYC details such as email id, mobile number, specimen signature and nomination. We request you to submit the relevant documents **within 21 days from the date of this letter**. Kindly refer to the list of supporting documents to be submitted for updating your KYC details.

Sr.No	REQUEST TO BE UPDATED	SUPPORTING DOCUMENTS
A	PAN	<ul style="list-style-type: none">Self- attested legible copy of PAN card (exempted for Sikkim Shareholders)
B	BANK ACCOUNT DETAILS	<ul style="list-style-type: none">Self- attested legible copy of address proof. Any 1 from,<ul style="list-style-type: none">a. Utility bill (not older than 3 months)b. Aadhaar Cardc. Passport.Original cancelled cheque leaf of registered shareholderLegible copy of Bank Statement/Passbook with details of registered shareholder viz. name, address, account number etc. duly attested by Bank Manager or equivalent <p>(If shareholders' name is not printed on chq leaf)</p>
C	SPECIMEN SIGNATURE	<ul style="list-style-type: none">Affidavit for change of signature shares/bonds, duly notarised on non-judicial stamp paper of Rs. 100/- *Format for signature verification *Original cancelled cheque leafLegible copy of Bank Statement/Passbook with details of shareholder viz. name, address, account number etc. duly attested by Bank Manager or equivalent (If shareholders' name is not printed on chq leaf)
D	EMAIL ID	<ul style="list-style-type: none">To be mentioned in the space as given below in point D
E	MOBILE NO.	<ul style="list-style-type: none">To be mentioned in space as given in point E
F	NOMINATION	<ul style="list-style-type: none">Nomination Registration form *

Note: - 1. * The relevant formats are available on our website www.linkintime.co.in Resources Downloads General Formats for KYC.

2. Single copy of document is sufficient for updating multiple requests.

Further as per SEBI circular SEBI/LAD-NRO/GN/2018/24 dated 08th June 2018, BSE circular no. LIST/COMP/15/2018-19 dated 05th July, 2018 and NSE Ref. No NSE/CML/2018/26 dated 09th July, 2018 shareholders are advised to **dematerialise their physical securities** since requests for effecting transfer of physical securities (except in case of transmission or transposition of securities) shall not be permitted from 05th December 2018.

Kindly note that, as per SEBI directive, enhanced due diligence procedure will be applicable if KYC requirements are not fulfilled.

Yours faithfully,
For Link Intime India Pvt Ltd
Sd/-
Authorised Signatory



To

Linkintime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.

Date: __//__//__

Dear Sir Madam,

We are forwarding herewith the required details and supporting documents,

A For registering PAN of registered shareholder and joint shareholders

- Registered shareholder Joint holder
- 1 Joint holder
- 2 Joint holder 3

B For registering Bank details of registered shareholder only

- Aadhaar/Passport/utility bill
- Original cancelled cheque leaf
- Bank Passbook/Bank Statement

C For registering the Specimen Signature of registered shareholder and joint shareholders

- Affidavit
- Format for signature verification
- Original cancelled cheque leaf
- Bank Passbook/Bank Statement

D For Updating the email id of registered shareholder only:

--	--	--	--	--	--	--	--	--	--

E For updating Mobile No. of registered shareholder only:

F For registering the nominee details by the registered shareholder only: Nomination Registration form

Note: - 1. Shareholders from Sikkim can provide self-attested copy of Aadhaar Card/Voters Card/Driving License/Passport or any other identity proof as issued by Govt. 2. Single copy of document is sufficient for updating multiple requests.

I/We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed by affixing my/our signature(s) to it

Sign: _____ Sign: _____ Sign: _____ Sign: _____
 Registered holder Joint holder 1 Joint holder 2 Joint holder 3

This is a computer generated letter and hence no signature required. If you have already submitted the documents for updating KYC or have dematerialised your physical securities then please do not submit the documents again.